

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

**EXAMINATION FOR THE AWARD OF
DIPLOMA IN BUSINESS MANAGEMENT**

DIBM 0215: SMALL BUSINESS MANAGEMENT

STREAMS: DIBM

TIME: 2 HOURS

DAY/DATE: MONDAY 10/12/2018

11.30 AM – 1.30 PM

INSTRUCTIONS:

Answer Question One and any other Two Questions

Question One

- (a) Discuss the creativity process. [12 marks]
- (b) Karani wants to start a business in Chuka town, kindly explain to him the factors he should consider when evaluating his business ideas. [10 marks]
- (c) Highlight the importance of starting a business from scratch. [4 marks]
- (d) Describe the characteristics of small business. [4 marks]

Question Two

- (a) Discuss the challenges facing small business in Kenya. [10 marks]
- (b) State and explain possible sources of business ideas. [10 marks]

Question Three

- (a) State and explain different methods in which an individual can identify and recognize business opportunities. [10 marks]
- (b) Name and explain the different methods of buying an existing business. [6 marks]
- (c) Highlight the disadvantages of salaried employment. [4 marks]

Question Four

(a) Discuss the factors that contribute to small business high failure rate in Kenya. [10 marks]

(b) Briefly discuss the key component of a business plan. [10 marks]
