

LAIKIPIA



UNIVERSITY

UNIVERSITY EXAMINATIONS

2ND SEMESTER 2022/2023 ACADEMIC YEAR

FIRST YEAR EXAMINATION FOR THE DEGREE OF
BACHELOR OF AGRI-BUSINESS MANAGEMENT

AGBM 121: PRINCIPLES OF ENTREPRENEURSHIP

STREAM: AGBM Y1

TIME: 2 HRS

DAY: WEDNESDAY [11.30-13.30 P.M] ***DATE:*** 19/04/2023

THIS QUESTION PAPER CONSISTS OF THREE (3) PAGES

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INSTRUCTIONS

Answer question one and any other two questions

QUESTION ONE: (30 marks)

- a) When an entrepreneur decides to seek external financing, she / he must be able to prove creditworthiness to potential providers of funds. Discuss five critical qualifying elements for funding. **(10 marks)**
- b) Businesses face ethical dilemmas every day. How can entrepreneurs maintain high ethical standards? **(10 marks)**
- c) Explain the importance of entrepreneurship to the individual, society and national development. **(10 marks)**

QUESTION TWO: (20 marks)

- a) Using relevant examples, define entrepreneurship and intrapreneurship in your own words. **(4 marks)**
- b) Clearly discuss five entrepreneurship myths that exist in our society today?**(10 marks)**
- c) Identify and explain three theories that are related to entrepreneurship **(6 Marks)**

(QUESTION THREE: (20 marks)

- a) A shopkeeper set up a retail shop in a distant rural center. The business was closed after seven months. Discuss six possible causes for the failure of the business. **(10 Marks)**
- b) The government of Kenya has developed policies and programs to promote entrepreneurship and development in her economy. Identify and discuss five initiatives that the government of Kenya has put in place to promote entrepreneurship specifically among the youths. **(10 Marks)**

QUESTION FOUR: (20 marks)

- a) Define a business plan. Explain four circumstances under which an entrepreneur would prepare a business plan. **(10 marks)**
- b) What is a partnership deed? Is it necessary for partnership? Explain. **(5 Marks)**



- c) E-commerce impacts on many areas of business and disciplines of business management studies. Elaborate **(5 Marks)**

QUESTION FIVE: (20 marks)

- a) Write short notes on the following;
- (i) Equity financing and debt financing
 - (ii) Fabian and drone entrepreneurs
 - (iii) Creativity and innovation
 - (iv) Entrepreneur and manager **(2.5 Marks Each)**
- b) All entrepreneurs are business people but not all business people are entrepreneurs. Elaborate **(5 Marks)**
- c) How does the understanding of the consumer help an entrepreneur while setting up a business? **(5 Marks)**

