



# **MACHAKOS UNIVERSITY**

**University Examinations for 2020/2021 Academic Year**

**SCHOOL OF BUSINESS AND ECONOMICS**

**DEPARTMENT OF BUSINESS ADMINISTRATION**

**APRIL SESSION EXAMINATION FOR**

**BACHELOR OF EDUCATION**

**UCU 104: INTRODUCTION TO ENTREPRENEURSHIP**

**DATE: 23/7/2021**

**TIME: 2.00-4.00 PM**

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## **INSTRUCTIONS:**

**Answer question one and any other two questions.**

### **QUESTION ONE (30 MARKS)**

‘All entrepreneurs are business persons, but not all business persons are entrepreneurs’. Entrepreneur is a person who is not satisfied with his or her performance and therefore always finds ways to improve and grow. Many characteristics of successful entrepreneurs have been identified and research continues to expand our understanding of the cognitions of entrepreneurs. New characteristics are continually added to the ever growing list.

- a) Discuss the statement that ‘not all business persons are entrepreneurs’ (6 marks)
- b) Describe any THREE entrepreneurial characteristics that are most cited among Kenyan successful entrepreneurs. (6 marks)
- c) Explain the myths that are associated with entrepreneurship (6 marks)
- d) Describe the self-assessment techniques that an entrepreneur could use to evaluate her/himself in order to run a successful enterprise. (6 marks)
- e) Organization and Management plan is an important component of a business plan. Explain the sections of this component. (6 marks)

**QUESTION TWO (20 MARKS)**

- a) Explain the following theories in entrepreneurship
  - i. Economic theory of entrepreneurship
  - ii. Sociological theory of entrepreneurship (10 marks)
- b) Are Entrepreneurs born or made? Discuss (10 marks)

**QUESTION THREE (20 MARKS)**

- a) ABC Consultant has been contracted to develop a policy framework paper on small enterprise development. Highlight the areas of concern that the consultant should include in the paper. (10 marks)
- b) Technology needs of the MSE sector in Kenya has received a fair amount of policy and program support since the early 1980's. In view of this, explain three constraints facing MSES development in Kenya and four areas for policy intervention. (10 marks)

**QUESTION FOUR (20 MARKS)**

- a) Differentiate between a quasi-partner and a general partner. (4 marks)
- b) Explain the reasons for dissolving a limited liability company. (10 marks)
- c) Explain the factors which borrowers of funds must consider when sourcing for finance. (6 marks)

**QUESTION FIVE (20 MARKS)**

- a) Explain the following terms in entrepreneurship
  - i. Reverse brainstorming (2 marks)
  - ii. Invention (1 mark)
- b) Examine how creativity and innovation enhance business growth and development. (10 marks)
- c) Systematically, describe the creativity thinking process. (7 marks)