



AMREF INTERNATIONAL TRAINING CENTER

Qualification Code :
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Unit Code : HE/OS/CH/BC/05/6/A
Unit of Competency : Apply Entrepreneurial skills

CANDIDATE WRITTEN ASSESSMENT

Time:3 Hours

INSTRUCTIONS TO CANDIDATE

1. The paper consists of **TWO** sections: A and B.
2. Marks for each question are indicated in the brackets.
3. Do not write on the question paper.
4. A separate answer booklet will be provided.

*This paper consists of **THREE (3)** printed pages*

Candidates should check the question paper to ascertain that all the pages are printed as indicated and that no questions are missing

SECTION A: (40 MARKS)

Answer all questions in this section

1. During class discussion, student came across the following terms; define.
 - a. Innovation (2Marks)
 - b. Sole proprietorship (2 Marks)
2. An entrepreneurial culture leads to growth of trade and industry in a country. Highlight Four social factors that affect entrepreneurship development in Kenya. (4Marks)
3. A business enterprise can finance its operations from various sources. Name Four of the sources. (4 Marks)
4. Customers' needs are continually changing thus there is need for entrepreneurs to think of new ideas to run their businesses to satisfy their customers. Outline Four barriers to creativity and innovation. (4 Marks)
5. Businesses start from ideas. Identify Four sources of business ideas. (4 Marks)
6. Partnership is an agreement between two or more people, highlight FOUR Contents of a partnership agreement. (4marks)
7. Self-employment is a common type of employment. Identify Five advantages of self-employment as per principles of entrepreneurship. (4marks)
8. Entrepreneurship plays a vital role in the growth of a country's economy. Identify Five ways through which entrepreneurs contribute to national development. (4marks)
9. Product demand refers to the quantity of a particular product that consumers are will and able to purchase. Highlight Four factors to consider when conducting product demand assessment. (4marks)
10. Business environment affects the business activity internally and externally Outline Four external factors that are found in the business environment. (4marks)

SECTION B (60 MARKS)

Answer Q11. And any other 2 question.

11. The InnovateTech is a startup founded in 2020 by a group of young entrepreneurs in Kenya. The company's mission is to revolutionize the tech industry by developing innovative solutions to everyday problems. InnovateTech was founded by a software engineer, and her three college friends, all with backgrounds in technology and business. The team was passionate about using technology to make a positive impact on society. They identified a gap in the market for affordable and efficient tech solutions for small and medium-sized enterprises. InnovateTech started by conducting extensive market research to identify common challenges faced by SMEs in Kenya. They discovered that many businesses struggled with inventory management, customer relationship management (CRM), and digital marketing. They a suite of software products tailored to address these challenges. Their flagship product, "InnoManager," is an all-in-one platform that integrates inventory management, CRM, and digital marketing tools. The software is user-friendly, affordable, and scalable. Like many startups, InnovateTech faced difficulties securing funding in its early stages. They overcame this challenge by participating in startup competitions, applying for grants, and seeking angel investors. Since its inception, InnovateTech has made significant strides in the tech industry. Their products have helped over 500 SMEs improve their operations and achieve growth. InnovateTech has also been recognized with several awards for innovation and entrepreneurship.
- a) Describe InnovateTechs' process of development. (10 marks)
 - b) Discuss Five barriers InnovateTech would face if they decide to innovative their service. (10marks)
12. Young people in a seminar on small scale enterprise, were discussing on different ways a business would start and be successful.
- a) Explain Five regulations that affect a business. (10 marks)

- b) Discuss five business support services that are available for small scale businesses. (10 marks)
13. Finance is the ‘heartbeat ‘of businesses, yet many businesses are faced with funding challenges.
- a) Discuss Five sources of business finance. (10 marks)
- b) Explain FIVE advantages associated with budgeting in an enterprise. (10 Marks)
14. Makena is a well-known businesswoman who runs several businesses in Kenya. She is contemplating opening several branches in East and Central African countries.
- a) Explain FIVE challenges that she may face by operating a multinational firm. (10 Marks)
- b) Discuss FIVE benefits accrued to an entrepreneur who keeps proper records of his enterprise activities. (10Marks)