

CHUKA



UNIVERSITY

**UNIVERSITY EXAMINATION  
RESIT/SUPPLEMENTARY / SPECIAL EXAMINATIONS  
EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF ECONOMICS**

**ECON 414/ECON 444: ENTREPRENEURSHIP ECONOMICS**

**STREAMS:**

**TIME: 2 HOURS**

**DAY/DATE: WENESDAY 03/11/2021**

**11.30 A.M - 1.30 P.M.**

**INSTRUCTIONS:**

- Answer question one and any other two questions

**QUESTION ONE (30MARKS)**

- a. Entrepreneurship and an entrepreneur are defined differently under different disciplines. Compare and contrast the following disciplines' definition of entrepreneurship;

(12

marks)

- The economists view
  - The sociologists view
  - The psychologists view
  - The managerial point characteristics
- b. What is the entrepreneurship process? Using relevant examples, discuss the phases of this process (10 marks)
- c. Despite the importance of a business plan, many businesses operate without one. Explain the main reasons behind this (8 marks)

**QUESTION TWO (20 MARKS)**

- a. In the current era of entrepreneurship, the internet plays a major role. Highlight the ways in which an entrepreneur may use the internet for the success of their venture (5 marks)

- b. The vast majority of small businesses start out as sole proprietorships. With the aid of examples discuss the reasons behind this (5 marks)
- c. Distinguish between various sources of financing for a business by highlighting their advantages and disadvantages (10 marks)

**QUESTION THREE (20 MARKS)**

- a. Present an analysis of the micro and macro constraints to entrepreneurship in Kenya (10 marks)
- b. The government of Kenya has come up with various strategies and initiatives to promote entrepreneurship in the country. Discuss any 5 such initiatives. (10 marks)

**QUESTION FOUR (20 MARKS)**

- a. Explain any three business expansion strategies. (6 marks)
  - b. A key element of entrepreneurship is risk bearing as indicated by Knight. Discuss four types of risks faced by an entrepreneur (8 marks)
  - c. Discuss commonalities and differences of East Asian economic policies behind their enterprises successes. (6 marks)
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