

**CHUKA**



**UNIVERSITY**

**UNIVERSITY EXAMINATIONS**

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

**BEEM 111: PRINCIPLES OF ENTREPRENEURSHIP**

**STREAMS: BEEM**

**TIME: 2 HOURS**

**DAY/DATE: FRIDAY 06/12/2019**

**8.30 A.M. – 10.30 A.M.**

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**INSTRUCTIONS:**

- **Answer question ONE and any other TWO questions.**

- Q1. (a) Explain the term entrepreneur and the steps involved in the entrepreneurship process. (12 marks)
- (b) Mwanasafi is a software engineer working for a local company believes he has got a business idea for a new product and is contemplating quitting employment to start his own business. He wants to be sure that the business idea he has represents an attractive business opportunity.
- (i) Distinguish between a business idea and a business opportunity. (8 marks)
- (ii) Describe three factors that mwanasafi can use to evaluate whether his business idea represents an attractive opportunity. (6 marks)
- (iii) Highlight four attributes that mwanasafi requires to be a successful entrepreneur. (4 marks)
- Q2. (a) Assume you have been hired to identify entrepreneurial firms and non-entrepreneurial ones in Chuka town. Explain features that would be used to distinguish the entrepreneurial ones and non-entrepreneurial. (10 marks)
- (b) Explain the term innovation. Why is innovation important among entrepreneurs? (10 marks)

- Q3. (a) Explain the tasks of entrepreneurs in their business and distinguish with those of managers. (10 marks)
- (b) Discuss the myth that entrepreneurs are born and not made. (10 marks)
- Q4. Discuss the contribution of entrepreneurs and small business ownership in the social and economic development of your country. In your discussion highlight some of the challenges facing the small business owners hindering them to effectively perform their roles. (20 marks)
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