



PAN AFRICA CHRISTIAN UNIVERSITY

SCHOOL OF LEADERSHIP, BUSINESS & TECHNOLOGY

END OF SEMESTER EXAMINATION FOR

DIPLOMA IN ENTERPRENEURSHIP MANAGEMENT

JANUARY-APRIL 2019 SEMESTER

CAMPUS: ROYSAMBU

DEPARTMENT: BUSINESS STUDIES

COURSE CODE: DENT0214

COURSE TITLE: MANAGING IN SMALL BUSINESS ENTERPRISES

EXAM DATE: WEDNESDAY 10th APRIL 2019

DURATION: 3 HOURS

TIME: 9:00AM-12:00PM

INSTRUCTIONS

- Read the instructions and questions carefully before you write the answers.
- Write your **STUDENT NUMBER** in the Answer Booklet given
- *Write clearly and legibly.*
- This examination script consists of **Six (6)** questions.
- Answer Question **ONE** and any other **FOUR** questions
- *ALL PAC University's examination rules and regulations apply*

QUESTION ONE: COMPULSORY

- a) Define the following terms:
 - i. Entrepreneurial motivation
 - ii. Ethics.
 - iii. Innovation
 - iv. Production Planning
 - v. Business Strategy **(5 Marks)**
- b) Discuss FIVE ways to build better customer relationships in business. **(5 Marks)**
- c) Creativity is key for the success of any organization. Outline SIX barriers to creativity.

(6Marks)

- d) Pricing decisions are critical for a company in order to ensure that the company stays in business. Discuss THREE main approaches business owners or managers use to set prices. **(6 Marks)**
- e) Explain FOUR main benefits of setting business objectives. **(8 Marks)**
- f) The hardest part of starting a business is often raising the money to get going. Explain FIVE sources of finance for a new business. **(10Marks)**

QUESTION TWO

- a) Outline FIVE types of production planning applied by organizations. **(5 Marks)**
- b) Discuss FIVE objectives of production planning in organizations. **(10Marks)**

QUESTION THREE

- a) Highlight FIVE challenges faced by small to medium sized enterprises in Kenya.

(5Marks)

- a) Explain the FIVE key management functions that small business owners or managers engage in on a day to day basis. **(10 Marks)**

QUESTION FOUR

- a) Outline FIVE benefits of business ethics. **(5 Marks)**
- b) Discuss FIVE tools of ethics management in an organization. **(10 Marks)**

QUESTION FIVE

- b) Highlight FIVE benefits of keeping records in a business. **(5Marks)**
- c) Discuss FIVE key records kept by businesses. **(10Marks)**

QUESTION SIX

- a) Differentiate between Innovation and Creativity in entrepreneurship **(2 Marks)**
- b) The creative process for generating ideas by an individual can be broken into FIVE stages. Describe these FIVE major stages of the creative process. **(5 Marks)**

c) Explain FOUR main types of innovation.

(8Marks)