



MASENO UNIVERSITY
UNIVERSITY EXAMINATIONS 2013/2014

SECOND YEAR FIRST SEMESTR EXAMINATIONS FOR THE
DEGREE OF BACHELOR OF SCIENCE IN AGRIBUSINESS
MANAGEMENT/ANIMAL SCIENCE WITH INFORMATION
TECHNOLOGY
(MAIN CAMPUS)

AAB 202: PRINCIPLES OF ENTREPRENEURSHIP

Date: 26th November, 2013

Time: 8.30 - 10.30 a.m.

INSTRUCTIONS TO CANDIDATES

1. Carefully **READ AND FOLLOW THE INSTRUCTIONS** contained in the answer booklet(s) you have been provided with.
2. This paper consists of **TWO** sections. Answer **ALL** the questions in Section A and any **TWO** questions in Section B.
3. Marks for each question are indicated in brackets against

SECTION A (COMPULSARY)

1. a) Describe thought process that the entrepreneur should apply in identifying a business opportunity? (6 marks)
- b) Briefly describe any 5 types of business opportunities. (5 marks)
- c) Briefly explain the **FOUR** phases in the growth of a business (8 marks)
2. a) Give 4 ways through which the Government can promote enterprise development (4 marks)
- b) Name **FOUR** sources of finances for the business (2 marks)
- c) Clearly explain how entrepreneurs contribute to the social welfare of the community in which their businesses operates? (5 marks)

SECTION B (ANSWER ANY TWO QUESTIONS)

3. Explain the various phases in the growth of a business John Kaman has won Kshs. 500,000 in the charity sweepstake. He has decided to open a grocery at the city center. Advice John on the various forms of business ownership and the factors he should bear in mind in choosing which form would be appropriate for his business (20 marks)
- 4 a). Define the term "Business Plan" (3 marks)
- b). Describe the various components of a business plan (12 marks)
- c). Explain any **FIVE** benefits that an entrepreneur stands to gain from a well prepared business plan (5 marks)
5. Describe how the entrepreneur can utilize the following emerging trends to increase the scale of operations for his business.
 - (a) E - Commerce (5 marks)
 - (b) Business outsourcing (5 marks)
 - (c) Globalization (5 marks)
 - (d) Trade Fairs