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University Examinations 2013/2014

FIRST YEAR, SECOND SEMESTER EXAMINATION FOR CERTIFICATE/DIPLOMA IN
AGRICULTURE

BUS 0162 – ENTREPRENEURSHIP SKILLS

DATE: DECEMBER 2013

TIME: 1 $\frac{1}{2}$ HOURS

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

QUESTION ONE – 30 MARKS

After completing his Diploma course, Paul decided to utilize the skills he has acquired to start his own business. Advise him on the following:

- (a) Factors that can lead to business failure. (5Marks)
- (b) Personal characteristics that favour entrepreneurship. (5Marks)
- (c) Business considerations to make before starting the business. (5Marks)
- (d) Source of finance for his business. (5Marks)
- (e) Features of a good business opportunity. (5Marks)
- (f) Legal aspects to address before and during his business operations. (5Marks)

QUESTION TWO – 15 MARKS

- (a) Business ideas can come from many sources. Outline any six sources. (6Marks)
- (b) Explain four considerations to make in choosing business location. (4Marks)
- (c) Give reasons why it is necessary to conduct a market survey before starting a business. (5Marks)

QUESTION THREE – 15 MARKS

- (a) Discuss any five types of an entrepreneur. (5Marks)
- (b) Explain how a business plan is important to the entrepreneur. (5Marks)
- (c) It is said that a customer buys to satisfy a need. In the light of this statement explain how an entrepreneur can identify customer needs using Maslow's hierarchy of needs. (5Marks)

QUESTION FOUR – 15 MARKS

- (a) What is 'an enabling environment'? Explain five ways in which the government of Kenya has helped in creating an enabling environment to entrepreneurs. (7Marks)
- (b) Discuss the intrinsic factors that may motivate one to be an entrepreneur. (8Marks)

QUESTION FIVE – 15 MARKS

- (a) Discuss the elements of a business plan. (10Marks)
- (b) Explain the factors that determine the right source of finance for entrepreneurs. (5Marks)