



*Knowledge for Development*

**KIBABII UNIVERSITY  
(KIBU)**

**UNIVERSITY MAIN EXAMINATIONS**

**2022/2023 ACADEMIC YEAR**

**SPECIAL/SUPPLEMENTARY EXAMINATIONS**

**YEAR ONE SEMESTER TWO EXAMINATIONS**

**FOR THE DIPLOMA IN**

**(INFORMATION TECHNOLOGY)**

**COURSE CODE: DIT 061**

**COURSE TITLE: ENTREPRENEURSHIP**

**DATE: 8/08/2023**

**TIME: 11.00 AM. – 1.00 PM.**

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**INSTRUCTIONS TO CANDIDATES**

**ANSWER QUESTIONS ONE AND ANY OTHER TWO**

**QUESTION ONE [COMPULSORY] [24 MARKS]**

- a. Explain six main factors which are to be examined before establishing a new business. [12 Marks]
- b. Explain five stages of business life cycle that a business passes through from the time the idea is formed into end, (10 marks)
- c. Explain two factors to consider when evaluating a business environment (2marks)

**QUESTION TWO [18 MARKS]**

- a. Explain the following terms
  - (i) Business plan. [8 Marks]
  - (i) Limited companies
  - (ii) Partnership
  - (iii) Small scale enterprises
- b. Explain the advantages and disadvantages of a business plan.” [10 Marks]

**QUESTION THREE [18 MARKS]**

- a. Discuss advantages and disadvantages of a sole proprietorship. [10 Marks]
- a. Explain the tips on how to create a successful business. [8 Marks]

**QUESTION FOUR [18 MARKS]**

- a. Elucidate what business plan should contain. [8 Marks]
- b. Explain five advantages of using debt financing. [10 Marks]

**QUESTION FIVE [18 MARKS]**

- a. Entrepreneur is born or made [10 Marks]
- b. Explain the common reasons for business failure. [8 Marks]