



# MAASAI MARA UNIVERSITY

REGULAR UNIVERSITY EXAMINATIONS  
2022/2023 ACADEMIC YEAR  
FIRST YEAR SECOND TRIMESTER

SCHOOL OF PURE, APPLIED AND HEALTH SCIENCES  
DIPLOMA IN FOOD, NUTRITION AND DIETETICS

COURSE CODE: DBM 015  
COURSE TITLE: ENTREPRENEURSHIP

DATE: 17/4/2023

TIME: 1100-1400 HRS

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## INSTRUCTIONS TO CANDIDATES

- i. *This paper consists of two sections*
- ii. *Answer **ALL** Question in Section **One***
- iii. *Answer **three** questions in section **Two***

*This paper consists of 6 printed pages. Please turn over.*

## SECTION A: MULTIPLE CHOICE QUESTIONS (20 MARKS)

1. According to definition of entrepreneurship, good entrepreneurs are risk avoiders, not risk takers.
  - a. True
  - b. False
  
2. According to economic Statistics small business sector will grow faster than the large company sector over the next 10 years.
  - a. True
  - b. False
  
3. An entrepreneur is one who creates a new business in the face of risk and uncertainty, for the purpose of achieving profit and growth by identifying opportunities, and assembles the necessary resources to capitalize on those opportunities.
  - a. True
  - b. False
  
4. Which of the following is not a characteristic of the typical entrepreneur?
  - a. confidence, in their ability to succeed
  - b. value of money over achievement
  - c. desire for immediate feedback
  - d. a future orientation
  
5. Which sector is most dominant in the Kenyan economy today?
  - a. retail
  - b. services
  - c. manufacturing
  - d. wholesale
  - e. real estate and financial
  
6. The primary cause of small business failures in Kenya is,
  - a. lack of capital
  - b. management incompetence
  - c. poor location
  - d. improper inventory control
  
7. The business plan has two essential functions: it helps the entrepreneur determine if the business will succeed, and it helps recruit management talent to run the new company.
  - a. True
  - b. False
  
8. The wise entrepreneur will hire a professional to prepare the business plan for him.
  - a. True
  - b. False
  
9. An entrepreneur's best insurance against launching a business destined to fail or mismanaging a potentially successful business.
  - a. Bankrolling the business with plenty of startup capital

- b. Creating a solid business plan
- c. Spending lots of money on marketing and advertising
- d. Hiring a team of accountants and attorneys as advisors

10. ....define a company's overall direction and answer the fundamental question, "Why am I in business"?

- a. Goals
- b. Strategies
- c. Objectives
- d. Key performance factors

11. .... are short term, specific targets which are attainable, measurable, and controllable.

- a. Objectives
- b. Policies
- c. Goals
- d. Standard operating procedures

12. The business strategy section of the business plan,

- a. should be built around a "me too" strategy, one that imitates the products, sources, and images of already successful businesses.
- b. should describe how the entrepreneur plans to satisfy the key success factors he has identified in the business.
- c. should describe how the entrepreneur plans to achieve the mission, goals, and objectives he or she has established for their business venture
- d. two of the above
- e. all of the above

13. Which of the following is not part of the price involved with making a vision into a reality:

- A. Time
- B. Money
- C. Aspirations
- D. Effort

14. Adaptable people commit to their goals and never give up because they have

- A. positivity.
- B. attentiveness.
- C. persistence.
- D. a sense of humor.

15. Mike is thinking about expanding his manufacturing business internationally. Which of the following is a risk he might encounter:

- A. Encountering new markets
- B. Dealing with cultural and language barriers
- C. Dealing with fewer government regulations
- D. Saving money on taxes

16. Claire needs to determine the feasibility of a new venture idea. What are three factors that Claire should consider when conducting her feasibility study?

- A. The venture's staffing needs, raw material needs, and estimated return on investment
- B. The venture's staffing needs, raw material needs, and past sales

- C. The venture's staffing needs, estimated return on investment, and past sales
- D. The venture's raw material needs, estimated return on investment, and past sales

17. When developing a business plan for a new venture, an entrepreneur should include a comprehensive description of the customers the new business wants to attract in the

- A. market-segment analysis.
- B. SWOT analysis.
- C. promotional plan.
- D. corporate philosophy summary.

18. What important factors should a small-business owner consider when deciding if s/he should hire an additional employee?

- A. Necessary skills and affordability
- B. Property taxes and benefits
- C. Screening process and skill set
- D. Training needs and attitude

19. What is initiative?

- A. The drive to solve many problems in a timely manner
- B. The drive to delegate as many responsibilities as necessary and possible
- C. The drive to oversee a variety of business-related details
- D. The drive to do whatever is necessary to make a business successful

20. Which of the following is NOT a major habit of successful entrepreneurs?

- A. Being single-minded in their business focus
- B. Associating seemingly unrelated concepts into novel ideas
- C. Networking with a range of people and companies
- D. Observing customers using products in their own environment

### **SECTION TWO : Answer All Questions ( 40 MARKS)**

- a) Explain FIVE sources of financing a business venture **(10 marks)**
- b) Highlight FOUR forms of business that an entrepreneur can choose from to start a successful business **(6 marks)**
- c) Explain FIVE contributions of entrepreneurship to national Economic development **(5 marks )**
- D) List FIVE benefits of self employment over salaried employment. **( 4 marks)**
- E) Highlight Explain any four reasons why employees commit unethical business malpractice **(5 marks)**
- F) Explain any five (5) elements of the micro environment affecting businesses. **(10 Marks)**

### **SECTION Three: Answer Any Two Questions ( 40 marks)**

1. Explain any five major problems being faced by Kenyan women entrepreneurs. **(20 marks)**
2. In the context of creativity and innovation, Explain the stages of creativity. **(20 marks)**
3. Explain Five advantages of small and micro enterprises in the economy **(20marks)**
4. Explain any five sources of a business idea **(20marks )**

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