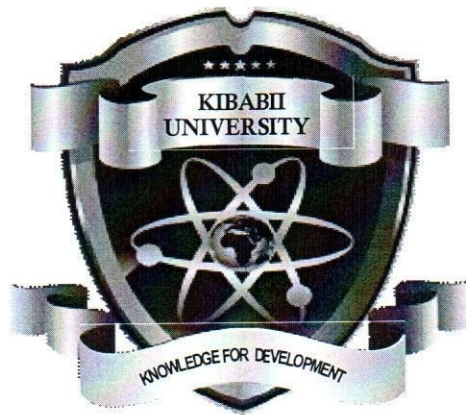


KIBABII UNIVERSITY



UNIVERSITY EXAMINATIONS

**2020/2021 ACADEMIC YEAR
THIRD YEAR SECOND SEMESTER
SPECIAL/SUPPLEMENTARY EXAMINATION**

**FOR THE DEGREE OF BACHELOR OF COOPERATIVE
&
ENTREPRENEURSHIP MANAGEMENT**

COURSE CODE: ENT 111

**COURSE TITLE: FUNDAMENTALS OF
ENTREPRENEURSHIP MANAGEMENT**

DATE: 27/09/2021

TIME: 2.00PM-4.00PM

INSTRUCTION TO CANDIDATES

- 1) The paper contains FIVE questions
- 2) Attempt THREE questions
- 3) Question ONE is Compulsory

TIME: 2 Hours

KIBU observes ZERO tolerance to examination cheating

Question ONE

- a) Using five identified reasons, explain five reasons why even a small entrepreneurial firm should plan for growth and diversification of their enterprises- (10 Marks)
- b) Identify five global and environmental issues which affect business operation and therefore should be considered at the planning phase of a business (10 Marks)
- c) Describe four different methods of starting a business showing the advantages and disadvantages of each approach (10 Marks)

Question TWO

- a) Explain what you understand by the term business ownership (2 Marks)
- b) Suggest four different types of ownerships and explain an advantage and disadvantage of each. (8 Marks)
- c) Discuss merits and demerits of small family-owned businesses. (10 Marks)

Question THREE

- a) Explain five reasons why Kenyan government is promoting the development of entrepreneurship. (10 Marks)
- b) Explain five benefits of self-employment and five disadvantages of self-employment (10 Marks)

Question FOUR

- a) Suggest the three basic enterprise success factors and highlight the components of each of the factors and how the components promote/bar the success of the new start-up (10 Marks)
- b) Identify practices which would make businesses to fail even where market potential is large? (10 Marks)

Question FIVE

"Small business is big business". Discuss this in the light of economic growth and innovation. (20 Marks)