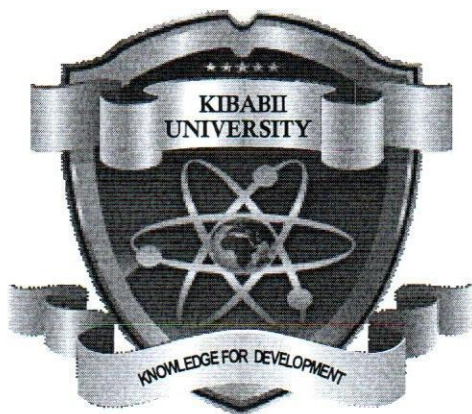


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KIBABII UNIVERSITY



UNIVERSITY EXAMINATIONS

MAIN EXAMS

2020/2021 ACADEMIC YEAR

THIRD YEAR FIRST SEMESTER

FOR THE DEGREE OF BACHELOR OF ~~EDUCATION~~ SCIENCE

COURSE CODE: ESM 305

COURSE TITLE: FUNDAMENTALS OF ENTREPRENEURSHIP

DATE: 22/07/2021 TIME: 2.00 PM - 4.00 PM

INSTRUCTIONS TO CANDIDATES

- 1) Answer Question **ONE**(Compulsory) and **ANY OTHER THREE** Questions
- 2) Candidates must hand in their answer booklets to the invigilator while in the examination room
- 3) Credit is given for legibility, clarity and use of relevant examples
- 4) Question **ONE** is **40 marks** while Questions **2-5** carry **20 marks** each
- 5) Clearly write your **Registration Number** on each answer sheet used

TIME:3 Hours

KIBU observes **ZERO** tolerance to examination cheating

Question one (Compulsory)

- a) Wefwafwa lives in Tuuti, a residential area near Kibabii University (KU). Being close to KU this area is a hub for students who come from outside Bungoma to study here as they find good accommodation with other services readily available. Wefwafwa has a vacant residential building there. He found it to be an attractive economic idea to start a Paying Hostel. He knows that he has a good market because of the location of his building. Discuss the other requirements he has to ensure before opting for this opportunity.

(10 marks)

- b) Nekesa, a career oriented mother, hardly got time to cook for the family. She decided to hire a cook but was not able to find one who could cook according to the taste of the family. Her sister Nasimiyu sensed that this problem is not only faced by her sister but also by many working women. She launched a website namely 'Dial for food' where housewives who had culinary ability and were interested to cook could drop in their contact details and households where specific cuisine was required could leave in their requirements so that through the website home cooked food could be delivered. The website mainly helped in identifying the requirement and fulfilled it through providing delivery service. With reference to the case, identify and explain any TEN benefits of the start-up to the Community.

(20 marks)

(30 marks)

Question Two

- a) "Sensitivity to environmental factors is crucial for an entrepreneur". With two appropriate examples explain the relevance of the statement.

(10 marks)

- b) Explain the measures taken by Government of Kenya in developing rural entrepreneurship in the country.

(10 marks)

(20 marks)

Question Three

A business Plan is a written document prepared by an individual entrepreneur or partners that describes the goals and objectives of the business along with the steps necessary to achieve the set goals.

- a) Discuss the various contents of a formal Business Plan

(10 marks)

- b) Examine the importance of a Business plan to the entrepreneur

(10 marks)

(20 marks)

Question Four

- a) Distinguish the following terms:

- | | |
|-----------------|-----------|
| i. Discovery | (2 marks) |
| ii. Innovation | (2 marks) |
| iii. Creativity | (2 marks) |
| iv. Invention | (2 marks) |
| v. Science | (2 marks) |

- b) Describe the FOUR main types of entrepreneurs giving an example in each.

(10 marks)

(20 marks)

Question Five

a) Since organizations depend on the environment for their survival, they must therefore learn how to manage their external dependence actively. There are three ways in which organizations can manage their external dependence: these are Adaptation, Avoidance, and Control. Explain how firms manage the external dependence through these three ways.

(12 marks)

b) Explain 8 characteristics of successful entrepreneurs.

(8 marks)

(20 marks)