



(University of Choice)

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

**UNIVERSITY EXAMINATIONS
2022/2023 ACADEMIC YEAR**

THIRD YEAR SECOND SEMESTER EXAMINATIONS

**FOR THE DEGREES OF
BACHELOR OF EDUCATION TECHNOLOGY IN MECHANICAL
ENGINEERING, CIVIL ENGINEERING, ELECTRICAL &
TELECOMMUNICATION ENGINEERING, AND SCIENCE
NURSING**

COURSE CODE: BCB/IRD 305

COURSE TITLE: ENTREPRENEURSHIP

DATE: MONDAY, 24TH APRIL 2023 TIME: 3:00 - 5:00PM

INSTRUCTIONS TO CANDIDATES

1. The Paper Contains Two Sections: Sections A and B
2. Answer ALL Questions in Section A and Any TWO Questions in Section B in the Answer Booklet Provided
3. Diagrams and Graphs should be clearly illustrated.

TIME: 2 HOURS

MMUST observes ZERO tolerance to examination cheating

This Paper Consists of 3 Printed Pages. Please Turn Over ►

SECTION A: COMPULSORY (30 MARKS)
(Answer ALL Questions from this Section)

QUESTION ONE: CASE

Read the following case and then answer the questions below:

FLOE: A SUCCESSFUL ENTREPRENEUR

When Floe was 20 years old, she started the Auto Mechanic Workshop. Her thorough training at Masinde Muliro University of Science & Technology (MMUST), the rewarding experiences with Central Motors, and her on-the-job training gave Floe the confidence that she could deal with customers and manage her own shop.

The biggest change Floe sees in her lifestyle is that she no longer has two or three bosses to answer to or someone breathing down her neck. However, Floe thinks that she is harder on herself than any boss ever was. “Now I have only one boss (myself), and I think this boss is the hardest one to work for”. Floe characterizes her lifestyle it consists of “long hours and hard work”.

Floe financed her business through a combination of personal savings plus loans. Because she feels strong about being her own boss Auto Mechanic Workshop is organized as a sole proprietorship. Floe was able to use her experiences as a student at MMUST to determine her potential customers. Locating the business at Majengo seemed obvious to Floe because of the high volume of traffic.

In establishing her business, Floe received assistance from a variety of sources: friends who own parts and paint supply stores, people she met while working at other auto body shops, and the faculty at MMUST. Still, there were problems: how to get the necessary equipment, building customers, and employees. Promotions and being able to borrow money solved the first three problems. Finding good employees, according to Floe, ‘is always an ongoing problem’.

Currently, Floe needs a larger building and needs to increase the number of employees she can devote more time to managing the business. Normally, Floe employees two other people, but right now she has just one employee, a young man who also graduated from MMUST. Currently, all the profits go back into the business. Sales were lower than projected last year because of a two-month slow period, which all the auto body shops in the area experienced.

Floe feels that the technical as well as academic skills she gained as a student at MMUST have contributed to her success, even though her academic subjects were difficult. Her strong marketing ability, her ability to get along with people, her long hours of work, and her resourcefulness contribute to her success as an entrepreneur. To Floe, ‘it has always been very satisfying to put a wrecked car back to its original shape’ Floe also gets great satisfaction from doing a quality job and satisfying the auto body repair market.

Floe feels that through hard work, intense planning, and maximizing her potential, she can reach her goals. Floe said that one-day she would like to be able to retire, buy a BMW car and take plenty of vacations. As to when she will consider herself a success. Floe will say only that “success will catch me off guard one day”.

Source: Self Conceptualization, Wednesday 22nd February 2023

QUESTIONS

- a) With reference to the case, explain the experiences that gave Floe the confidence to become an entrepreneur? (10 marks)
- b) Identify with reasons the legal form of business ownership Floe has adopted? (10 marks)
- c) Woman entrepreneurs like Floe faces many problems. Using the case as a basis of your argument, explain the remedies put place to solve problems faced by women entrepreneurs (10 marks)

SECTION B (40 MARKS)

(Answer Any TWO Questions from this Section)

QUESTION TWO

- a) Distinguish between the following terms as used in the field of entrepreneurship:
- i) Internal Locus of Control versus External Locus of Control (04 marks)
 - ii) Intrapreneurship versus Family Business (04 marks)
 - iii) Business Plan versus Business Record (04 marks)
- b) A friend has approached you because she wants to go into self-employment. Explain to her the advantages of self-employment form of business (08 marks)

QUESTION THREE

- a) Describe with examples, the relevance of enterprises embracing social responsibility (10 marks)
- b) In the economic development of the nation, the entrepreneur's role has been observed as distorting or disturbing the status quo (the general equilibrium) through innovation. Using this statement as a basis of your argument, describe how an entrepreneur is seen as agent of change who distorts the general equilibrium of the economy (10marks)

QUESTION FOUR

In the year 2022 the Kenya Government introduced Ministry of Cooperative Society and Micro, Small and Medium Enterprises Development. What role should this Ministry play in the promoting Entrepreneurship in Kenya (20 marks)

QUESTION FIVE

- a) Entrepreneurship as a process, has been regarded as a process of identifying an opportunity and taking risks to obtain profit. Explain the techniques used in generating business ideas (12 marks)
- b) Discuss the 4Ps of marketing for start-up businesses in Kenya (08 marks)