



(University of Choice)

**MASINDE MULIRO UNIVERSITY OF  
SCIENCE AND TECHNOLOGY  
(MMUST)**

**MAIN CAMPUS**

**UNIVERSITY EXAMINATIONS  
2021/2022 ACADEMIC YEAR**

**FOURTH YEAR FIRST SEMESTER EXAMINATIONS**

**FOR THE DEGREE  
OF  
BACHELOR OF SCIENCE IN ELECTRICAL AND  
COMMUNICATIONS ENGINEERING**

**COURSE CODE: ECE 418/ ECC 503**

**COURSE TITLE: ENTREPRENEURSHIP FOR ENGINEERS**

**DATE: TUESDAY, APRIL 26<sup>TH</sup>, 2022  
AM**


**TIME: 8:00 - 10:00**

---

**INSTRUCTIONS TO CANDIDATES**

ANSWER QUESTION ONE AND ANY OTHER TWO QUESTIONS.  
QUESTION ONE CARRIES 30 MARKS AND ALL OTHERS 20 MARKS EACH.

MMUST observes ZERO tolerance to examination cheating

This Paper Consists of 4 Printed Pages. Please Turn Over. 

### QUESTION 1

- a) Outline five competencies and their corresponding entrepreneurial activities identified among characteristics of entrepreneurs (5 marks)
- b) Provide four advantages of buying an existing business (4 marks)
- c) Considering morals in commercial ventures is to the benefit of the organization since it is believed in certain quarters that “good ethics is good business.” Explain four social and cultural factors that shapes people’s basic beliefs, values and norms in entrepreneurship (8 Marks)
- d) Y.A. Say describes entrepreneurship as a necessary dynamic force for economic development. Outline five important roles that an entrepreneurship plays in the economic development of an economy. (5 Marks)
- e) Describe at least two qualitative characteristics of financial statements (4 Marks)
- f) One of the most important traits for an entrepreneur is creativity, which is described as a combination of six elements. State four of these elements (4 Marks)

### QUESTION 2

1. In creating jobs, producing goods and services and contributing to community’s tax base and creating wealth, outline TWO elements associated with the concept of an entrepreneur (4 marks)
2. Explain the below concepts as used in financial accounting:
  - a) Stable Monetary Unit Concept (2 Marks)
  - b) Money Measurement Concept (2 Marks)
  - c) Accounting Period Concept (2 Marks)
3. The basic function of a stock exchange is the raising of funds for investment in long-term assets. List five other functions of the stock exchange. (5 Marks)
4. Outline the advantages of investing in shares (5 Marks)

### QUESTION 3

1. Provide five factors affecting/influencing share prices (5 Marks)
2. The Sessional Paper No. 2 of 1999 enumerates several factors as standing in the way of development of the small enterprise and Jua Kali sector. List three factors (6 Marks)
3. For the success of new entrepreneurial venture, an entrepreneur has to perform certain critical functions. Outline the main functions of an entrepreneur (5 Marks)
4. Explain the push and pull factors as driving forces towards entrepreneurship (4 Marks)

### QUESTION 4

- a) Outline five differences between an entrepreneur and a manager (5 marks)
- b) Explain four advantages of equity financing (8 Marks)
- c) A large number of entrepreneurs particularly in the small enterprises fail due to several problems and barriers. Provide five barriers to successful entrepreneurship (5 Marks)
- d) Explain the below classification of an entrepreneur.
  - (i) Trading entrepreneur (2 Marks)

### QUESTION 5

- a) Explain three disadvantages of starting your own small or medium business (6 marks)
- b) Economic environment exercises the most direct and immediate influence on entrepreneurship. Explain three economic factors that affect the growth of entrepreneurship. (6 marks)
- c) Despite the fundamental role SME's play in the Kenyan economy, these enterprises are not able to operate to their optimum level due to the challenges they face. Explain at least three of these challenges. (6 Marks)
- d) Explain the below classifications of an entrepreneur
  - (i) Corporate entrepreneur (2 Marks)

