

The
Management
University
of Africa



Sponsored by the Kenya Institute of Management

DIPLOMA UNIVERSITY EXAMINATIONS
SCHOOL OF MANAGEMENT AND LEADERSHIP
DIPLOMA IN ENTREPRENEURSHIP

**DES 106: PLANNING FOR ENTREPRENEURSHIP GROWTH AND
SUSTAINABILITY**

DATE: 9TH APRIL 2026

**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:

Mama Chipo, a middle-aged woman in Nakuru, Kenya, decided to start a small business selling affordable and healthy traditional meals in her local neighbourhood. Having observed a high demand for lunch-time meals among boda-boda riders and local shop attendants, she used her modest savings to acquire basic cooking equipment and rented a small kiosk.

She branded her business "Fresh Bites" and focused on cleanliness, fast service, and generous portions. Her friend helped design a colourful signboard to attract attention. Over time, she built a loyal customer base, and the business started generating steady daily income.

Encouraged by her success, Mama Chipo began thinking of expanding to nearby estates and even considered launching a delivery service. However, she was unsure how to raise more capital, manage increasing demand, or register her business formally. She heard about government programs supporting small businesses and wanted to explore how to sustain and grow her enterprise.

Required:

- a) Using the case of Mama Chipo's Fresh Bites, identify and explain four characteristics of entrepreneurial growth illustrated in her business journey.

(10

Marks)

- b) Explain three external environmental factors that may affect the sustainability of Mama Chipo's business.

(10 Marks)

- c) Based on the business start-up process, list and explain three steps Mama Chipu should follow to successfully scale up her business.

(10 marks)

QUESTION TWO

- a) Define the term entrepreneur and explain the key roles played by entrepreneurs in economic development **(5**

Marks)

- b) Differentiate between an entrepreneur and intrapreneur with relevant examples

(5 Marks)

QUESTION THREE

- a) Discuss five key factors in the internal entrepreneurial environment that influence the success of a business **(5**

Marks)

- b) Explain the concept of 'entrepreneurial sustainability' and why it's important for long-term business success

(5 Marks)

QUESTION FOUR

- a) Analyze the importance of momentum in start-ups and list three strategies that help maintain it.

(5 Marks)

- b) Identify and explain any five sources of business ideas an aspiring entrepreneur can use to develop a start-up **(5**

Marks)

QUESTION FIVE

- a) Explain the characteristics of an entrepreneurial environment and how they contribute to business growth.

(5 Marks)

- b) List and explain any five types of entrepreneurship **(5 Marks)**

QUESTION SIX

- a) Describe the phases of a life cycle and the challenges an entrepreneur may face in each stage

(5 Marks)

- b) Explain the significance of a business plan **(5 Marks)**