

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

SECOND YEAR EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR
OF COMMERCE/ENTREPRENEURSHIP AND ENTERPRISE MANAGEMENT

BEEM 111: PRINCIPLES OF ENTREPRENEURSHIP

STREAMS: BCOM/BEEM Y2S1

TIME: 2 HOURS

DAY/DATE: THURSDAY 8/08/2019

8.30 A.M - 10.30 A.M.

INSTRUCTIONS:

- Answer Question ONE and any other TWO Questions
- Do not write anything on the Question paper

- (a) Explain the term entrepreneur. How different is a person who first launches a new restaurant and a person who takes up a job as a manager of the restaurant? [10 Marks]

(b) Peter wants to be an entrepreneur by starting his own business but he is reluctant because a friend of him told him entrepreneurs are born not made. He is however not sure whether he is born or made. As an entrepreneur, explain to Peter the statement that entrepreneurs are born not made. [10 Marks]

(c) Discuss factors that motivate someone to desire to become an entrepreneur in Kenya. [10 Marks]
- (a) Carl Merger described entrepreneurs as change agents who contribute to industrial growth and economic development. Explain this concept by Carl Menger and show how entrepreneurs contribute to economic development. [10 Marks]

(b) Distinguish between a business idea and a business opportunity and show how entrepreneurs recognize a viable business opportunity. [10 Marks]
- (a) Business planning is one of the activities carried out in the entrepreneurial development process. Describe functions of this activity and its benefit to the entrepreneur. [10 Marks]

(b) Discuss five major attributes associated with successful entrepreneurs. [10 Marks]

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4. Discuss factors that may contribute to small business failure and suggest how the failure rate can be minimized. [20 Marks]

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