



MACHAKOS UNIVERSITY

University Examinations for 2019/2020 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BUSINESS ADMINISTRATION

**SECOND YEAR SECOND SEMESTER EXAMINATION FOR
BACHELOR OF SCIENCE (INFORMATION TECHNOLOGY)**

SIT 205: ENTREPRENEURSHIP AND BUSINESS PLANNING

DATE: 27/11/2020

TIME: 8:30 – 10:30 AM

INSTRUCTIONS:

Answer Question one and any other two Questions.

QUESTION ONE (30 MARKS)

It was on a Monday morning when the CEO of Zoone ICT company realized that coordination of duties for the members of staff was not good. He noted that most employees were not reporting to work on time and a lot of time was being wasted in allocation of duties. Morning services were poorly being conducted and this was causing customers to complain as the employees could not meet their expectations.

This made the CEO to plan to have a meeting with all the managers to understand the problem better. A meeting was held and majority of the managers reported that, they were sharing employees among departments and some employees were not happy working in some departments, claiming that they did not have the competency required to carry out most of the duties they were carrying out in some departments.

The CEO thanked them for the information, and then consulted the business plan for the business which had clearly outlined duties, qualifications for employees working in every department. The CEO realized that, He had not shared the business plan with the managers, and called for a meeting to discuss the same.

Required;

- a) Analyze the competencies required by an entrepreneur to carry out day to day business activities. (10 marks)
- b) Discuss the importance of a business plan. (6 marks)
- c) Analyze the organizational plan of a business plan and draw an organizational structure of the above business. (8 marks)
- d) Advise on six challenges a business may face if the business plan is not utilized in making business decisions. (6 marks)

QUESTION TWO (20 MARKS)

- a) All businesses face risks, discuss five types of risks a business may face. (10 marks)
- b) Advise a young entrepreneur on the steps to follow when starting a business. (10 marks)

QUESTION THREE (20 MARKS)

- a) Business planning contribute to the success of a business, Explain the sources of business finance. (8 marks)
- b) Critic five myths that explain entrepreneurship. (12 marks)

QUESTION FOUR (20 MARKS)

There are different types of businesses, Discuss the advantages and disadvantages of the following;

- a) Sole proprietor (10 marks)
- b) Partnerships (10 marks)

QUESTION FIVE (20 MARKS)

- a) Discuss the factors to consider when analyzing a good business opportunity. (10 marks)
- b) Analyze seven different types of entrepreneurs. (10 marks)