AMREF INTERNATIONAL UNIVERSITY

SCHOOL OF MEDICAL SCIENCES

DEPARTMENT OF NURSING & MIDWIFERY SCIENCES

END OF SEMESTER AUGUST 2026 EXAMINATIONS

COURSE CODE AND NAME: BSM 318: Entrepreneurship

DATE;10TH AUGUST 2026…………

DURATION; 2 HOURS **START**: …9AM… **STOP**: …11AM………

INSTRUCTIONS

1. The exam is out of 70 Marks
2. This Examination comprises THREE Sections. Section I: Multiple Choice Questions (20 marks) Section II: Short Answer Questions (30 marks) and Section III: Long Answer Questions (20 marks)
3. Answer all Questions
4. Do Not write anything on the question paper -use the back of your booklet for rough work if need be.

SECTION I; MULTIPLE CHOICE QUESTIONS 20 MARKS

1. An individual who starts, creates, and manages a new business venture while assuming all its risks and rewards is known as an:

A. Intrapreneur

B. Entrepreneur

C. Administrative Manager

D. Corporate Executive

2. A common myth about entrepreneurs: -

A. Entrepreneurs are moderate risk-takers

B. Entrepreneurs must be young and highly energetic

C. Entrepreneurs are motivated by independence

D. Entrepreneurial skills can be learned over time

3. Corporate venturing is alternatively referred to as

A. Social entrepreneurship

B. Intrapreneurship

C. Scaling up

D. International franchising

4. According to David McClelland’s theory, an ideal entrepreneur possesses a high need for:

A. Power

B. Affiliation

C. Achievement

D. Authority

5. Innovation is best defined in the entrepreneurial context as:

A. The simple generation of a creative idea

B. The successful exploitation and commercialization of new ideas

C. The strict replication of an existing business model

D. Developing products that make modern technology obsolete

6. A component of a business plan that is designed to capture the attention of potential investors and act as a standalone summary is: -
A. Marketing Plan
B. Operations Plan
C. Executive Summary
D. Appendix
7. In a SWOT analysis, high market competition and a sudden economic recession would be classified as:-
A. Weaknesses
B. Strengths
C. Opportunities
D. Threats
8. The strategic framework developed by Alex Osterwalder that allows entrepreneurs to visualize, design, and pivot their business model on a single page is called the: -
A. PESTLE Analysis Matrix
B. Business Model Canvas
C. BCG Growth-Share Matrix
D. Value Chain Framework
9. When analyzing the macro-environment using a PESTLE framework, which of the following elements would be categorized as a Technological factor:-
A. Proposed reductions in corporate tax rates
B. Shifting demographic trends in the population
C. Advancements in automation and digital platforms
D. New government recycling policies
10. What is the standard classification for a business model where an entrepreneur purchases the right to use an established company's brand name, trading secrets, and operational model?
A. Franchise
B. Cooperative
C. Sole Proprietorship
D. Joint Venture

11. Which form of intellectual property protects logos, brand identities, and commercial slogans from being copied by competitors?
A. Patent
B. Trademark
C. Copyright
D. Trade Secret

12. The primary cause of operational failure for newly formed small businesses and scalable startups is:
A. Lack of public speaking skills by the founder
B. Poor cash flow management and running out of capital
C. Over-reliance on digital marketing automation
D. Choosing a partnership legal structure

13. The entrepreneur distinguished themselves from capital provider in the:-

A. 17^{th} Century
B. 18^{th} Century
C. 19^{th} Century
D. None of the above

14. The process through which individual perceives opportunities without regard to resources they possess is:

A. Start-up Management
B. Entrepreneurship
C. Financial Analysis
D. Feasibility Planning

15. The term ‘Entrepreneur’ was derived from French word ___________________________

A. Enterpurpose
B. Enterprise
C. Enterprocedure
D. Enterprendre

16. The term Entrepreneur was first defined by Irish-French economist

A. Richard William
B. Richard Cantillon
C. James Bernard
D. W.B. Gartner

17. Importance of Entrepreneurship includes ________________________________

A. Inflation
B. Banking
C. Contract closure
D. Innovation & Profit potential

18.The process of Entrepreneurship is divided into two parts & they are

A. Idea Generation and Feasibility study
B. Innovation generation and Distribution Channel
C. Creativity and Development
D. Profit and Economic Development.

19. Which one of the following is the idea generation process of entrepreneurship ________

a. Simple guess
b. Formal education
c. Finances
d. Problem identification and opportunities

20. The feasibility study process of entrepreneurship are ____________________________

A. Illumination
B. Verification
C. Both (a) & (b)
D. Preparation

SECTION II; SHORT ANSWER QUESTIONS 30 MARKS

21. Highlight five most notable qualities of a successful entrepreneur? (5 Marks)
22. State five factors one needs to consider when starting a small business (5 marks)
23. Entrepreneurship involves taking risks. Highlight five types of risks that entrepreneurs are exposed to? (5 marks)
24. Define the following terms
    a. Entrepreneurship
    b. Business
    c. Business plan
    d. Business environment
    e. Decision making as used in business (5 marks)
25. Highlight five economic contributions of entrepreneurship in Kenya. (5 marks)
26. Outline five challenges faced by entrepreneurs when starting and managing a business. (5 marks)

SECTION II ; LONG ANSWER QUESTIONS 20 MARKS

27. Discuss how the government affects entrepreneurship operation in Kenya (20 marks)