



MAASAI MARA UNIVERSITY

**REGULAR UNIVERSITY EXAMINATIONS
2021/2022 ACADEMIC YEAR
THIRD YEAR FIRST SEMESTER**

**SCHOOL OF HEALTH SCIENCE
BACHELOR OF SCIENCE IN NURSING**

COURSE CODE: BBM 3200

COURSE TITLE: ENTREPRENEURSHIP

DATE: 28TH MARCH, 2022

TIME: 1430-1630

INSTRUCTIONS TO CANDIDATES

Question **ONE** is compulsory

Answer any other **THREE** questions

Question One

Read the case study and answer the questions

When Omondi and Musau graduated with university degrees in Nursing from Maasai Mara University, they expected to be employed not too long after graduation. However, two years down the line, no job offers were forthcoming.

After considering several options, Omondi approached a relative who lent her Ksh 100,000 which he used to start a boutique in Narok town. He knew that although his parents had started from a humble beginning, They were currently running a leading auto-hardware business in town. Having taken some courses in entrepreneurship while in the university, he believed he had what it takes to succeed in business. However, his biggest challenge since he started the business has been the level of competition in town. He is yet to break – even, two years later.

Musau on the other hand took a different route.. He felt starting a business to be a risky option and hence sought employment as a store clerk in Fuliza Enterprise, where he has worked for three years now. As a store clerk in the first year of employment he introduced a coding system that helped control stock movement within and outside the organization. The system helped the organization's profit margin to grow substantially by eliminating pilferage, enabling easy identification of goods, quick service and enhanced customer care. Worried that Musau might be poached by their competitors, the management of Fuliza Enterprise has promised Musau a promotion and a salary increase.

Required:

- a) Who of the two is an entrepreneur and why? **(8 mks)**
- b) Many small enterprises fail at the formative stages as a result of several pitfalls. Advice Omondi on how to avoid the pitfalls **(7 mks)**

- c) One method of enhancing creativity in an organization is reward system. Advise the management of Fuliza Enterprises on any other available option. **(5 mks)**
- d) Omondi has requested Musau to join him as a partner and Musau has approached you for advise. Advise him on the strengths and weaknesses of accepting the request **(5 mks).**

QUESTION 2

(a) Jane resigned from the government paid salary where she earned fifty thousand Kenya shillings per month and started her own business. Discuss some factors that she considered in becoming self-employed verses paid employment **(10 marks)**

(b) Entrepreneurs are made not born. Discuss **(5mks)**

Question 3

Various methods can be used to generate business ideas. Using relevant examples, explain those methods. **(15 marks)**

Question 4

A middle level college in Narok has invited you to give a talk to final year diploma students. The topic of your talk is *the strengths of self employment over wage employment*. Using relevant examples, discuss the content that you will cover in your presentation. **(15 mark)**

Question Five

- a) Distinguish between the concepts of creativity and innovation (6mks)
- b) Using relevant examples, explain the factors in the economic environment that affect small enterprises in Kenya. (9mks)

Question six

One of the challenges facing small enterprises in Kenya is access to financial services. Using relevant examples, discuss the typical sources of finance for small enterprises in Kenya. **(15 marks)**

/////END/////