

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

FOURTH YEAR EXAMINATION FOR THE AWARD OF DEGREE  
OF BACHELOR OF PROCUREMENT AND LOGISTICS MANAGEMENT

BEEM 401: ENTREPRENEURSHIP

STREAMS: BPLM

TIME: 2 HOURS

DAY/DATE: MONDAY 02/12/2019

11.30 A.M. – 1.30 P.M.

**INSTRUCTIONS:** Answer question ONE and TWO questions

Allan is an employee of a manufacturing firm based in Kenya. He has always presented his business ideas to the management but the CEO made it impossible for Allan to develop the ideas. Allan is a frustrated employee and is contemplating leaving employment to start his own business. He is not sure whether his business will succeed because he is not sure he possesses the entrepreneurial traits required to become a successful entrepreneur.

**Required:**

- (a) Explain to Allan the major entrepreneurial traits required for a successful entrepreneur. [6 marks]
- (b) Elucidate three myths that might influence Allan's decision. [6 marks]
- (c) Explain to Allan, the major methods of generating business ideas [6 marks]
- (d) Explain to Allan how he can evaluate his business ideas using the feasibility criteria [12 marks]

**QUESTION TWO**

- (a) According to Schumpeter (1934), entrepreneurship involves innovation. Briefly describe the concept of innovation according to Schumpeter. [10 marks]

## **BEEM 401**

- (b) With the aid of practical examples describe the factors that contribute to the slow growth of entrepreneurship culture in Kenya. [10 marks]

### **QUESTION THREE**

- (a) According to economists entrepreneurship and economic growth will take place where particular economic conditions are most favorable. With the aid of appropriate examples, describe the contribution of entrepreneurship to Kenyan's economic development. [12 marks]
- (b) Discuss specific strategies that can promote development of small and medium enterprises in Kenya. [8 marks]

### **QUESTION FOUR**

- (a) "A goal without a plan is just a wish". With reference to this statement describe the content of the financial section of a business plan. [10 marks]
- (b) Studies show that many small businesses hardly survive beyond five years. Discuss the solutions to address the causes of failure. [10 marks]
-