



MACHAKOS UNIVERSITY

University Examinations for 2016/2017 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

**DEPARTMENT OF BUSINESS ENTREPRENEURSHIP AND MANAGEMENT
SCIENCES**

**FIRST YEAR SECOND SEMESTER EXAMINATION FOR DIPLOMA IN
ACCOUNTANCY**

DACC 117: ENTREPRENEURSHIP

DATE: 9/12/2016

TIME: 11:00 – 1:00 pm

INSTRUCTIONS:

Answer question ONE and any other TWO

QUESTION ONE

- (a) Distinguish between the following set of terms:
 - (i) Innovation and invention (4 marks)
 - (ii) Bank loan and bank overdraft (4 marks)
 - (iii) Microfinance and youth finance (4 marks)
- (b) Highlight FOUR essential guidelines of successful networking. (6 marks)
- (c) Discuss THREE challenges faced by entrepreneurs. (6 marks)
- (d) Illustrate THREE strategies that an entrepreneur could adopt in order to survive bankruptcy. (6 marks)

QUESTION TWO

- (a) Describe features of the FIVE stages of the business life cycle. (15 marks)
- (b) List FIVE challenges facing small and medium enterprises (SME's) (5 marks)

QUESTION THREE

- (a) Briefly explain FIVE characteristics of a good business opportunity. (10 marks)
- (b) Summarize FIVE unethical behaviours that could be practiced by entrepreneurs. (10 marks)

QUESTION FOUR

- (a) Briefly explain SIX benefits that accrue to an entrepreneur from preparing a business plan. (12 marks)
- (b) An entrepreneur should ensure that his business offers a conducive working environment for its employees. With reference to the above statement, outline EIGHT health and safety measures that an entrepreneur should put in place to enhance the work environment. (8 marks)

QUESTION FIVE

- (a) Define the term Business Incubator (2 marks)
- (b) Explain FIVE types of business incubators that promote the efficiency of entrepreneurship. (10 marks)
- (c) Highlight SIX factors that a business incubator should take into account when deciding which business to incubate. (8 marks)