



GRE TSA UNIVERSITY - THIKA

UNIVERSITY EXAMINATIONS SEPTEMBER -DECEMBER 2021 SEMESTER

SCHOOL OF BUSINESS

COURSE CODE: CIEN 001

COURSE TITLE:FUNDAMENTALS OF ENTERPRENEURSHIP

DATE: DECEMBER 2021

TIME:11.30AM:2.30 PM

INSTRUCTIONS TO CANDIDATES

1. SECTION A IS **COMPULSORY**.
2. SECTION B: ANSWER ANY OTHER **THREE** QUESTIONS.
3. **DO NOT** WRITE ANYTHING ON THIS QUESTION PAPER AS IT WILL BE AN EXAM IRREGULARITY.
4. ALL ROUGH WORK SHOULD BE AT THE BACK OF YOUR ANSWER BOOKLET AND CROSSED OUT.

CAUTION: *All exam rooms are under CCTV surveillance during the examination period.*

SECTION A: COMPULSORY

Question One

a) An entrepreneur is someone who detects a previously untapped opportunity to make some profits. Discuss contribution of entrepreneurship to national development. **[10 marks]**

b) Entrepreneurs have their own typical qualities depending on their social, economic, political and cultural environment. Identify at least three main types of entrepreneurs.

[**[10 mark]**

c) Motivation refers to a drive that is sufficiently pressing to direct the person to seek satisfaction of the need while a need becomes a motive when it is aroused to a sufficient level of intensity. Identify five internal entrepreneurial motivation factors. **[10 marks]**

d) A partnership is an association of two or more persons who come together to carry on a business with a view to making profit. Discuss the advantages of sole proprietorship.

[**[10 marks]**

SECTION B: ANSWER ANY THREE QUESTIONS

Question Two

a) A business opportunity is an attractive idea which provides the possibility of a return for the entrepreneur taking the risk. Discuss five characteristics of a good business opportunity

[**[10 marks]**

b) Values, norms and beliefs guide the society towards acceptable behaviour which leads to formation of good habits which may promote entrepreneurial development. Outline factors that may inhibit entrepreneurial development. **[10 marks]**

a)

Question three

a) For a business to succeed the right approach must be followed. State five factors to consider when starting an enterprise. **[10 marks]**

b) A business enterprise can finance its operation from various sources. Outline five sources of finance to business. **[10 marks]**

Question Four

a) Marketing is used to identify the customer, to keep the customer and to satisfy the customer. Highlight the components of marketing. **[10 marks]**

b) Management is necessary because resources are scarce and factors such as employees and technology costs keep changing. Highlight qualities of a good manager. **[10 marks]**

Question five

a) business plan is a written document justifying the business and gives a step-by-step explanation of how the business will achieve its goals. Explain the components of a good business plan. **[10 marks]**

b) Social responsibility refers to the fact that businesses should not just be concerned with profit maximisation but should do so in a socially responsible manner. Identify types of enterprise social responsibility. **[10marks]**