



THE CATHOLIC UNIVERSITY OF EASTERN AFRICA

A. M. E. C. E. A

P.O. Box 62157
00200 Nairobi - KENYA
Telephone: 891601-6
Fax: 254-20-891084
E-mail: academics@cuea.edu

MAIN EXAMINATION

MAY – AUGUST 2019 TRIMESTER

FACULTY OF COMMERCE

DEPARTMENT OF ACCOUNTING AND FINANCE

REGULAR PROGRAMME

CEN 612: MANAGING ENTREPRENEURIAL GROWTH

Date: JULY 2019

Duration: 2 Hours

INSTRUCTIONS: Answer Question ONE and any other TWO Questions

Jane versus kitchen manager

Jane had made progress in resolving the management problems in her restaurant. Raymond, the chef, had not appeared for work one day, and later telephoned to say he would not be back. Conflicts in small firms are often resolved by one person leaving the organisation.

After a moment of panic, Jane had breathed a sigh of relief. 'At least I can make a fresh start now that he is gone', she had thought. After a period working in the kitchen herself, she had decided that the only way to develop the business was to recruit another person to manage the kitchen. Jane followed the personnel practices of her previous large employer, and carefully drew up a job description and a person specification before advertising the new job. The good response enabled her to select someone she felt was the ideal candidate who was experienced and motivated by the thought of working in a small firm. Laura the new head chef, was given wider responsibilities than just preparing food, so Jane was not too surprised when she asked to see her one morning. But the meeting was not routine; Laura had problems. 'I'm sorry to burst in on you like this, but I don't think I can manage on my own any longer', she blurted out.

'On your own?' queried Jane. 'I thought we had agreed to work as a team. What's the problem?'

'In a word, communications, or lack of them', said Laura. 'I need you to tell me more about what is going on. I know we agreed that teamwork is important, but I feel as though I'm working alone most of the time until something happens I don't know about, that is, like the meat delivery changing from Friday to Thursday'.

'Yes, we've been over that, and I have apologized', interrupted Jane, checking her watch as she was due to visit a customer that morning.

'Look, I'm not sure what you're getting at exactly, but if this business is to develop the way I thought we both agreed we wanted, then I will have to leave you to manage your area. I don't have time to do my job now that we've taken on these commercial catering contracts, let alone help you with yours. You know what to do, and you have staff of your own; an't we just get on and do it?"

"I know you're busy', said Laura, 'but I need your help now and again, and I need you to tell me what you're doing, as it does affect my work you know. I can't just get on and do it, unless I get feedback from you. Besides, it's nice to talk to someone other than the wash-up now and again."

Jane smiled, I get the message, but not today. I have appointments to keep. I'll make a point of looking in tomorrow.

- Q1. i) What is your assessment of Jane's management? Has she made a mistake in her choice of kitchen manager, who does not seem very independent? **(5marks)**
- ii) Is she right to insist that, now they have agreed their responsibilities, they should get on, and do it? **(5marks)**
- iii) Is there anything missing in her leadership of business? **(5marks)**
- iv) Differentiate between management and business leadership **(5marks)**
- Q2. What are the key management issues to be resolved to enhance the growth of small firms **(20marks)**
- Q3. i) Small firms face particular marketing issues because of inherent characteristics such as size, resources and market share. Suggest key problems faced by young firms in this regard. **(10marks)**
- ii) What advice would you give to would be entrepreneurs planning to grow their ventures **(10marks)**
- Q4. Discuss in details strategic entrepreneurial process **(20marks)**

END