

**MERU UNIVERSITY OF SCIENCE AND TECHNOLOGY**

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**University Examinations 2014/2015**

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

**BDS 2255: ENTREPRENEURSHIP SKILLS**

**DATE: APRIL 2015 TIME:** $1½ $**HOURS**

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

**QUESTION ONE (30 MARKS)**

1. Entrepreneurship plays other roles in economic development other than increasing per capita output and income. Discuss five of these roles. (10 Marks)
2. Identify the differences between a small business owner and an entrepreneur. (4 Marks)
3. Define the following terms:
4. Entrepreneurship (2 Marks)
5. Entrepreneur (2 Marks)
6. Discuss the common characteristics of an entrepreneur. (6 Marks)
7. Outline four factors considered when locating a business enterprise. (6 Marks)

**QUESTION TWO (20 MARKS**)

1. Briefly give the outline of a business plan giving examples in every section. (15 Marks)
2. Business plan must be drawn before an entrepreneur starts a business. Highlight the importance of a business plan to the entrepreneur. (5 Marks)

**QUESTION THREE (20 MARKS)**

1. Identify and explain five different methods of generating business ideas. (10 Marks)
2. Creativity is the generation of ideas that results in the improved efficiency or effectiveness of a system. Discuss five sources of new ideas. (10 Marks)

**QUESTION FOUR (20 MARKS)**

1. Briefly discuss decision making process for an effective business organization.(10 Marks)
2. At times, an entrepreneur can be a manager also but a manager cannot be an entrepreneur. Discuss the differences between an entrepreneur and a manager. (10 Marks)

**QUESTION FIVE (20 MARKS)**

1. Describe the procedure involved in starting a new business enterprise. (10 Marks)
2. There are three sorts of resources that entrepreneurs can call upon to build their ventures. Discuss the financial resources that entrepreneur can use. (10 Marks)