



MACHAKOS UNIVERSITY COLLEGE

**(A Constituent College of Kenyatta University)
University Examinations for 2015/2016 Academic Year**

SCHOOL OF BUSINESS AND ECONOMICS

**DEPARTMENT OF BUSINESS ENTREPRENEURSHIP AND MANAGEMENT
SCIENCES**

**SECOND SEMESTER EXAMINATION FOR DIPLOMA IN SCIENCE LAB
TECHNOLOGY**

ENTREPRENEURSHIP BUSINESS PLANNING

Date: SCHOOL BASED

Time: 2 HOURS

INSTRUCTIONS

Answer Question One and Any Other Two Questions

QUESTION ONE (30 MARKS)

- a) What is business planning? (2 marks)
- b) Briefly explain the rationale behind business planning. (5 marks)
- c) Outline seven types of business risks. (7 marks)
- d) Briefly explain why it is important for an entrepreneurs to set clear business goals. (4 marks)
- e) Explain three factors that an entrepreneur can consider in buying an ongoing business. (6 marks)
- f) Briefly explain six sources of business finance available to an entrepreneur (6 marks)

QUESTION TWO (20 MARKS)

Assume you want to start a business of selling lab chemicals and you are targeting secondary schools in your county as your market. In brief prepare a proposal that you would use to raise the required capital from a financial institution.

QUESTION THREE (20 MARKS)

- a) Explain five issues to consider when starting a small business (10 marks)
- b) Explain five measures that a business should put in place in order to minimize business risks (10 marks)

QUESTION FOUR (20 MARKS)

- a) Explain five factors that can influence the development and expansion of a business once started (10 marks)
- b) Discuss five factors that should be considered before extending credit to a customer (10 marks)

QUESTION FIVE

- a) Explain five ways of evaluating on ongoing business. (10 marks)
- b) Identify and explain briefly five elements of the business plan. (10 marks)



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**SECOND SEMESTER EXAMINATION FOR DIPLOMA IN SCIENCE LAB
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INTRODUCTION TO ENTREPRENEURSHIP

Date: SCHOOLBASED

Time:

INSTRUCTIONS

Answer Question One and Any Other Two Questions

QUESTION ONE

- a) Define entrepreneurship (2 marks)
- b) Distinguish between entrepreneurship and self – employment (6 marks)
- c) Highlight eight contributions of small and medium sized enterprises (SMEs) to the economic development of your country (8 marks)
- d) Mention five sources of business ideas available to an entrepreneur (5 marks)
- e) Describe the steps followed by an entrepreneur in the decision making process (7 marks)
- f) Briefly explain two ways in which HIV and AIDS might affect entrepreneurship development in your county (2 marks)

QUESTION TWO (20 MARKS)

- a) Outline ten responsibilities of an entrepreneur which you consider critical to the success of a business organization (10 marks)

- b) Describe five unethical business activities that would negatively affect entrepreneur (10 marks)

QUESTION THREE (20 MARKS)

- a) Describe five payment methods that an entrepreneur can use to motivate his employees (5 marks)
- b) Outline the importance of innovation to an entrepreneur (5 marks)
- c) Highlight five reasons why an entrepreneur should segment his market (10 marks)

QUESTION FOUR (20 MARKS)

- a) Summarize five qualities of a viable business opportunity (10 marks)
- b) Describe the demographic factors that impact on the development of an entrepreneur (10 marks)

QUESTION FIVE

- a) Explain five contributions of entrepreneurship to economic development. (10 marks)
- b) Explain five sources of a Business Idea. (10 marks)