



EMBU UNIVERSITY COLLEGE

(A Constituent College of the University of Nairobi)

2015/2016 ACADEMIC YEAR

SECOND SEMESTER EXAMINATION

**FIRST YEAR EXAMINATION FOR THE DEGREE OF BACHELOR OF SCIENCE
(AGRIBUSINESS MANAGEMENT)**

**AEB104: SMALL AND MEDIUM ENTERPRISE DEVELOPMENT AND
ENTREPRENEURSHIP**

DATE: APRIL 12, 2016

TIME: 02:00-04:00

INSTRUCTIONS:

Answer Question ONE and ANY Other TWO Questions

QUESTION ONE

- a) Describe the following terms as used in small enterprise and entrepreneurship
 - i) Entrepreneur (2 Marks)
 - ii) Medium enterprise (3 Marks)
 - iii) Internal locus of control (2 Marks)
 - b) Discuss the most common criterion used to distinguish between large and small businesses. (4 Marks)
 - c) Discuss how management incompetence influence an enterprise. (4 Marks)
 - d) You have chosen the entrepreneur path towards achieving your dream, discuss the three basic strengths that you require to have a balanced business experience. (6 Marks)
 - e) Discuss the foundations upon which entrepreneurship is built. (2 Marks)
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- f) Explain how the following competencies help a manager of a small and medium enterprise
- i) Marketing management competencies (2 Marks)
 - ii) Financial management competencies (2 Marks)
- g) Explain the role played by weak marketing effort in an enterprise. (3 Marks)

QUESTION TWO

- a) Small enterprise growth is influenced by a number of factors. Discuss any five factors that hinder or enhance their growth. (10 Marks)
- b) Discuss any five economic factors that encourage or discourage entrepreneurship. (10 Marks)

QUESTION THREE

- a) Small enterprises have been seen as seedbeds for large industries and economic development. Discuss how these enterprises help in achieving these goals. (12 Marks)
- b) Alfred Marshall described the qualities that a successful entrepreneur possesses, discuss these qualities. (8 Marks)

QUESTION FOUR

- a) Discuss the following theories of entrepreneurship (10 Marks)
- i) McClelland's Theory of Achievement Motivation
- b) Discuss any five disadvantages of entrepreneurship. (10 Marks)

QUESTION FIVE

- a) Discuss how the following influences the success or failure of an enterprise
- i) Management incompetence (4 Marks)
 - ii) Lack of Experience (4 Marks)

b) Discuss what an entrepreneur need to launch a successful startup enterprise.

(12 Marks)

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