



MASINDE MULIRO UNIVERSITY OF SCIENCE AND TECHNOLOGY
SCHOOL OF BUSINESS AND ECONOMICS
DEPARTMENT OF BUSINESS ADMINISTRATION AND MANAGEMENT
SCIENCE

(MMUST)

UNIVERSITY MAIN EXAMINATIONS

2022/2023 ACADEMIC YEAR

FOURTH YEAR FIRST SEMESTER EXAMINATIONS

FOR THE DEGREE

OF

BACHELOR OF COMMERCE

COURSE CODE: BCB 439

COURSE TITLE: CONTEMPORARY ISSUES IN ENTREPRENEURSHIP

DATE: WEDNESDAY, 14TH /12/2022

TIME: 12:00 -2:00PM

INSTRUCTIONS TO CANDIDATES

ANSWER QUESTION ONE AND ANY OTHER TWO QUESTIONS

QUESTION ONE.

Read the case below and answer the questions that follow

YOUTHFUL HOMABAY MILLIONAIRE WHO ABANDONED HER JOURNALISM DEGREE TO PURSUE FARMING

Young people rarely regard agriculture as having a promising future. This is true even in Kenya, where agriculture provides a living for 70% of rural households and 65 per cent of the population resides in rural areas.

Martha Otieno gave up her job search after a year in Kenya's highly competitive labour market to pursue a farming career.

The bachelor of journalism graduate from Tanzania's St Augustine University returned to her rural home in Homa Bay County after failing to find work in the media industry in Nairobi.

Ms Otieno, 28, put her whole funds of KES 40,000 into an acre of watermelons with nothing but a desire to make money.

"I was living with a friend and dependent on my parents for assistance," she recalls, "and you know how expensive life in Nairobi can be."

She went home and joined a women's self-help group that engaged in a variety of small-scale income-generating ventures, the bulk of which were merry-go-rounds and collective investing.

Because the bulk of the members-only had a high school diploma, her involvement in the group provided her with much-needed experience and new organizing skills. She showed them how to cultivate bananas and mangoes on a small scale and divide the income among the group.

After a few months of working with the group and accumulating enough funds, she decided to go it alone. She understood that farming might be a lucrative business for her.

She continues, "I didn't want to recreate the company with my ideals," so she chose to go her own way.

Losses and Uncertainties

She anticipated to benefit of KES 300,000 from the rented plot of land after only three months, but severe flooding struck only three weeks before harvest, ruining her entire crop.

"We live in a flood-prone area," Ms Otieno continues, "but I did not expect to be confronted with its disastrous implications so immediately."

She picked up the pieces and enlisted the expertise of agronomists to figure out how to make the most of the little parcels of land while minimizing the risks.

She eventually began leasing small portions of land in various parts of Homa Bay County as a way to spread risk and ensure a steady income.

Since getting into agriculture, Ms Otieno has owned a four-acre tract of land for just over three years. She is unable to reveal what she creates, yet she has no regrets.

Watermelons may cost up to KES300,000 after three months, while tomatoes and capsicums can cost up to KES250, 000, and they can grow up to five acres in a season.

Her jobless age mates called her as her revenues improved, wanting to know her secret to success, and being the business savvy person that she is, she saw a chance to develop her ventures while also supporting.

Source: Citizensdailyupdate Oct, 11, 2022

QUESTIONS

- (a) With specific citations from the case above, bring out any entrepreneurial characteristics exhibited by Ms Otieno. (10 marks)
- (b) Identify the risks in Ms Otieno's venture and explain how she reduced the risks. (10 marks)
- (c) Highlight any five contributions of entrepreneurship to the Kenyan economy. (10 marks)

QUESTION TWO

- (a) It is difficult, and possibly unavoidable, to engage in business while having no impact on the environment. Even if you are in the craft business, your clients are looking on to see how you utilize resources or recycle products. If you are truly invested in reducing your business's Eco-footprint, then you can have a much greater impact, not just in the business world, but in the community and environment as a whole. As an ethical entrepreneur today, highlight any five ways you would employ to reduce eco- footprint in your factory. (10 marks)
- (b) In spite of the growing numbers of the Micro and Small Enterprises sector, Kenyan entrepreneurs continue to face many challenges. Highlight any five key challenges faced by these entrepreneurs. (10 marks)

QUESTION THREE

- (a) A sustainable business, or a green business, is an enterprise that has minimal negative impact or potentially a positive effect on the global or local environment, community, society, or economy- a business that strives to meet the triple bottom line. Highlight any five sustainable practices to create a greener, more eco-conscious workplace. (10 marks)
- (b) Ecommerce, also known as electronic commerce or internet commerce, refers to the buying and selling of goods or services using the internet, and the transfer of money and data to execute these transactions. Required, highlight any five reasons why Kenya as a developing Country should encourage her entrepreneurs to shift to ecommerce. (10 marks)

QUESTION FOUR

- (a) Now more than ever, there is a growing importance for companies to ramp up their focus on social responsibility. Social responsibility, in simple terms, means a business's obligation to pursue achievable good long-term goals for its people and the world at large. Highlight any five interested parties in social responsibilities of a firm. (10 marks)

- (b) Highlight five ways in which social responsibility assists an entrepreneur achieve his/her business aims. (10 marks)

QUESTION FIVE

- (a) Contemporary issues are the emerging issues in this case associated with entrepreneurship. Micro and Small Enterprises in Kenya has been one of the contemporary issues. Despite Kenyan Government having put an enabling environment for MSEs to succeed in their businesses, studies are still reviling a very high percentage of failure. Give five reasons for this failure. (10 marks)
- (b) When you have a reputation for consistently being ethical in how you source and build products, and treat employees, customers and the community, more people will want to do business with you. Highlight any five ethics reality checks employed by an entrepreneur. (10 marks)