



# **MAASAI MARA UNIVERSITY**

## **REGULAR UNIVERSITY EXAMINATIONS 2017/2018 ACADEMIC YEAR THIRD YEAR FIRST SEMESTER**

### **SCHOOL OF BUSINESS & ECONOMICS COMMON COURSE**

**COURSE CODE: IRD 305**

**COURSE TITLE: ENTREPRENEURSHIP &  
SMALL BUSINESS MANAGEMENT**

**DATE: 17<sup>TH</sup> APRIL 2018**

**TIME: 1430 - 1630 HRS**

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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

Alice has worked for “Queens saloon” - a very successful beauty and boutique enterprise for the last 5 years. During these years Alice has proved her prowess in beauty industry by introducing several attractive services to the organization’s clients. Her magic touch on hairdressing has open corporate doors to her employer and her list of clients includes who is who in the society. Her employer boasts of having a very reliable and hardworking employee. In various occasions he has come up with recommendations that have been very useful in the growth of the enterprise. One of the most recent and notable was the introduction of a hair style for prison female inmates.

In many instances Alice has been instrumental in helping fellow employees fix some of their job challenges through group discussions and personal encouragements. She has also been training her friend Monicah who has since despaired insisting that Alice has succeeded just because she was born with this talent.

Despite all this, Alice has never received any recognition, promotion or reward towards this end from her employer. If anything she feels more frustrated by the management. A relative of hers believes that she is rich with ideas and suggested she quit employment and begin his own venture – a suggestion she has been battling with in her mind.

### **Required:**

- a) What entrepreneurial personality if any, does Alice have? **(6 marks)**
- b) What type of an entrepreneur can you categorize her and why?  
**(6 marks)**
- c) What will she gain or loose if she quits her current employment **(7marks)**
- d) To what extent do you agree with Monicah’s description about Alice?  
**(6 marks)**

## **QUESTION TWO**

- a) Explain the growth stages of a business venture highlighting the key characteristics in each stage **(10 marks)**
- b) Briefly explain the reality behind the common myths associated with entrepreneurs **(5 marks)**

## **QUESTION THREE**

- (a) Discuss the concept of entrepreneurial process. **(5marks)**
- (b) Explain the importance of promoting creation of small businesses as a strategy for economic development in Kenya. **(10marks)**

## **QUESTION FOUR**

- (a) Assuming you have been invited to address the youths in Narok County on "how entrepreneurs can identify business opportunities within Narok County". Discuss the content of your teaching. **(10marks)**
- (b) Discuss any five reasons why entrepreneurs should formulate a business plan. **(5marks)**

## **QUESTION FIVE**

- (a) Discuss any five theories of entrepreneurship. **(10 marks)**
- (b) Discuss any five sources of finance for starting a new venture in Kenya. **(5marks)**