



# MACHAKOS UNIVERSITY

University Examinations for 2019/2020 Academic Year

SCHOOL OF HUMANITIES AND SOCIAL SCIENCES

DEPARTMENT OF FASHION DESIGN AND MARKETING

SECOND YEAR FIRST SEMESTER EXAMINATION FOR

DIPLOMA IN FASHION DESIGN AND MARKETING

UCU 032: ENTREPRENEURSHIP

DATE: 9/12/2019

TIME: 2.00-4.00 PM

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## INSTRUCTIONS:

*Answer question one and any other TWO questions*

### QUESTION ONE (30 MARKS)

- a) Define the following terms
  - i. Business opportunity (2 marks)
  - ii. Entrepreneur (2 marks)
- b) Briefly explain three (3) ways an entrepreneur contribute to national development (3 marks)
- c) Explain the advantages of self-employment (3 marks)
- d) Outline any three (3) sources of business finance (3 marks)
- e) List any five (5) internal motivation factors. (5 marks)
- f) Differentiate innovation and invention as used in business (2 marks)
- g) Explain five (5) problems entrepreneurs face when starting and operating business (5 marks)
- h) Explain the strategies used by an entrepreneur to be competitive on the market. (5 marks)

### QUESTION TWO (20 MARKS)

- a) Moses has completed a diploma course in fashion design and marketing. Explain to him five (5) factors that can assist him identify a viable business opportunity. (10 marks)
- b) Explain five (5) external motivation factors in an entrepreneur (10 marks)

**QUESTION THREE (20 MARKS)**

- a) Jane who is operating a fashion house in Machakos town want to close down the business due to low sales. Explain to her five (5) things to do in order to maintain her customer's loyalty as well as attract potential customers. (10 marks)
- b) Explain three advantages and two disadvantages of bank loans (10 marks)

**QUESTION FOUR (20 MARKS)**

- a) Mod an upcoming entrepreneur has opened a business in Nairobi town .He has approached you as an entrepreneur consultant to advise him on changing technology. Explain five (5) characteristics of an appropriate technology (10 marks)
- b) Describe five (5) managerial skills needed by entrepreneurs (10 marks)

**QUESTION FIVE (20 MARKS)**

- a) Discuss five (5) factors to consider when evaluating business environment (10 marks)
- b) Explain five sources of business ideas (10 marks)