

## **INSTRUCTIONS: ATTEPT ALL QUESTIONS**

**The Assessment test is out of 40% the other 60% will be on the term paper that you will submit at the end of the semester.**

1. Discuss what you understand by the following terms: (10 Marks)
  - a) Entrepreneur – An entrepreneur is a person who is devoted to search something new and exploit the novel notions and visions into gainful opportunities by bearing the risk involved in the process. The entrepreneur conceives the idea of an enterprise, lives with it, and finally establishes the enterprise. Entrepreneurship refers to the process of activities undertaken by an entrepreneur.
  - b) Idea validation - Idea validation is the process of gathering evidence around ideas through experimentation to make fast, informed and de-risked decisions. It's a process that starts from an idea and typically ends with a paying customer. The purpose of idea validation is to expose the idea to the practicality of the real world before you build and release the final product or offering.
  - c) Business plan - A business plan is a document that maps out the details of your business. It covers what your business will sell, how it will be structured, what the market looks like, how you plan to sell your product or service, what funding you'll need, what your financial projections are, and which permits, leases, and other documentation will be required. At its core, a business plan helps you prove to yourself and others whether or not your business idea is worth pursuing.
  - d) Sole proprietorship - This is a business that's owned and run by one person, where the government makes no legal distinction between the person who owns the business and the business itself. It's the simplest way to operate the business. You don't have to name your business anything other than your own, personal name, but if you want to, you can give it its own distinctive name by registering the name.
  - e) Crowdfunding - This is a newer way of funding a business. It typically doesn't entail giving partial ownership of the business away, instead, it's a way of getting funding not from potential co-owners, but from potential fans and customers who want to support the business idea, but not necessarily own it. What you give donors in exchange is entirely up to you and typically, people will come away with early access to a product, or a special version of a product, or a meet-and-greet with the founders.
  
2. State Five characteristics of an entrepreneur. (10 Marks)
  - i. Risk bearing
  - ii. Organizational coordination
  - iii. Managerial oriented
  - iv. Innovative
  - v. Confident
  - vi. Planner

3. State Five theories of entrepreneurship. (10 Marks)

- i. Innovation Theory
- ii. Need for Achievement Theory
- iii. Status Withdrawal Theory
- iv. Theory of Social Change
- v. Theory of Social Behaviour
- vi. Theory of Leadership
- vii. Theory of Model Personality
- viii. Theory of Systematic Innovation
- ix. Creation Theory
- x. Psychological Theory
- xi. Sociological Theory
- xii. Economic Theory
- xiii. Cultural Theory.

4. What is a market analysis (5 Marks)

A market analysis is the process of gathering information about a market within an industry. Your analysis studies the dynamics of a market and what makes potential customers tick. A market analysis may seem complex, but it's necessary if you want to lead your business in the direction of success. When you conduct a market analysis, you learn the who are the potential customers, what are the customers shopping and buying habits, how large is the target market, how much are potential customers willing to pay, who is the competition, and what are the competitors' strengths and weaknesses.

5. Define the term Human resource management. (5 Marks)

This is the strategic approach to the effective and efficient management of people in a company or organization such that they help their business gain a competitive advantage. It is designed to maximize employee performance in service of an employer's strategic objectives. Human resource management is primarily concerned with the management of people within organizations, focusing on policies and systems. HR departments are

responsible for overseeing employee-benefits design, employee recruitment, training and development, performance appraisal, and reward management, such as managing pay and Employee benefits benefit systems.