



(University of Choice)

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

MAIN CAMPUS

**UNIVERSITY SPECIAL / SUPPLEMENTARY EXAMINATIONS
2021/2022 ACADEMIC YEAR**

**FIFTH YEAR FIRST SEMESTER SPECIAL/SUPPLEMENTARY
EXAMINATIONS**

**FOR THE DEGREE
OF
BACHELOR OF SCIENCE IN ELECTRICAL AND
COMMUNICATION ENGINEERING, CIVIL AND STRUCTURAL
ENGINEERING AND MECHANICAL AND INDUSTRIAL
ENGINEERING**

COURSE CODE: ECC 503/ECE 418

COURSE TITLE: ENTREPRENEURSHIP FOR ENGINEERS

DATE: Wednesday, 5th, October, 2022 TIME: 3 - 5 pm

INSTRUCTIONS TO CANDIDATES

- i) Question ONE (1) is compulsory
- ii) Answer Any Other TWO (2) questions

TIME: 2 Hours

MMUST observes ZERO tolerance to examination cheating

This Paper Consists of 2 Printed Pages. Please Turn Over.

QUESTION 1

1. Describe four aspects that necessitate the valuation of securities and shares in a company (5 Marks)
2. A company's financial analysis is important to various parties with a financial stake in the company. Identify four of these parties and explain why the analysis are useful to them. (8 Marks)
3. 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)
4. What are the motivations of being an entrepreneur? (5 Marks)
5. Explain the below classifications of entrepreneurs
 - (a) Trading entrepreneur (2 Marks)
 - (b) Corporate entrepreneur (2 Marks)

QUESTION 2

1. Provide four advantages of buying an existing business (4 marks)
2. Economic environment exercises the most direct and immediate influence on entrepreneurship. Explain three economic factors that affect the growth of entrepreneurship. (6 marks)
3. Describe at least two qualitative characteristics of financial statements (4 Marks)
4. In a family business major policy-making decisions and significant proportion of the jobs are held by the members of the extended family. Explain three advantages of family firms. (6 Marks)

QUESTION 3

1. 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)
2. In creating jobs, producing goods and services and contributing to community's tax base and creating wealth, outline three elements associated with the concept of an entrepreneur (6 marks)
3. 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)
4. Explain three disadvantages of buying a franchise (3 marks)

QUESTION 4

1. Explain five disadvantages of starting your own small or medium business (5 marks)
2. 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)
3. Outline two disadvantages of Debt Financing if a new business. (4 marks)
4. Outline three advantages of Investing In Shares (3 Marks)

QUESTION 5

1. For the success of new entrepreneurial venture, an entrepreneur has to perform certain critical functions. Outline the main functions of an entrepreneur (5 Marks)
2. 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)
3. Explain five advantages of equity financing (5 Marks)
4. 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)