

**CHUKA**



**UNIVERSITY**

**COLLEGE**

**UNIVERSITY EXAMINATIONS**

**FIRST YEAR EXAMINATION FOR THE AWARD OF DEGREE OF  
BACHELOR OF AGRIBUSINESS MANAGEMENT &  
BACHELOR OF SCIENCE IN ANIMAL HEALTH AND PRODUCTION**

**AGBM 103: PRINCIPLES OF ENTREPRENEURSHIP**

**STREAM: B. AGBM &  
B.SC (ANPD) Y1S2**

**TIME: 2 HOURS**

**DAY/DATE: WEDNESDAY 13/4/2011**

**11.30 A.M. – 1.30 P.M.**

**INSTRUCTIONS:**

Answer all questions  
Do not write on this question paper

1.
  - (i) Who is an entrepreneur? [2 marks]
  - (ii) What are some of the functions of an entrepreneur in society? [5 marks]
  - (iii) Managing the Enterprise involves implementing a management style and structure, as well as determining the key variables for success. As such, some entrepreneurs have difficulty managing and growing the venture they created. Explain the structures you need to put into consideration when managing business enterprises. [10 marks]
  
2. When viewed against different criteria, some new product concepts are merely minor modifications of existing products while some are completely innovative to the company.
  - (i) Describe the steps followed in developing a completely new product. [15 marks]
  - (ii) What are the factors that make new product development a risky venture? [5 marks]

3. (i) Describe the major components of a business plan and why the completion of a business plan may assist in ensuring the longer-term success of new ventures. [13 marks]
- (ii) A friend of yours intends to open a bicycle selling shop in Chuka town. What questions would you inquire from him/her to decide if this is a viable business opportunity or not? [5 marks]
4. Business evolve from “half-baked schemes of the entrepreneurs into organizations that their founders would not recognize in most cases”. Discuss the stages of business growth indicating why business fail at each stage and the strategy necessary to maintain growth at each stage. [15 marks]
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