

**CHUKA**



**UNIVERSITY**

**UNIVERSITY EXAMINATIONS  
CHUKA/EMBU**

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

**DIBM 0216/0211: PRINCIPLES OF ENTREPRENEURSHIP**

**STREAMS:**

**TIME: 2 HOURS**

**DAY/DATE: THURSDAY 6/12/2019**

**11.30 A.M. – 1.30 P.M**

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**INSTRUCTIONS**

**Question one is compulsory and any other two questions**

1. (a) Briefly explain the following concepts as they are used in entrepreneurship. [6 marks]
  - (i) Entrepreneurship
  - (ii) Creativity
  - (iii) Innovation(b) State three reasons why an entrepreneur must generate new business ideas. [3 marks](c) Highlight any three circumstances which may compel somebody to become an entrepreneur. [3 marks](d) Briefly outline the components of a complete business plan. [5 marks](e) Differentiate between internal motivation and external motivation. [3 marks](f) Identify any four strategies that an entrepreneur can use to promote his/her enterprise. [4 marks](g) State the components of entrepreneurial culture. [4 marks](h) Give any two reasons why women entrepreneurs are important to be rural economy. [2 marks]
2. (a) The contribution of entrepreneurs to a country's economy cannot be underrated' Discuss this statement. [10 marks]

- (b) Identify and describe any five functions that entrepreneurs play in an enterprise. [ 10 marks]
3. (a) Trace and explain the main stages in the entrepreneurial process. [10 marks]  
(b) State and explain any five difficulties that small enterprise experience in Kenya. [10 marks]
4. (a) One of the macro environmental factors influencing the success of an enterprise is economic environment. Identify and explain the main variables of this environment. [10 marks]  
(b) Successful entrepreneur posses certain traits which are uncommon among many other ordinary business people. Explain any five such traits. [10 marks]
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