

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

**SECOND YEAR EXAMINATION FOR THE AWARD OF DEGREE
OF BACHELOR OF EDUCATION**

BUST 222: ENTREPRENEURSHIP AND SMALL BUSINESS MANAGEMENT

STREAMS: BED

TIME: 2 HOURS

DAY/DATE: WEDNESDAY 11/4/2018

8.30 A.M. – 10.30 A.M.

INSTRUCTION:

- **ANSWER QUESTION ONE AND ANY OTHER TWO QUESTIONS**
- **DO NOT WRITE ON THE QUESTION PAPER**

QUESTION ONE (COMPULSORY)

- (a) Briefly explain the conditions that favour growth of entrepreneurship. [10 marks]
- (b) Explain the major constraints experienced by managers of small enterprises in Kenya. [7 marks]
- (c) Discuss the merits of franchising as a business ownership options. [8 marks]
- (d) Why is business idea screening critical in startups. [5 marks]

QUESTION TWO

By use of appropriate examples, discuss the role of entrepreneurship in the growth of Kenya's economy. [20 marks]

QUESTION THREE

- (a) Explain the importance of a business plan. [5 marks]
- (b) Briefly, explain the new enterprise creation process. [15 marks]

QUESTION FOUR

- (a) **DISTINGUISH** the features of the growth and decline/innovation stages of an enterprise. [10 marks]
- (b) Explain the elements of the financial section of a business plan. [10 marks]