



# MACHAKOS UNIVERSITY

University Examinations for 2016/2017

SCHOOL OF AGRICULTURE AND NATURAL RESOURCES MANAGEMENT

DEPARTMENT OF AGRIBUSINESS MANAGEMENT

FOURTH YEAR FIRST SEMESTER EXAMINATION FOR BACHELOR OF SCIENCE  
IN AGRICULTURAL EDUCATION AND EXTENSION

BBA 310: ENTREPRENEURSHIP AND SMALL BUSINESS MANAGEMENT

DATE: 25/7/2017

TIME: 2:00 – 4:00 PM

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**INSTRUCTIONS:**

Answer question one and two other questions

**QUESTION ONE (COMPULSORY) (30 MARKS)**

- a) Define the following terms:
- (i) Drone entrepreneur (2 marks)
  - (ii) Entrepreneurial motivation (2 marks)
  - (iii) Networking (2 marks)
  - (iv) Exit strategy (2 marks)
  - (v) Autocratic leadership (2 marks)
- b) Explain three roles of an entrepreneur in the economic development of Kenya (3 marks)
- c) Describe three types of networks that an entrepreneur can adopt in dealing with organizations. (3 marks)
- d) Information technology (IT) systems have accelerated entrepreneurial operations in agribusiness in Kenya. However, they can be a source of risk for an entrepreneur. Explain three methods of mitigating risks related to IT (3 marks)
- e)
- (i) “The persons who are high achievers are likely to be successful entrepreneurs”. Critique this statement. (3 marks)

- (ii) Describe three models that can be used within an organization in attaining behavior change by an entrepreneur. (3 marks)
- (f) (i) Describe three types of interventions used in managing change within a small-scale agribusiness. (3 marks)
- (ii) Using relevant examples differentiate between formal lending and informal lending organizations in agri enterprise development. (2 marks)

**SECTION B: ANSWER ANY OTHER TWO QUESTIONS (40 MARKS)**

**QUESTION TWO: (20 MARKS)**

- a) Explain five unique characteristics that allow an entrepreneur to be successful in an agrienterprise (5 marks)
- b) Describe five factors that contributed to entrepreneurial motivation among small scale agribusiness in Kenya. (5 marks)
- c) Discuss five possible sources of internal risks that an entrepreneur may face in production of bananas in Kisii County. (10 marks)

**QUESTION THREE (20 MARKS)**

- a) Describe five importances of customer relations in a small size agribusiness in Kenya. (5 marks)
- b) Explain the main components of the Mckinsey 7 s model in organizational theory. (7 marks)
- c) Use the “Greiner organizational growth model” to describe the growth phases of a small-scale agribusiness. (8 marks)

**QUESTION FOUR (20 MARKS)**

- a) Explain five challenges encountered in marketing of agricultural commodities by a small scale agribusiness enterprise. (10 marks)
- b) Explain five differences between an entrepreneur who deals in vegetables and another entrepreneur who deals with stationery supplies. (10 marks)

**QUESTION FIVE (20 MARKS)**

- a) (i) Describe five challenges that are likely to be encountered by a small-scale agribusiness in accessing capital for running the enterprises. (5 marks)
- (ii) Describe five roles of marketing policies in improving small-scale agribusiness marketing in Kenya (5 marks)
- b) (i) Describe five types of interventions in instituting and managing change in small-scale agribusiness units in Kenya. (5 marks)
- (ii) Describe five benefits of business development in small-scale agribusiness in Kenya. (5 marks)