



PAN AFRICA CHRISTIAN UNIVERSITY
BACHELORS OF BUSINESS LEADERSHIP
END TERM EXAMINATION-ONLINE

DEPARTMENT: BUSINESS

CEN304 INNOVATION AND ENTREPRENEURSHIP

ANSWER FOUR QUESTIONS ONLY **{10 MARKS EACH}**

SECTION A

QUESTION ONE { COMPULSORY} **{10 MARKS}**

1.The relationship between innovation and entrepreneurship is that

- a) both innovation and entrepreneurship are two different labels describing the same thing launching new businesses.
- b) entrepreneurs drive innovation in an attempt to change conditions in markets, as part of endless cycles of creative destruction.
- c) innovation is necessarily the way by which entrepreneurs create new organizations.

d) entrepreneurs use innovation processes for gaining strategic advantage in markets, by creating and exploiting change situations as opportunities for value creation.

2. Which of the following statements represent cases of product innovation?

- a) Introduction of a significantly improved version of an existing product
- b) Introduction of an existing product into a new market.
- c) Introduction of a completely new product into the market.
- d) Introduction of a new production process for a popular products/ production line.

3. Which of the following is an important source of idea generation due to their familiarity with the needs of the market?

- a) The management.
- b) Existing products and services.
- c) Consumers.
- d) Distribution channels.

4. Process innovation refers to:

- a) the development of a new service.
- b) the development of new products or services.
- c) the implementation of a new or improved production method.
- d) the development of a new product.

5. One of the main reasons why it is necessary for an entrepreneur to do a feasibility study before starting a new venture is

- a) to identify new sources of funds.
- b) to find out if there are possible hurdles to success.
- c) to estimate the expected sales.
- d) to estimate the expected sales.

6. Which one of the following is an advantage of the small firm in the innovation process?

- a) Ability of the entrepreneur to carry out multiple tasks
- b) Ability of the entrepreneur to act on new ideas or product development
- c) Ability to raise finance
- d) Ability to carry out Research and Development

7. One of the following is a motivation for pursuing an entrepreneurial career. Which one

- a) Successful entrepreneurs enjoy high social status, respect and appreciation of others and I want to be like them.
- b) Inventing a new technology and seeking to perfect its technical development.
- c) Managing my own time, enjoying the benefits of my own labor and being my own boss.
- d) To have a safe and stable career, while not worrying about my income each month or year.

8. Which of the following is not an approach to innovation?

- a) Imitation of an existing product or service.
- b) Invention of a new product or service.
- c) Creative replication of existing concept.
- d) Combination of existing concepts in a new way.

9. Which of the following describes the difference between incremental and radical innovation?

- a) The difference between the perceived changes to a product by customers and the perceived changes to a product by a company.
- b) The difference between small improvements in what we are already doing and doing something we have never done before, or doing something we have done before only completely differently.
- c) The difference between what we start developing in an innovation process and what our end result of that process is.
- d) The difference between what we imagine an innovation to be and what it is.

10. Which of the following characterizes an entrepreneur?

- a) Low management skills but high levels of creativity and innovation
- b) High levels of both management skills and creativity and innovation.
- c) High management skills and Low levels of creativity and innovation
- d) Low levels of both management skills and creativity and innovation.

SECTION B: ANSWER THREE QUESTIONS ONLY **{10 MARKS EACH}**

QUESTION TWO **10 MARKS**

- a) Explain **TWO** dimensions of Innovation **(2mks)**
- b) You have been asked to prepare a presentation on the goals of Innovation. Discuss your presentation **(8mks)**

QUESTION THREE **10 MARKS**

a) Business models have several building blocks. Outline **FOUR** of them (4mks)

b) Giving examples, describe **THREE** forces affecting Business models today (6mks)

QUESTION FOUR **10 MARKS**

a) Citing an example for each case, discuss **TWO** Innovation routes (4mks)

b) Discuss the importance of Business Model Innovation to an Entrepreneur (6mks)

QUESTION FIVE **10 MARKS**

a) Outline **TWO** problems you would face in your venture as a Social Entrepreneur (2mks)

b) Explain **TWO** ways of creating an Innovation culture in an organization (4mks)

c) When designing and implementing Innovations in Entrepreneurship, it is important for you to make sure that you ascribe to best ethical practices in order to be successful in your business. Discuss **TWO** factors you must consider in this regard (4mks).

QUESTION SIX **10 MARKS**

a) Outline **TWO** shortcomings of Social networking for an entrepreneur (2mks)

b) Discuss **FOUR** benefits of Innovation in Business (4mks)

c) Explain **TWO** functions of Social Entrepreneurship (4mks)