

CHUKA



UNIVERSITY

**UNIVERSITY EXAMINATIONS
RESIT/SPECIAL EXAMINATION**

**EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF ECONOMICS
ECON 414: ENTREPRENEURSHIP ECONOMICS**

STREAMS: ECONOMICS

TIME: 2 HOURS

DAY/DATE: WEDNESDAY 11/08/2021

2.30 P.M – 4.30 P.M.

INSTRUCTIONS: ANSWER QUESTION ONE AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

- a. Distinguish between the following terms as used in entrepreneurship economics. (6 marks)
- Entrepreneur and manager
Inventor and innovator
E- commerce and a trademark
- b. (i)What is the importance of a business plan? (6 marks)
- (ii)Discuss the various components of a business plan. (10 marks)
- c. Highlight the condition necessary for entrepreneurship to take place. (8 marks)

QUESTION TWO (20 MARKS)

- a. Despite coming up with a good business idea and or plan, sometimes businesses fail. Discuss any 5 causes of business failure. (10 marks)
- b. Discuss the sources of business finance available for entrepreneurs wishing to establish startups in Kenya. (10 marks)

QUESTION THREE (20 MARKS)

- a. Discuss five ways in which entrepreneurs contribute to national development. (10 marks)

- b. Discuss five government policies and programs that encourage entrepreneurship in Kenya. (10 marks)

QUESTION FOUR (20 MARKS)

- a. Using a case of Kenyan economy. Discuss entrepreneurship challenges in developing economies. (10 marks)
- b. Technology plays an important role in the growth and expansion of small business. Critically examine this statement using relevant examples. (10 marks)
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