



# MAASAI MARA UNIVERSITY

**REGULAR UNIVERSITY  
EXAMINATIONS**

**2018/2019 ACADEMIC YEAR**

**SECOND YEAR/SECOND  
SEMESTER**

**SCHOOL OF BUSINESS & ECONOMICS**

**BACHELOR IN BUSINESS  
MANAGEMENT**

**COURSE CODE: BCM 2211**

**COURSE TITLE: ENTREPRENEURSHIP  
THEORY AND CONCEPTS.**

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**DATE: 15<sup>TH</sup> APRIL, 2019**

**TIME: - 2.30 P.M- 4.30**

**P.M**

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## **INSTRUCTIONS TO CANDIDATES**

Answer question **ONE** and any other **THREE** questions

***This paper consists of 3 printed pages. Please turn over***

### **Question One**

Jane and Mburu – her husband, run a small shoe repair kiosk for the last eight years. They are one of those couples who have gone against the grain and found an opportunity in a business that for years has been associated with dirt. What began as a desperate move to make ends meet has turned out to be a reliable source of income for them generating up to ksh 50,000 per month. “It all started one evening when a customer wanted to have her shoe repaired at our rural market only to find the shoe repairer who used to operate from a shop verandah had closed early that day”. Mr Mburu narrates. “I offered to deliver her shoe to the repairer’s home then she could collect it the following day”. On my way to the repairer’s home a thought came to me that I could actually repair the shoe and deliver it to her the following day and earn some income. He continues. He never turned back and eight years down the line, he shows no signs of turning back. His wife learned the skills one year later simply by watching her husband while in action. “He used to carry customers’ shoes to the house and while he was doing the work, I was busy learning”, she says. At first customers never had confidence in her but today she boasts of having more customers than her husband. Other than shoe repair the couple has introduced inner sole making, shoe polish stands and Jane is also trying dyeing of “ciondo”- a business which seems promising. Finally, they advise the youth to free themselves from the mentality that in order to succeed, they must be employed.

### **REQUIRED**

- i) What are the entrepreneurial characteristic(s) depicted by this couple? Justify your answer **(6 marks)**

- i) As an aspiring entrepreneur, what motivation do you get from the entrepreneurial life of this couple in terms of starting and running a business venture?  
**(7 marks)**
- ii) From the case study identify and challenge any myth associated with an entrepreneur.  
**( 6 mks)**
- iii) From the case study, identify possible factors that lead to business failure? **(6 mks)**

### **Question Two**

- a) Distinguish between an “Entrepreneur” and an “Intrapreneur” **(4 mks)**
- b) Distinguish between financial and psychological risks.  
**(3 mks)**
- c) Some school leavers resort to self - employment after school. Discuss four (4) advantages of self - employment and four (4) disadvantages of salaried employment  
**(8 mks)**

### **Question Three**

Discuss any five theories of entrepreneurship indicating the contributions of key authors in each theory.  
**(15 mks)**

### **Question Four**

(a) Assuming you have been invited to address the youths in Narok County on “options of getting into business ”.Discuss the

content of your teaching.

**(10mks)**

(b) Discuss any five sources of finance for starting a new venture in Kenya.

**(5mks)**

### **Question Five**

(a) Explain the growth stages of a business venture highlighting the key characteristics in each stage

**(10 mks)**

(b) Discuss the importance of an entrepreneur understanding the external factors of environment.

**(5 mks)**

**//END**