



**MASENO UNIVERSITY**  
**UNIVERSITY EXAMINATIONS 2016/2017**

**FOURTH YEAR FIRST SEMESTER EXAMINATION FOR DEGREE  
OF BACHELOR OF SCIENCE INDUSTRIAL CHEMISTRY WITH  
INFORMATION TECHNOLOGY**

**MAIN CAMPUS- CHEMISTRY GROUP**

**ABA 413: ENTREPRENEURSHIP & SMALL BUSINESS  
MANAGEMENT**

Date: 7<sup>th</sup> December, 2016

Time: 12.00 - 3.00pm

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**INSTRUCTIONS:**

- Answer Question ONE (Compulsory) and any other TWO.



### QUESTION ONE (COMPULSORY)

- a) 'Development in an economy does not occur spontaneously as a natural consequence when economic conditions in some sense are right. A catalyst or agent is needed. This agent is entrepreneur' - in the words of Meir and Baldwin.  
Outline the roles of entrepreneur in economic development. (10 marks)
- b) Describe FIVE rewards of entrepreneurship. (10 marks)
- c) Explain THREE forms of business ownership (10 marks)

### QUESTION TWO

John J. Kao in his book 'Entrepreneurship, Creativity and Organization', developed a conceptual model of entrepreneurship. Outline key elements making the model and describe how each element contributes to the entrepreneurial process. (20 marks)

### QUESTION THREE

- a) Explain FOUR characteristics of entrepreneurs that make them unique. (10 marks)
- b) Highlight the role of government in enhancing entrepreneurship. (10 marks)

### QUESTION FOUR

- a) Elucidate FOUR reasons why it is important for an entrepreneur to engage in social responsibility. (10 marks)
- b) Explain FIVE possible sources of start-up capital for an entrepreneur. (10 marks)

### QUESTION FIVE

- a) Describe myths about small businesses that discourage potential entrepreneurs. (10 marks)
- b) Outline sources of entrepreneurial stress. (10 marks)