

JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY

UNIVERSITY EXAMINATION

UNIT CODE: MBA 840

UNIT TITLE: ENTREPRENEURSHIP AND SMALL BUSINESS MANAGEMENT

INSTRUCTIONS: Answer question **ONE (Compulsory)** and any other **TWO** questions

QUESTION ONE

“There is more to a successful business than a good idea; there must also be a good entrepreneur. Although the ideal entrepreneur cannot be profiled, there are certain characteristics of a potential entrepreneur and certain trends they may follow. This entrepreneur then goes through the entrepreneurial process, which involves finding, evaluating, and developing opportunities for creating a new venture. Each step is essential to the eventual success of the new firm and is closely related to the other steps”

Questions

- a) (i) Explain any **FIVE** characteristics of an entrepreneur. (5 marks)
- (ii) State entrepreneurial behavior (6 marks)
- b) (i) Outline factors that motivate entrepreneurs. (4 marks)
- (ii) One of the key steps in entrepreneurship is the identification of opportunity and opportunity assessment. Highlight some of the questions that the opportunity assessment will respond to and which are critical to the success of a new business. (10 marks)
- c) Contrast an entrepreneur and business manager. (5 marks)

QUESTION TWO

- a) McClelland pointed out twin important characteristics of entrepreneurship that govern the economic behavior of a person / people to become entrepreneurial. Outline the twin characteristics and explain the entrepreneurial link. (12 marks)
- b) Highlight entrepreneurial ambitions. (8 marks)

QUESTION THREE

One of the theories of entrepreneurship is “the theory of Cultural values” state the concept of this theory. In the context of this statement and with examples, explain the differences in economic development among different communities in Kenya.

(20 marks)

QUESTION FOUR

J.J Kao in his book, *entrepreneurship, creativity and organization*, developed a conceptual model of entrepreneurship. Use the model to explain how governments and organizations may enhance entrepreneurship among citizens and employees respectively. (16 marks)

QUESTION FIVE

- a) Outline the challenges facing small businesses and the government's effort to promote entrepreneurship in Kenya. (14 marks)
- b) Explain why many new businesses (less than 5 years) fail. (6 marks)