



AMREF INTERNATIONAL TRAINING CENTER

Qualification Code : 102106T4COH
Unit Code : HE/OS/CH/CC/05/5/A
Unit of Competency : Demonstrate Entrepreneurial skills.

CANDIDATE WRITTEN ASSESSMENT

INSTRUCTIONS TO CANDIDATE

1. You have **THREE** hours to answer all the questions.
2. Marks for each question are indicated in the brackets.
3. The paper consists of **THREE** sections: A, Band C.
4. Do not write on the question paper.
5. A separate answer booklet will be provided.

This paper consists of six (6) printed pages

Candidates should check the question paper to ascertain that all the pages are printed.

SECTION A:20marks

1. Danieli wants to become a surgeon, not only because achieving this goal will give her self-respect and autonomy, but also because she wants a job with high status and recognition from others. Which of Maslow's needs is Danieli trying to fulfill?
 - A. social
 - B. self-actualization
 - C. physiological needs
 - D. Esteem
2. Which one of the following is a monetary motivation factor in an organization?
 - A. Status
 - B. Bonus
 - C. Promotion
 - D. Team building
3. The importance of entrepreneurship is creating job opportunities. Which of the following is a disadvantage of entrepreneurship?
 - A. Entrepreneurs make a product or explore ideas.
 - B. Entrepreneurs pay taxes which turn used for public services
 - C. Income is uncertain there is no certainty of success
 - D. They improve the living standard of individuals
4. Which of the following is an economic factor affecting entrepreneurship development in Kenya?
 - A. Culture
 - B. Education
 - C. Raw material
 - D. Political
5. Which of following is the primary goal of entrepreneurship?
 - A. Job security
 - B. Profit maximization
 - C. Salary increment
 - D. Employee satisfaction
6. Which of the following gives a clear definition of Business innovative strategies?
 - A. Are plans put in place by an entrepreneur to undertake business operation and ensue that company objective are implemented to achieve business goals
 - B. Is creation of long-term value for an organization development
 - C. Is a plan used by a company to encourage advancements in technology or services by investing finance in research and development activities.
 - D. It is plan of investing money for value addition and development to achieve organizations goals

7. Which of the following describes merchandising business?
 - A. Is where one buys product at wholesale price and sell the same at retail price to make profit.
 - B. Is where one buys product with aim of making them as raw material in making new products
 - C. Is a business that offer intangible products
 - D. is the business where one gets machine and sell them for profit
8. Select the most important characteristic of appropriate technology in an enterprise ?
 - A. Innovation
 - B. Effective
 - C. Cheap
 - D. maintainance
9. Which one is not a method to generate product-service ideas?
 - A. Accumulation of Knowledge
 - B. Marketability
 - C. Delphi technique
 - D. Privatization
10. In establishing the presence of competitors, the entrepreneur should ask the following questions except?
 - A. What is the growth pattern of the competitor's family?
 - B. What is the pricing policy of the competitors?
 - C. What share of the market does not the competitor have?
 - D. Where is the competitor sleeping?
11. Which of the following does not take place during the start-up stage of the business venture?
 - A. Initial screening of product and business ideas
 - B. Completing and testing a prototype of a product or service idea
 - C. Identifying initial customers and suppliers
 - D. Undertaking a market analysis
12. Some of the characteristics associated with a corporate entrepreneur are:
 - A. A middleclass person often highly educated with some technical background and perceives transactions within hierarchy as a basic relationship.
 - B. A middleclass person highly educated with technical background and perceive transactions within hierarchy as a basic relationship
 - C. A person of high standing, often highly educated with technical background and perceive transactions within hierarchy as a basic relationship
 - D. A middleclass person often not educated but with a technical background, perceive transactions within hierarchy as a basic relationship.

13. Which of the following is a danger sign of a business in trouble?
- A. Increased profits and customer base
 - B. Decrease in costs
 - C. Early delivery of products and services
 - D. Not knowing where the next sale is coming from
14. Which of the following is a business legal aspect?
- A. Contract
 - B. Attendance
 - C. application
 - D. Relationship
15. The following are factors to consider when selecting business finance. Which is not a factor to consider when selecting business finance?
- A. Cost of capital
 - B. Risk
 - C. Competitors invested capital
 - D. Purpose of borrowing
16. Identify the requirement for entry into self-employment.
- A. Business Registration
 - B. Business advertising
 - C. Taxes evasion
 - D. Inflation cost
17. Born entrepreneurs dream big, take what they want and never stop trying. Identify any characteristic of a born entrepreneur.
- A. Innovative and crafty
 - B. Plan everything
 - C. Always serious
 - D. Enjoys what they do
18. Which of the following is an indicator of the growth stage of a business cycle?
- A. Reduced profits
 - B. More customers
 - C. Government involvement
 - D. More taxes
19. The capacity to develop new ideas, concepts, and processes is known as
- A. Innovation,
 - B. Invention,
 - C. Skill,
 - D. Creativity

20. Which of the following explains a unique selling proposition (USP)?
- A. Unit Selling Price
 - B. Universal Sales Process
 - C. Unique Service Package
 - D. Unique Selling Point

SECTION B:40marks

Answer all questions in this section.

21. State Five characteristics associated with a sole proprietorship. [5marks]
22. Differentiate with an example between internal factors and external factors that are likely to impact a new business development. [4 marks]
23. Identify Four sources of business. [4 marks]
24. Entrepreneurial communication is important for any business success. Outline three entrepreneurial communication principles you are likely to employ during the communication process. [3 marks]
25. Marketing influences any business growth. State Three factors to consider when creating a Marketing Plan. [3 marks]
26. State five ways of financing your business. [5marks]
27. Highlight Five characteristics of a business plan. [5marks]
28. State Government policies always govern the businesses within the country. Highlight four benefits of government policies on small-scale enterprises. [4 marks]
29. List four benefits of owning your business. [4marks]
30. Outline three functions of an entrepreneur in a business. [3marks]

SECTION C:40 marks

In this section answer question 31 and any other.

31. John founded an organization named Donors; it was aimed at providing awards to the best proposals on how to solve mental health issues by young entrepreneurs. It has been operating since Nov 2022 where It has overcome challenges for it to be where it is.
- a) Elaborate Five challenges he might have faced. [10marks]
 - b) Discuss Five reasons for his choice of venture. [10marks]
32. Your friends would like to venture into the market to provide goods and service. They came to you to help them come up with a viable venture.
- a) Explain five considerations they need when evaluating a business venture. [10marks]
 - b) Discuss five differences between entrepreneur and business person. [10 marks]
33. Entrepreneurial culture is a mindset that encourages any proactive approach to business challenges and market gaps.
- a) Explain Five factors affecting entrepreneurial culture. [10marks]
 - b) Discuss five characteristics of an entrepreneur. [10marks]