

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

**EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF COMMERCE
BCOM 321: SALES MANAGEMENT**

STREAMS: Y3S1

TIME: 2 HOURS

DAY/DATE: THURSDAY 06/12/2018

11.30 A.M – 1.30 P.M

INSTRUCTIONS

- **SECTION A-QUESTION ONE (1)- IS COMPULSORY**
- **SECTION B-ANSWER ANY OTHER TWO QUESTIONS**

SECTION- A

QUESTION ONE (1)- IS COMPULSORY (30 MARKS)

KCB gets stable rating on good income

Global credit rating agency Standard & Poor's has affirmed the 'B+/B' long- and short-term credit ratings for KCB Group with a stable outlook due to resilient earnings.

The agency said KCB's performance has been stable despite regulatory headwinds in Kenya and challenging economic conditions in some East African countries where the group has operations.

“The stable outlook on KCB mirrors that on Kenya (B+/Stable/B) and our expectations that the bank's business and financial profiles will remain broadly unchanged over the next 12 months,” said S&P.

The agency adds that despite its expectation of muted loan growth of only five per cent in the next 12 months, and the interest rate caps remaining in place, KCB will ride on positives such as growing non-interest income to post robust earnings in 2018.

In February, Moody's Investors Service, another rating agency had downgraded KCB Group, Equity and Co-operative — from B1 to B2 following the weakening of the credit profile of government that saw it downgraded.

However, the rating agency notes that KCB's asset quality has remained under pressure, with nonperforming loans ratio increasing to 8.5 per cent at the end of 2017 from 7.9 per cent a year earlier. It expects KCB to step up efforts to clean up its loan portfolio.

“We expect KCB's non-performing loans will improve gradually, stabilising at around eight per cent since the group expects some recoveries in the coming months,” notes S&P.

The agency warned it could lower the ratings of the bank if its asset quality deteriorated beyond the expectation over the next 12 months or if it cuts its ratings for Kenya.

KCB Group chief executive Joshua Oigara said the outlook reflects the bank’s ability to meet its financial commitment and it is well positioned to support the customer’s financial needs.

“We continue to focus on improving credit quality, improving our financial profile and strengthening the risk management capabilities to improve on overall performance,” said Mr Oigara.

QUESTION ONE

REQUIRED.

1/A.) You have been newly recruited sales manager at K.C.B, Explain how your sales team will recruit many new customers in Kenya. (10 Marks)

1/B.) Discuss how your 100 branch managers will attract many customers. (10 Marks)

1/C.) Explain how you will retain existing customers to transact with the Bank. (10 Marks)

SECTION B-ANSWER ANY OTHER TWO QUESTIONS

QUESTION TWO

2/A.) You have been invited to a conference in Tharaka-Nithi County to present a paper entitled. Types of selling?. Discuss. (10 Marks)

2/B.) As a newly recruited Sales manager, prepare a paper entitled, motivating the sales team. (10 Marks)

QUESTION THREE

3/A.) Due to high cost associated with sales team resignation, it is critical that companies do a good Job in the recruitment and selection process of sales team. Explain. (10 Marks)

3/B.) You have been newly appointed sales manager at Kenya commercial Bank, prepare a proposal justifying how you will Train twenty new sales officers. (10 Marks)

QUESTION FOUR

4/A.) You have been newly recruited sales manager at co-operative bank, explain to branch managers on the concept of the selling process. (10 Marks)

4/B.) As the Head of sales for Coca cola, explain to the marketing team how you will manage the Territory in Tharaka-Nithi County. (10 Marks)
