



GRETSA UNIVERSITY - THIKA

UNIVERSITY EXAMINATIONS JANUARY-APRIL 2025 SEMESTER

DIPLOMA PROGRAMME

COURSE CODE: DBCC 031/017

COURSE TITLE: ENTREPRENEURSHIP

DATE: 3 APRIL 2025

TIME: 11.00 AM – 1.00 PM

INSTRUCTIONS TO CANDIDATES

1. SECTION A IS **COMPULSORY**.
2. SECTION B: ANSWER ANY OTHER **TWO** 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) Your friends have heard that entrepreneurship can be historically described using theories. However, they do not know what these theories are. Help them understand the three main theories of entrepreneurship. **[6 marks]**
- b) National development depends on entrepreneurs in the economy. Explain the importance of entrepreneurship in national development. Explain five points. **[10 marks]**
- c) Define the term entrepreneurship and describe any three types of individuals who can carry out this activity. **[8 marks]**
- d) You have asked your elder sister to give you an idea of starting a business. Unfortunately she doesn't remember what an idea is. Define the term idea and list any four characteristics of a good business idea. **[6 marks]**

SECTION B: ANSWER ANY TWO QUESTIONS

Question Two

- a) Management is necessary because resources are scarce and factors such as employees, capital and technology costs keep changing. Discuss five functions of management in an enterprise. **[10 marks]**
- b) Not everyone who can do business is an entrepreneur. Explain any five qualities of an entrepreneur. **[10 marks]**

Question three

- a) Everyone desires to be their own boss. But you have to start by employing yourself. Explain any five sources that a person can get business ideas from. **[10 marks]**
- b) Using examples, explain the different components that make up a business plan. **[10 marks]**

Question Four

- a) Social responsibility requires the management of the business to consider the social and economic effects of their decisions on society. Explain any five benefits of enterprise social responsibility. **[10 marks]**

- b)** Starting a business is not a one-time action. It requires a patient person who can follow the right steps. Describe the procedure that should be followed when starting a business.

[10 marks]

Question five

- a)** Just like many things in life, a business also has a life cycle. Discuss the five stages in a business life cycle.
- b)** Motivation can be a key factor in the rising or falling of a business. Discuss any five factors that affect entrepreneurial motivation when starting a business enterprise.

[10 marks]