



MAASAI MARA UNIVERSITY

REGULAR UNIVERSITY EXAMINATIONS

2021/2022 ACADEMIC YEAR

SECOND YEAR FIRST SEMESTER

SCHOOL OF APPLIED SCIENCES

DIPLOMA IN NUTRITION

COURSE CODE: DBM 015

COURSE TITLE: ENTREPRENEURSHIP

DATE:

TIME:

INSTRUCTIONS TO CANDIDATES

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

SECTION 1 : Answer all questions -(20 MARKS)

1. Which of the following best explains the practice of empowering employees by valuing their ideas and converting them into profitable undertakings
 - (a) Entrepreneurship
 - (b) Intrapreneurship
 - (c) Creativity
 - (d) Innovation
2. Identify one method of generating new business ideas
 - (a) Brainstorming
 - (b) Screening
 - (c) Newspapers
 - (d) Hobbies
3. Which of the following is a limitation of loan finance?
 - (a) It is a short-term finance
 - (b) Only available in small quantities
 - (c) It dilutes ownership
 - (d) Interest is a legal obligation
4. Identify one legal requirement for a start-up business
 - (a) Accessibility to customers
 - (b) Enough capital
 - (c) Business name
 - (d) Qualified employees
5. Which of the following is a personal characteristic of a successful entrepreneur
 - (a) Dependent
 - (b) Fears risk
 - (c) Intolerant
 - (d) Confident
6. Which one of the following best explains the process of helping small start-up businesses to become self-sustaining?
 - (a) Business incubation
 - (b) Business angels
 - (c) Business training

- (d) Business finance
7. Identify one type of entrepreneur
- (a) Manager
 - (b) Networker
 - (c) Drone
 - (d) Risk taker
8. Identify one reason that has led to the popularity of microfinance institutions in your country
- (a) Accessible to low income earners
 - (b) Give small amounts of money
 - (c) Require security
 - (d) They are located near customers
9. Which statement best explains why it is important to create a schedule in the process of launching a new product?
- (a) Ensures customers are informed of the new product
 - (b) Ensures tasks are completed in time
 - (c) Ensures that the product is tested
 - (d) Ensures the product satisfies customers' needs
10. Which of the following is not a factor that an entrepreneur could consider while identifying a target market?
- (a) Size
 - (b) Competition
 - (c) Availability of buildings
 - (d) Income levels
11. Identify one factor that an entrepreneur could consider while choosing a business location
- (a) Promotion of products
 - (b) Labour
 - (c) Business management
 - (d) Business plan
12. Which one of the following is a source of short-term finance
- (a) Equity
 - (b) Debentures
 - (c) Bank overdraft
 - (d) Retained earnings

13. Identify one way that the government could promote entrepreneurship in your country
- (a) Laws and regulation
 - (b) Corruption
 - (c) Buying from importers
 - (d) Building training institutions
14. Which one of the following is an objective of evaluating a business idea?
- (a) Ensure it is well known by the customers
 - (b) Ensure that is tested by customers
 - (c) Ensure that it is not against competitor's expectations
 - (d) Ensure it is not against society's expectations
15. Identify one reason why an entrepreneur could choose to start a sole proprietorship from of business
- (a) Limited liabilities
 - (b) Large capital
 - (c) High secrecy
 - (d) Sharing risks
16. Which one of the following is an objective of sending free samples to influencers before launching a new product?
- (a) They are likely to buy more products
 - (b) They have a lot of money to buy products
 - (c) They are likely to share the samples with others
 - (d) They are likely to share details with followers
17. Which one of the following best explains the art of getting things done through the efforts of other people?
- (a) Delegation
 - (b) Management
 - (c) Leadership
 - (d) Authority
18. Identify one type of skill that a manager may require to effectively interact and work with other people
- (a) Conceptual skills
 - (b) Interpersonal skills
 - (c) Management skills
 - (d) Strategic thinking skills

19. Which of the following represents a decision that a manager may require to make at the start-up stage of a business?
- (a) Recruit more staff
 - (b) Diversification
 - (c) Business closure
 - (d) Location
20. Which of the following is not a technique that could be used to motivate employees?
- (a) Recognition
 - (b) Working conditions
 - (c) Job security
 - (d) Hiring employees

SECTION II- Answer all questions - 40 MARKS

21. Outline four benefits that an individual could achieve from becoming an entrepreneur
22. List four characteristics of a viable business idea
23. State four advantages of partnership business
24. Highlight four reasons why an entrepreneur could prefer to finance a business using personal savings
25. List four product decisions that an entrepreneur could require to make while developing a marketing mix
26. Outline four disadvantages of running a business as a company
27. Explain two factors that an entrepreneur could consider while choosing a source of finance
28. Explain two financial challenges faced by entrepreneurs in your country
29. State four characteristics of a successful entrepreneur
30. Identify four factors that an entrepreneur could consider while choosing an employee

SECTION III- Answer any four questions - 40 MARKS

31. Briefly discuss any five objectives of management (10 marks)
32. As an entrepreneur explain five advantages of effective communication in a business organization (10 marks)
33. Describe five situations that may trigger innovation (10 marks)
34. Explain five reasons why an entrepreneur may need a business plan for their new venture (10 marks)
35. Distinguish between manager and an entrepreneur (10 marks)