**MERU UNIVERSITY OF SCIENCE AND TECHNOLOGY**

**P.O. Box 972-60200 – Meru-Kenya.**

**Tel: 020-2069349, 061-2309217. 064-30320 Cell phone: +254 712524293, +254 789151411**

**Fax: 064-30321**

**Website:** [**www.must.ac.ke**](http://www.must.ac.ke) **Email:** **info@must.ac.ke**

**University Examinations 2016/2017**

FIRST YEAR, SECOND SEMESTER EXAMINATION FOR DIPLOMA IN BUSINESS ADMINISTRATION AND YEAR THREE, FIRST SEMESTER EXAMINATION FOR DIPLOMA IN INFORMATION TECHNOLOGY

**BDS 2255 : ENTREPRENEURSHIP SKILLS**

**DATE: DECEMBER, 2016 TIME: 1½ HOURS**

**INSTRUCTIONS:** *Answer question* ***one*** *and any other* ***two*** *questions.*

**QUESTION ONE (30 MARKS)**

1. Distinguish between an entrepreneur and an intrapreneur. (2 Marks)
2. Outline three characteristics of a good business idea. (3 Marks)
3. ‘The government has a legal responsibility in controlling entrepreneurial activities. “Highlight the significance of this role”. (5 Marks)
4. Explain five factors that you must consider when locating a business. (10 Marks)
5. Define motivation and discuss various factors that motivate people to become entrepreneurs. (10 Marks)

**QUESTION TWO (20 MARKS)**

1. Compare and contrast the social cultural theory and the economic theory of entrepreneurship. (10 Marks)
2. Using relevant examples show how the government is boosting entrepreneurial culture in our country. (10 Marks)

**QUESTION THREE (20 MARKS)**

1. Discuss five major challenges affecting entrepreneurial growth in our country.(10 Marks)
2. Explain the key factors to evaluate when selecting the source of finance. (10 Marks)

**QUESTION FOUR (20 MARKS)**

1. Discuss various key characteristics associated with a successful entrepreneur.(8 Marks)
2. Describe systematically the steps followed in writing a business plan. (12 Marks)

**QUESTION FIVE (20 MARKS)**

1. Every successful business follows a distinct life cycle. With the aid of a diagram, discuss the characteristics of each stage. (12 Marks)
2. Discuss the role that entrepreneurship plays in the economic development of a country.

(8 Marks)