

CHUKA



UNIVERSITY

**UNIVERSITY SUPPLEMENTARY/SPECIAL EXAMINATIONS.**

**FOURTH YEAR EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF  
SCIENCE IN COMMERCE**

**BCOM 404: ENTREPRENEURSHIP AND SMALL BUSINESS MANAGEMENT**

**STREAMS**

**TIME: 2 HOURS**

**DAY/DATE: WEDNESDAY 12/09/2018**

**11.30 A.M - 1.30 P.M**

**INSTRUCTIONS:**

- Answer any Four Questions

Q1 (a) Explain the importance of analyzing and understanding of the external environmental factors before the start and while operating a business [10 Marks]

(b) Creativity and innovation are crucial determinants of survival and growth of small business. Discuss this statement [15 Marks]

Q2. (a) Mbaka is considering starting a small business in his local community after retirement. Advise Mbaka on how he could identify and evaluate an attractive business opportunity [15 Marks]

(b) Enterprises more likely to survive take up franchising route to business ownership rather than starting from scratch. Discuss the advantages and disadvantages of this model to business ownership [10 Marks]

Q3 (a) Discuss the possible sources of start-up finance and the challenges faced in accessing this finance [10 Marks]

(b) Highlight the major components of a business plan and discuss functions and benefits of having a business plan before the start of a new business [15 Marks]

Q4. Poor management and lack of entrepreneurial skills are some of the major causes of small business failure. Discuss the role of managers and entrepreneurs in the business to help improve business performance [25 Marks]

Q5. Discuss the role that entrepreneurship and small business play in the economic development of your country [25 Marks]

