



# **MAASAI MARA UNIVERSITY**

**REGULAR UNIVERSITY EXAMINATION  
2023/2024 ACADEMIC YEAR  
THIRD YEAR FIRST SEMESTER**

**SCHOOL OF BUSINESS AND ECONOMICS.  
BACHELORS OF ENTREPRENEURSHIP**

**COURSE CODE: BSE 3103-1**

**COURSE TITLE: MANAGING THE GROWTH OF SMALL  
ENTERPRISES**

**DATE :DECEMBER 2023 TIME**

**INSTRUCTIONS TO CANDIDATES**

*Answers question one and any other three.*

**QUESTION ONE (20 MARKS)**

Otieno is a successful businessman who has built his wealth through his entrepreneurial potential. He hails from a humble background but has managed to carve a path to success through dedication, innovation, and hard work. Otieno, born and raised in a small village, faced economic hardships during his early years. Despite limited resources and opportunities, he exhibited a natural aptitude for entrepreneurship. He started small by selling handmade crafts in his community, displaying a keen understanding of market dynamics and customer needs. As he grew older, Otieno's entrepreneurial spirit led him to explore various business ventures. He dabbled in agriculture, technology, and manufacturing, demonstrating adaptability and a knack for identifying emerging trends. His ventures flourished, gradually transforming him into a well-to-do businessman. Despite his remarkable success, Otieno has recently been experiencing increased stress levels. The rapid expansion of his business empire, coupled with the demands of managing a growing team, has taken a toll on his mental and emotional well-being. He is seeking help to address the stress and anxiety that have begun to affect his personal life and overall health.

*Answer the following questions from the above case study*

- A. Explain the factors from Otieno's humble background and early experiences that contributed to his development of entrepreneurial potential and resilience in the face of economic hardships **(3 marks)**
- B. How might Otieno's natural aptitude for entrepreneurship, which he demonstrated by selling handmade crafts in his community, have influenced his approach to business ventures later in life? **(5 marks)**
- C. In what ways has Otieno demonstrated adaptability and the ability to identify emerging trends in his various business ventures, and how have these qualities contributed to his success? **(5 marks)**
- D. What specific stressors related to the rapid expansion of Otieno's business empire and the management of a growing team might be contributing to his increased stress levels and anxiety? **(2 marks)**
- E. Considering Otieno's unique background and career, what are some strategies and approaches that could be effective in helping him cope

with the changing environment while preserving his entrepreneurial drive and passion? **(5 marks)**

**QUESTION TWO (10 MARKS)**

- a. Discuss how small businesses can achieve external growth. **(7 marks)**
- b. Outline **Three** advantages that growth can bring to a small business. **(3 marks)**

**QUESTION THREE (10 MARKS)**

- a. Examine **four** factors that may have contributed to the uncontrollable upward spiral in the prices of basic commodities in Kenya. **(4 marks)**
- b. State **Three** methods of identifying business opportunities based on environmental factors. **(3 marks)**
- c. Highlight **three** profitable online business ideas suitable for Kenyans facing joblessness. **(3 marks)**

**QUESTION FOUR (10 MARKS)**

- a) Summarize **Five** advantages of entrepreneurship in society. **(5 marks)**
- b) Suggest **five** measures an entrepreneur can adopt to maintain eligibility for a bank loan. **(5 marks)**

**QUESTION FIVE (10 MARKS)**

- 1. Provide concise explanations for the following:
  - a. Micro Enterprises **(2marks)**
  - b. Small Enterprises **(2 marks)**
  - c. Medium Enterprises **(2 marks)**
- 2. Describe any two phases within the business life cycle of an organization of your choice. Highlight the key focus, challenges, and financial strategies at each phase. **(4 mark)**

