

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

RESIT/SPECIAL

**EXAMINATION FOR THE AWARD OF DEGREES OF BACHELOR OF COMMERCE,
AGRIBUSINESS MANAGEMENT, BACHELOR OF COOPERATIVE MANAGEMENT
& BACHELOR OF SCIENCE IN AGRICULTURAL ECONOMICS**

AGBM 103/BEEM 111: PRINCIPLES OF ENTREPRENEURSHIP

STREAMS: BCOM/AGBM/BCOP/AGEC

TIME: 2 HOURS

DAY/DATE: TUESDAY 02/02/2021

8.30 A.M. – 10.30 A.M.

INSTRUCTIONS: Answer question ONE and any other THREE questions.

QUESTION ONE (25 MARKS)

- a) Explain the concept of small and medium enterprise (4 marks)
- b) A key element of entrepreneurship is risk bearing as indicated by Knight. Discuss four features of risk bearing theory (4 marks)
- c) Describe entrepreneurs' contribution to the economy (4 marks)
- d) Explain the term "entrepreneur" (3 marks)
- e) Differentiate between an innovator and an inventor (4 marks)
- f) Discuss any four considerations affecting development of small and medium enterprises (4 marks)
- g) Identify two sectors of the economy in which small and medium enterprises engage in (2 marks)

QUESTION TWO (15 MARKS)

- a) Explain any five theories of entrepreneurship (5 marks)
- b) Discuss five functions which the concept of innovation and its corollary development embraces (10 marks)

QUESTION THREE (15 MARKS)

- a) Discuss three needs a person acquires as a result of one's life experience as indicated by McClelland (5 marks)
- b) Explain the innovation theory of Schumpeter (10 marks)

QUESTION FOUR (15 MARKS)

- a) Discuss the five components of the entrepreneurial start-up process (5 marks)
- b) Describe how entrepreneurs can succeed (10 marks)

QUESTION FIVE (15 MARKS)

- a) Explain five sources of capital in venture creation (5 marks)
 - b) Discuss five factors that may hinder economic development of small and medium enterprises (10 marks)
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