



PAC INSTITUTE OF TECHNOLOGY AND SOCIAL STUDIES SEPTEMBER – DECEMBER 2024 ASSESSMENT

FORMATIVE ASSESSMENT

Qualification Code : **041306T4BUS**

Qualification : **Business Management Level 6**

Code : **BUS/BM/CC/01/6**

Unit of Competency : **DEVELOP BUSINESS STRATEGIES**

TIME: 3 HOURS

INSTRUCTIONS TO THE CANDIDATE:

1. Read all the instructions carefully before attempting the questions.
2. You are allowed 2 Hours to Answer the questions.
3. Marks for each question are indicated in brackets.
4. Write your responses in the Separate Answer booklet provided.
5. Do not write anything on this question paper.
6. Attempt all questions in Section A and any Three questions in Section B.

SECTION A

(Instructions: Attempt all questions in these section)

- 1) Define the meaning of the following terms as used in Develop Business Strategies.
 - A. Environment. (2 Marks)
 - B. Values. (2 Marks)
- 2) Most businesses in Kenya have been closed in the past five years. List **FOUR** reasons that may have led to the closure. (4 Marks)
- 3) Highlight **FOUR** ways through which the organization can enhance customer retention. (4 Marks)
- 4) You have been tasked to prepare an organization structure. Identify **FOUR** departments that you shall include. (4 Marks)
- 5) An organization is in the process of identifying its operational gaps. List **FOUR** ways that may be used to identify the operational gaps (4 Marks)
- 6) Outline **FOUR** benefits of monitoring and evaluation in an organization. (4 Marks)
- 7) Identify any **FOUR** functions of the procurement function in an organization. (4 Marks)
- 8) You have been tasked to evaluate your business operations. Outline **FOUR** internal factors for business operations that can either form their strengths or weaknesses. (4 Marks)
- 9) State **FOUR** types of plans used in business strategy. (4 Marks)
- 10) List **FOUR** pieces of information that must be recorded on customer complaints register. (4 Marks)

SECTION B – 60 Marks

(Instructions: Attempt Any Three Questions In This Section)

11) Farmers in Jillo sub-county realized that selling their potatoes to brokers individually was giving them very low returns compared to the expenses they were incurring buying seeds, fertilizers, planting, weeding, among others. In their annual general meeting, they resolved to come up with a company that could make crisps using their potatoes and sell the final product directly to consumers, hence eliminating middle men. As an expert,

A. Explain **FIVE** needs for a strategic plan. (10 Marks)

B. Discuss **FIVE** steps to follow to develop the strategic plan. (10 Marks)

12) PAC University Institute is a leading participant in technical training in the country. The management has requested you to undertake a SWOT analysis for the institute.

A) Illustrate while giving relevant examples the SWOT analysis tool. (10 Marks)

B) Explain **FIVE** limitations of SWOT analysis tool. (10 Marks)

13) A) The performance in XYZ Limited has been very poor as a result of employee's demotivation. Explain **FIVE** ways through which an organization may motivate its employees. (10 Marks)

B) As per the functional areas in an organization, business policies may be classified as production policies, marketing and sales policies, financial policies and human resource development policies. Explain **FIVE** traits of a successful business policy and procedure (10 Marks)

14. A) A successful business policy and procedure ought to follow strictly the steps of forming it. Explain **FIVE** steps on how to Develop Policies and Procedures of a business (10 Marks)

B) You have been tasked to evaluate City A as an option for establishing a business. Explain **FIVE** PESTEL factors that you may evaluate. (10 Marks)