



PAN AFRICA CHRISTIAN UNIVERSITY

END OF TERM EXAMINATION

DEPARTMENT: BUSINESS

COURSE CODE: BCM201 | BUE3113 | BIT303

CAMPUS: ROYSAMBU

COURSE TITLE: ENTREPRENEURSHIP I

EXAM DATE:

TIME: EVENING

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**.
- None programmable calculators permitted
- Calculators on phones, tablets and computers are NOT permitted in Theory Papers

SECTION A

(Answer ALL questions in this section)

QUESTION 1

Read the case below and answer questions 1a and 1b:

Abdi owns the biggest retail shop in town. He manages his business which has 5 employees. His employees like working for him because he is an organized man and treats them well.

Abdi started his business with his savings earned from transporting livestock for traders to the market on foot. The business was tiresome but Abdi was happy to make some small amount of money that he saved. He sacrificed many things to start his business.

He started the business by leasing a premise with very limited stock. His customers have now increased; they say he is friendly and treats them with respect. Abdi also stocks good quality products and ensures he has all the customers need at all times. He is also honest and gives fair prices to his customers.

“Ahmed the previous shop owner was the very opposite of Abdi, no wonder his business failed within 6 months,” Says Isse, a customer who has lived in the town long enough.

- a) Explain FIVE personal qualities that contribute to Abdi’s business success.
(5 Marks)
- b) Explain FIVE personal qualities that contributed to Ahmed business failure.
(5 Marks)

SECTION B

(Answer any THREE (3) questions in this section)

QUESTION 2

- a) As an aspiring entrepreneur, describe FOUR strategies you can use to motivate staff to achieve business objectives.
(4 Marks)
- b) Explain THREE economic factors inhibiting entrepreneurial growth in Kenya.
(6 Marks)

QUESTION 3

- a) Describe FOUR unique characteristics of small businesses in Kenya. **(2 Marks)**

- b) Discuss FOUR reasons why the Government of Kenya is encouraging the study of entrepreneurship in universities and colleges. **(8 Marks)**

QUESTION 4

Imagine that the principal from the high school you attended called to invite you to make a presentation to a newly founded entrepreneurship club at the school. Using examples, explain FIVE importance of owning their own business as a career option you would tell this group of high school students. **(10 Marks)**

QUESTION 5

- a) Describe FOUR main reasons why an aspiring entrepreneur should prepare a workable business plan. **(4 Marks)**
- b) Explain SIX elements of a good business plan. **(6 Marks)**

QUESTION 6

- a) Discuss FOUR importance of financial records in a small business. **(4 Marks)**
- b) If you decide to start your own business, explain six sources of capital that you would consider. **(6 Marks)**

End of Exam