

**MERU UNIVERSITY OF SCIENCE AND TECHNOLOGY**

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**University Examinations 2015/2016**

FIRST YEAR SECOND SEMESTER EXAMINATION FOR CERTIFICATE IN AGRICULTURE

**BUS 0162: ENTREPRENEURSHIP SKILLS**

**DATE: NOVEMBER 2015 TIME: 11/2 HOURS**

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

**QUESTION ONE (30 MARKS)**

John has completed a course in agriculture from Meru University. He wants to start a yoghurt processing firm in Nchiru Market. He thinks of collaborating with his classmate Peter in this venture. Explain to him:

1. The purpose of carrying out a feasibility study. (6 Marks)
2. The source of business ideas. (6 Marks)
3. The nature of patentable inventions he wants to patent his inventions. (6 Marks)
4. The factors determining the choice of advertisement media to use. (6 Marks)
5. The disadvantages of partnership. (6 Marks)

**QUESTION TWO (15 MARKS)**

1. Discuss the procedure of starting a business. (10 Marks)
2. The Kenyan Government has taken key steps to encourage youths to be entrepreneurs. Explain five steps that the government has taken to encourage entrepreneurship.(5 Marks)

**QUESTION THREE (15 MARKS)**

1. A business plan is a document that shows that your business idea can sell enough of its products and services to make profits. Explain its main components. (10 Marks)
2. Highlight the personal factors that motivate a person to become an entrepreneur. (5 Marks)

**QUESTION FOUR (15 MARKS)**

1. Discuss five limitations of using debt finance to the company. (10 Marks)
2. Efficient human resource management plays a key role in the success of business enterprise. Discuss. (5 Marks)

**QUESTION FIVE (15 MARKS)**

1. As an entrepreneur one should engage in social responsibility. Discuss five importance of such undertaking. (10 Marks)
2. Outline five unfair competitive aspects that some entrepreneurs engage in. (5 Marks)