GRETSA UNIVERSITY - THIKA

UNIVERSITY EXAMINATIONS

JANUARY - APRIL 2026 SEMESTER

UNIVERSITY COMMON COURSE

COURSE CODE: GUCC 300

COURSE TITLE: ENTREPRENEURSHIP & SMALL BUSINESS MANAGEMENT

DATE: 09 APRIL 2026 **TIME: 2 HOURS**

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) Define the following terms:

- **i.** Entrepreneur **[2 Marks]**
- **ii.** Profit **[2 Marks]**
- **iii.** Idea **[2 Marks]**
- **iv.** Product **[2 Marks]**

b) Nabongo is employed but is considering starting a business to make extra income. He is in a dilemma whether to start a sole proprietorship business or a partnership. Advice Nabongo mentioning two merits and two demerits of each form. **[6 Marks]**

c) Define what a scarce resource is and list four examples. **[6 Marks]**

d) What is a business idea? **[2 Marks]**

e) Malkia has saved some money to start a cosmetics shop. However, she is not confident that the idea is viable. Apply the knowledge of entrepreneurship and enlighten Malkia on any four qualities of a good business idea. **[8 Marks]**

SECTION B: ANSWER ANY TWO QUESTIONS

Question Two

a) Explain **five** barriers to creativity and innovation. **[10 Marks]**

b) Explain **three** types of entrepreneurs. **[6 Marks]**

c) Distinguish between innovation and discovery. **[4 Marks]**

Question three

a) Although culture is dynamic there are certain factors that inhibit growth of entrepreneurship culture. Explain **five** ways of managing these inhibitors. **[10 Marks]**

b) Some business owners claim to be entrepreneurs. Explain any **five** characteristics of an entrepreneur. **[10 Marks]**

Question Four

a) An entrepreneur requires basic management knowledge especially in business operations. Explain the five main functions of a manager in a business. **[10 Marks]**

b) Identify any **five** business resources and describe how each resource can be managed. **[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. **[10 Marks]**

b) Explain the Maslow's Hierarchy of Needs motivation theory using a well labeled diagram. **[10 Marks]**