PAN AFRICA CHRISTIAN UNIVERSITY

BACHELOR OF BUSINESS INFORMATION TECHNOLOGY AND BACHELOR OF SCIENCE IN INFORMATION TECHNOLOGY

END OF SEMESTER EXAMINATION

DEPARTMENT:	**COMPUTING AND INFORMATION TECHNOLOGY**
COURSE CODE:	**BIT303|BUE3113|BCM201|DICT0213**
COURSE TITLE:	**ENTREPRENEURSHIP SKILLS**
CAMPUS:	**ROYSAMBU**
EXAM DATE:	**MONDAY 3RD AUGUST 2026**
TIME:	**8.00AM-11.00AM**
MODE:	**ONLINE**

INSTRUCTIONS

- This exam script has **TWO (2)** sections.
- Read all questions carefully before attempting.
- Answer All questions in Section **A** and any other Three questions in Section **B.**
- Write only your **student number** on the answer booklet provided.

 © Copyright 2026 All Rights Reserved PAC University

SECTION A: (Answer ALL questions in this section)

Question 1:

Akinyi is an entrepreneur. Two years ago, she left her job as a fashion designer at a multinational company. She started up V-Designs Limited, a women's sportswear clothing business. V-Designs Limited targets a market segment of high-income consumers. V-Designs Limited's products are sold in 3 retail shops and also through its website. Akinyi said: 'I saw a gap in the market and took the risk. Obtaining the finance, I needed from the bank was not easy. I enjoy making decisions such as using leaflets to promote the clothes.' V-Designs Limited's revenue target for next year is KSH500 000.

a) Describe FOUR entrepreneurial characteristics of Akinyi. **(4 Marks)**
b) Highlight THREE reasons why obtaining finance may not be easy for a new business. **(3 Marks)**
c) Identify FOUR reasons why Akinyi decided to start up her own business. **(4 Marks)**
d) Discuss TWO reasons why segmenting the market might help V-DESIGNS LIMITED**. (2 Marks)**
e) Explain TWO types of risks that Akinyi undertook in her business. **(2 Marks)**

SECTION B: (Answer any THREE (3) questions in this section)

Question 2:

a) Discuss THREE measures that the Government of Kenya has put in place to support the Micro, Small and Medium enterprises. **(6 Marks)**

b) Highlight FOUR market gaps that may create a business opportunity for an entrepreneur. **(4 Marks)**

c) A small retail shop in Kisumu is experiencing declining sales because a large supermarket has opened nearby. Suggest five innovative strategies the owner can use to remain competitive. **(5 Marks)**

Question 3:

The Kamaus family set up their business over 50 years ago. Over time the business has changed and it is now a public limited company. Table 2 is a summary of their most recent Profit/Loss account.

Table2
Profit/Loss Account
(Year ending 2025)
Kamaus

	KSHs '000
Sales	950
Cost of Sales	500

 © Copyright 2026 All Rights Reserved PAC University

Gross Profit	450
Overhead Costs	X
Net Profit before Tax	330
Tax	Y
Net Profit after Tax	220
Dividends	150
Retained Profits	70

a) Calculate

(i) Overhead costs **(2 Marks)**

(ii) Tax **(2 Marks)**

b) Explain FOUR reasons why the retained profit is important to a business. **(8 Marks)**

c) Highlight THREE reasons why it is necessary for an entrepreneur to produce a business plan before starting an enterprise. **(3 Marks)**

Question 4:

Bob is a builder in construction and has run his business as a sole trader for the last 10 year. He has built up a good reputation and has lots of loyal customers. Bob is getting older and is finding it difficult to keep up with the demands for work he has and knows other builders called Jim and Son's. Jim and Bob have met and discussed the possibility of Bob joining Jim and Son's to form a partnership.

a) Highlight FIVE reasons why Bob enjoyed being a sole trader for 10 years. **(5 Marks)**
b) Advise Bob FIVE reasons why he might be better off forming a partnership with Jim rather than remaining a sole trader. **(10 Marks)**

Question 5:

a) Explain THREE different ways entrepreneurs can learn from failure. **(3 Marks)**
b) Using examples, discuss FOUR ways of protecting intellectual property for an entrepreneur. **(8 Marks)**
c) Explain TWO benefits of using personal savings as a source of finance for an enterprise. **(4Marks)**

Question 6:

a) Mr. Hamisi had always wanted to manufacture an innovative, energy efficient fan. He was looking into various options and has finally narrowed it down to one option. He understands that the entire idea would have to follow a process. Explain this process. **(10 Marks)**
b) Identify the elements of the marketing mix that Mr. Hamisi can use when launching his energy efficient fan. **(5 Marks)**

 © Copyright 2026 All Rights Reserved PAC University