

Qualification Code : 041306T4BUS
Qualification : Business Management Level 6
Unit Code : BUS/OS/BM/CR/01/6/A
Unit of Competency: Develop Business Strategies



THE KENYA NATIONAL EXAMINATIONS COUNCIL

WRITTEN ASSESSMENT

Instructions:

- i. You are allocated **Three (3) hours**.
- ii. This assessment has two sections (**A and B**). Attempt questions in each section as per instructions given in the section.
- iii. You are provided with a separate answer booklet.
- iv. Do not write on the question paper.
- v. Marks for each question are indicated in the brackets []

SECTION A: (40 MARKS)

Attempt ALL questions in this section

1. Explain the term ‘business strategy’ **[4 marks]**

2. Distinguish between the following terms:
 - i) Policy and procedure. **[2 marks]**
 - ii) Goals and objectives. **[2 marks]**

3. State **THREE** items that should be included in variance analysis in a business set up. **[3 marks]**

4. Outline **FOUR** benefits of monitoring and evaluation in an organization. **[4 marks]**

5. State **FOUR** reasons why an organization scans its business environment. **[4 marks]**

6. Outline **THREE** functions of balanced scorecard in evaluating business operations. **[3 marks]**

7. State **FOUR** types of plans used in business strategy. **[4 marks]**

8. Identify any **FOUR** functions of the procurement function in an organization. **[4 marks]**

9. Standard Operating Procedures (SOP) provides clear-cut directions and instructions as to how employees within an organization must go about completing certain processes. State **THREE** types of SOPs. **[3 marks]**

10. List **FOUR** steps followed when identifying operational gaps in business operations. **[4 marks]**

11. Identify **THREE** types of policies that guide operations in an organization. **[3 marks]**

SECTION B: (60 MARKS)

In this section, you are required to answer THREE (3) questions; question ELEVEN (11) is compulsory and any other TWO (2) questions in the answer booklet provided.

12. 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, advise them on:
 - a) The need for a strategic plan **[8 marks]**

b) The steps to follow to develop the strategic plan.

[12 marks]

13. Activities needed to operate a business need to be divided into several functional areas.

a) Explain the term 'functional area' as used in an organization. **[2 marks]**

b) Explain the importance of different functional areas to an organization. **[8 marks]**

c) Describe the steps that should be followed in developing a business policy. **[10 marks]**

14. Kamongo Technical 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 the SWOT analysis tool. **[10 marks]**

b) Explain FIVE limitations of SWOT analysis tool. **[10 marks]**

15. Corrective action plans can help improve business operations and address work-related issues.

a) Define the term Corrective Action Plan (CAP)? **[2 marks]**

b) Explain the importance of CAP in a business. **[8 marks]**

c) Describe FIVE steps undertaken to come with a CAP. **[10 marks]**