

KASNEB

CPA PART I SECTION I

CICT PART I SECTION I

CIFA PART I SECTION I

CCP PART I SECTION I

ENTREPRENEURSHIP AND COMMUNICATION

PILOT PAPER

September 2015.

Time Allowed: 3 hours.

Answer any **THREE** questions in **SECTION I** and any **TWO** questions in **SECTION II**. **ALL** questions carry equal marks.

SECTION I

QUESTION ONE

- (a) Differentiate an entrepreneur from a business person. (4 marks)
- (b) From definitions, entrepreneurs are value creators.
Discuss the value creation process of entrepreneurship. (8 marks)
- (c) Explain the role of entrepreneurship in achievement of Kenya's vision 2030. (8 marks)

(Total: 20 marks)

QUESTION TWO

- (a) Define the term "risk management" from entrepreneurs' point of view. (2 marks)
- (b) Discuss the four forms that entrepreneurship innovation can take. (8 marks)
- (c) Illustrate how Maslow's hierarchy of needs theory act to motivate an individual into entrepreneurship. (10 marks)

(Total: 20 marks)

QUESTION THREE

- (a) Illustrate the steps followed in carrying out a feasibility study. (5 marks)
- (b) Wangeci has just discovered how to grow a "Mega Rose Flower" from grafting three totally unrelated plants.
Discuss the process of ensuring her new discovery remains unpirated, stating the institutions in your country she has to work with. (10 marks)
- (c) Why do micro and small enterprises find it necessary to go global? (5 marks)

(Total: 20 marks)

QUESTION FOUR

- (a) Discuss importance of any three chapters of a business plan to a named third party. (6 marks)
- (b) Omar from northern part of your country started a business with 10 camels. One day he bought 100 camels. 3 died while 7 got triplets. After selling, he was left with 13 camels as closing stock. Each camel cost him Sh.30,000 and he sold each at a margin of $33\frac{1}{3}\%$ on the selling price.
If he paid his assistant a daily allowance of Sh.2,000, calculate his gross profit and net profit for the day assuming that he did not sell the triplets. (8 marks)
- (c) Explain the purpose of a Wi-Fi connection to Omar's business. (6 marks)

(Total: 20 marks)

SECTION II

QUESTION FIVE

- (a) Explain the components of a business letter. (7 marks)
 - (b) Critique teleconferencing as a mode of business communication. (8 marks)
 - (c) Illustrate how ethics and integrity affect business communication. (5 marks)
- (Total: 20 marks)

QUESTION SIX

- (a) Discuss the role of the chairman in a company's annual general meeting. (6 marks)
 - (b) In relation to international trade, explain the meaning and relevance of the acronym "CIF". (4 marks)
 - (c) Okili Abuor is determined to sell her carvings in Japan. However, the only two languages she knows are English and Dholuo which are foreign to most of her prospective clientele.
Explain how Okili Abuor can overcome the challenge. (10 marks)
- (Total: 20 marks)

QUESTION SEVEN

- (a) Explain how fibre optic cable is impacting on entrepreneurship in your country. (8 marks)
 - (b) Despite the effort in initiating corporate social responsibility programs, your organisation has been constantly accused of not observing human rights amongst its neighbours. Consequently, your chief executive officer has tasked you with the responsibility of coming up with a press release to correct the situation.
 - (i) Explain the prior preparations needed before the press release. (6 marks)
 - (ii) Prepare a one page write up for the presentation. (6 marks)
- (Total: 20 marks)
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