



MAASAI MARA UNIVERSITY

**REGULAR UNIVERSITY EXAMINATIONS
2023/2024 ACADEMIC YEAR
THIRD YEAR FIRST SEMESTER**

**SCHOOL OF BUSINESS AND ECONOMICS
BACHELOR OF SCIENCE IN
ENTREPRENEURSHIP AND SMALL
ENTERPRISE MANAGEMENT**

COURSE CODE: BSE 3104-1

**COURSE TITLE: BUSINESS PLANNING IN
SMALL ENTERPRISES**

DATE: 13th December, 2023

TIME: 02:30PM – 4:30PM

INSTRUCTIONS TO CANDIDATES

- 1. Answer Question One and any other two.**
- 2. DO NOT WRITE ANYTHING ON THE QUESTION PAPER.**

This paper consists of 2 printed pages. Please turn over.

Question One (Compulsory)

- (a) Explain how you would determine the capital required to start a new enterprise. (5 marks)
- (b) Using relevant examples, explain why most small enterprises in Kenya operate without a written business plan. (15 marks)

Question Two

Using relevant examples, discuss the pitfalls in business planning. (15 marks)

Question Three

- (a) Outline what you would cover in the business description section of a business plan. (6 marks)
- (b) Before selecting a target market, it is important for an entrepreneur to segment the potential market. Explain the benefits of market segmentation. (9 marks)

Question Four

Using relevant examples, discuss the need for a financial plan in a business plan. (15 marks)

Question Five

Mrs. Soipan Kipkoech is planning to set up a small scale milk processing business before the end of this year. The business will be located in Bomet town.

Required:

- (a) Highlight the alternative legal forms of business organization from which Mrs. Soipan could chose for purposes of registering her business. (5 marks)
- (b) Discuss any four financial ratios that you would advise Mrs. Soipan to include in her business plan. (10 marks)

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