

CHUKA UNIVERSITY

DIBM 0216/0211: PRINCIPLES OF ENTREPRENEURSHIP

STREAMS: Resit exam

INSTRUCTIONS:

Answer question ONE and any other TWO questions

Do not write on the question paper

Question one

- a) John has been contemplating on starting an entrepreneurial venture. Advise him on the steps he needs to observe in the process of coming up with a new venture. (15 marks)
- b) What are the roles played by entrepreneurs in their businesses? Discuss. (7 marks)
- c) Discuss the differences between the person who starts a business and the one who manages it (8 marks)

Question two

- a) Motivation to become an entrepreneur can be internally or externally driven. Explain the Abraham Maslow's hierarchy of needs theory and elaborate on how it is related to motivation of individuals to become entrepreneurs (10 marks)
- b) Explain the challenges inhibiting the growth of entrepreneurship in Kenya (10 marks)

Question three

- a) Mary has been operating her business for one year but has been facing so many challenges. After consulting, she was advised to write a business plan.
 - I. Discuss the relevance of preparing a business plan (8 marks)
 - II. Elaborate on the Marketing section of a business plan (4 marks)
- b) What measures has the Government put in place to foster the growth of entrepreneurship? (8 marks)

Question four

- a) Discuss some of the major reasons that make entrepreneurs switch from one location to another (8 marks)
- b) An entrepreneurial venture, just like any other business, is affected by external environment. Discuss four economic environmental factors that affect enterprises and how entrepreneurs cope with this environment (12 marks)