

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

**EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF
PROCUREMENT AND LOGISTICS MANAGEMENT**

BEEM 401: ENTREPRENEURSHIP

STREAMS: BEEM

TIME: 2 HOURS

DAY/DATE: THURSDAY 23/09/2021

2.30 P.M – 4.30 P.M.

INSTRUCTIONS:

QUESTION ONE

After four years of tediously building his employers business, Ben has decided to quit employment and start his own business so that he can be self-employed and employ others as well. Ben's dilemma is how to start a business and finance it successfully. Ben has approached you as an expert in entrepreneurship to assist him to;

- (a) Evaluate business ideas to ascertain the most profitable idea. (10 marks)
- (b) Identify two sources of start up- capital citing their advantages. (10 marks)
- (c) Explain five characteristics of a successful entrepreneurs that Ben should possess. (5 marks)
- (d) Briefly explain five benefits of self-employment. (5 marks)

QUESTION TWO

- (a) The absence of an enterprise culture has hampered the establishment of entrepreneurial ventures that can turn around the Kenya economy to realize the vision 2030 goals. With the aid of appropriate examples, discuss the contribution of entrepreneurship to economic development. (20 marks)

QUESTION THREE

Entrepreneurs operate under conditions of uncertainty and risks that threaten the survival of their enterprises.

- (a) Briefly explain five major potential risks that entrepreneurs have to deal with and suggest solutions to the same. (10 marks)
- (b) Explain the major external causes of business failure that are beyond the control of an entrepreneur. (10 marks)

QUESTION FOUR

- (a) Demonstrate how a business plan serves as a preventive measure against business failure. (8 marks)
 - (b) Discuss the contribution of the Kenya government towards entrepreneurship development. (12 marks)
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