



MURANGA UNIVERSITY COLLEGE
(A constituent College of Jomo Kenyatta University of Agriculture & Technology)

**(END OF SEMESTER EXAMINATION FOR BACHELOR OF HUMAN RESOURCE
MANAGEMENT
HRD 2401 & UCU 2101. ENTREPRENEURSHIP
ORDINARY EXAM**

DATE: 15TH DECEMBER 2015

TIME: 2 HOURS

INSTRUCTIONS TO CADIDATES

Attempt question one and any other two questions.

QUESTION ONE

- a) After weeks of scanning the environment Mrs Nyaga has come up with a noble business idea, she is eager to start the business immediately, however, a friend of hers advised her to carefully analyze the idea before starting the business. Examine the benefits behind the advice offered to Mrs Nyaga. (8 marks)
- b) Identify and discuss cultural factors that inhibit the development of entrepreneurship Kenya. (5 marks)
- c) An entrepreneurship instructor advised his students to frequent the local library if they are unable to generate business ideas. Explain how Literature on entrepreneurship Education could be of assistance in generating business ideas. (7 marks)
- d) Explain the motivational theory as used to describe why entrepreneurs behave the way they do. (10 marks)

QUESTION TWO

- a) ‘ ‘ All one need is money to succeed in entrepreneurship.’’ Discuss. (10 marks)
- b) Discuss major causes of new business failure. (10marks)

QUESTION THREE

- a) State and explain the important factors that one has to consider in determining the location of a business (7 marks)
- b) Highlight the process of starting and operating a small business (8 marks)
- c) Mr. Michael and Mr. Macharia have registered a partnership type business. Explain *five* advantages of such a business form (5 marks)

QUESTION FOUR

- a) Briefly describe the components of a business plan. (10 marks)
- b) Discuss different types of risks that entrepreneurs have to bear with in the pursuit of their ventures suggesting ways of overcoming each risk (10marks)