



MURANG'A UNIVERSITY OF TECHNOLOGY

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF HUMAN RESOURCE MANAGEMENT

UNIVERSITY SPECIAL/RESIT EXAMINATION

2023/2024 ACADEMIC YEAR

**SECOND YEAR FIRST SEMESTER EXAMINATION FOR BACHELOR
OF SCIENCE IN ENTREPRENEURSHIP AND ENTREPRISE
MANAGEMENT**

BHE 302 – ENTERPRISE ENVIRONMENT

DURATION: 2 HOURS

INSTRUCTIONS TO CANDIDATES:

1. Answer all questions in Section A and any other two from Section B.
2. Mobile phones are not allowed in the examination room.
3. You are not allowed to write on this examination question paper.

SECTION A – ANSWER ALL QUESTIONS IN THIS SECTION

QUESTION ONE (30 MARKS)

- a. Define the term Business Environment. (2 marks)
- b. Highlight the importance of business ethics. (5 marks)
- c. State FIVE ways the Government of Kenya interacts with SMES. (5 marks)
- d. Explain FOUR emerging issues in business environment. (8 marks)
- e. Highlight FIVE sources of Finance for SMES. (5 marks)
- f. Outline the elements of economic environment. (5 marks)

SECTION B – ANSWER ANY TWO QUESTIONS IN THIS SECTION

QUESTION TWO (20 MARKS)

- a. The micro-environment affects the performance of a Company and its ability to serve the customers. Discuss FIVE business Micro-environments. (10 marks)
- b. Determine the significance of a political environment to a business. (10 marks)

QUESTION THREE (20 MARKS)

- a. Discuss the impact of international environment to a business. (10 marks)
- b. Explain different ways SMES cope with legal environment. (10 marks)

QUESTION FOUR (20 MARKS)

- a. Outline the process of how to start a small business. (10 marks)
- b. Discuss cultural factors inhibiting entrepreneurial development in Kenya. (10 marks)