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University Examinations 2013/2014

STAGE V, EXAMINATION FOR DIPLOMA IN INFORMATION TECHNOLOGY

CED 0217: ENTREPRENEURSHIP SKILLS

DATE: DECEMBER 2013

TIME: 1 ½ HOURS

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

QUESTION ONE – (30 MARKS)

Peter has completed a Diploma in Information Technology from Meru University. He wants to start a computer sales business in Nchiru Market. He thinks of collaborating with his classmate Ken in this venture. Explain to him:

- (a) The purpose of carrying out a feasibility study. (6 Marks)
- (b) The sources of business idea (6 Marks)
- (c) The nature of patentable inventions if he wants to patent his inventions. (6 Marks)
- (d) The factors determining the choice of advertisement media to use. (6 Marks)
- (e) The disadvantages of partnership (6 Marks)

QUESTION TWO – (15 MARKS)

- (a) Discuss the procedure of starting a business. (10 Marks)
- (b) Discuss steps the Kenyan government has taken to encourage entrepreneurship. (5 Marks)

QUESTION THREE – (15 MARKS)

- (a) Discuss the main contents of a business plan. (10 Marks)
- (b) Highlight the internal factors that motivate a person to become an entrepreneur. (5 Marks)

QUESTION FOUR – (15 MARKS)

- (a) Discuss five reasons for opposing innovation. (10 Marks)

(b) Highlight the contribution of entrepreneurship to economic development. (5 Marks)

QUESTION FIVE – (20 MARKS)

(a) Discuss the limitation of using debt finance to the company. (10 Marks)

(b) Discuss the psychological theory of entrepreneurship. (5 Marks)