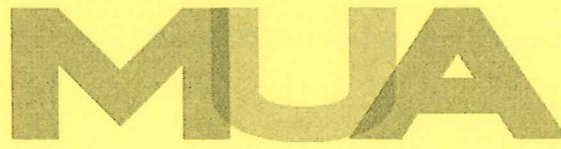


The
Management
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DIPLOMA UNIVERSITY EXAMINATIONS
SCHOOL OF MANAGEMENT AND LEADERSHIP
DIPLOMA COMMON UNIT

DCU 105 : PRINCIPLES OF ENTERPRENEURSHIP

DATE: 9TH AUGUST 2023

DURATION: 2 HOURS

MAXIMUM MARKS: 70

INSTRUCTIONS:

1. Write your registration number on the answer booklet.
2. **DO NOT** write on this question paper.
3. This paper contains **SIX (6)** questions.
4. Question **ONE** is compulsory.
5. Answer any other **FOUR** questions.
6. Question **ONE** carries **30 MARKS** and the rest carry **10 MARKS** each.
7. Write all your answers in the Examination answer booklet provided.

QUESTION ONE

Read the Case Study below carefully and answer the questions that follow:

John Gokongwei Jr. (J.G. Holdings) Born in China, John Gokongwei Jr. was the heir to one of Cebu's wealthiest families. When his father died, the family fortune evaporated and he had to support his family by peddling goods from his bicycle in the streets of Cebu. He then began to trade by boat and truck until he began importing from the United States.

Seeing that low trade margins would always limit his income, he switched focus to manufacturing. He borrowed PHP 500,000 from China bank to launch a maize milling company that is now known as Universal Corn Products.

Although this business venture was a success, he did not stop there. He began adding more goods, such as Blend 45, and soon changed the name of his company to Universal Robina Corporation. Gokongwei died in 2019, aged 93. His family is now one of the most successful Filipino business families and owns the Robina Land Corporation, which owns Robinsons Supermarkets and Department Stores, as well as the commercial airline Cebu Pacific. John Gokongwei Jr. overcame setbacks to ensure his success.

REQUIRED:

- a) Discuss eight characteristics and eight guiding factors for successful entrepreneurship (16 Marks)
- b) Define the term Entrepreneurship (3 Marks)
- c) State any four categories of financial Ratios and their importance to an Entrepreneur (8 Marks)
- d) State three importance of a Business Plan to an entrepreneur (3 Marks)

QUESTION TWO

- a) Define the following terms as used in entrepreneurship
 - i) Incubator (2 Marks)

ii) Venture Capitalists (2 Marks)

iii) Angels (2 Marks)

b) Differentiate between a Manager and an Entrepreneur (4 Marks)

QUESTION THREE

a) Highlight three major Policy Initiatives developed in Kenya towards Small Scale Industries and Entrepreneurship (6 marks)

b) List four advantages of Entrepreneurship To the nation (4 Marks)

QUESTION FOUR

a) Illustrate four key elements of an entrepreneur (2 Marks)

b) Explain four purposes of entrepreneurship training (8 Marks)

QUESTION FIVE

Explain five entrepreneurial functions that the CEO is supposed to perform in order to accomplish the enterprise goals (10 Marks)

QUESTION SIX

a) Differentiate between a business plan vs a strategic plan (4 Marks)

b) Explain any five factors which encourage entrepreneurial development (6 Marks)

