



**KENYATTA UNIVERSITY**

**UNIVERSITY EXAMINATIONS 2011/2012**

**SECOND SEMESTER EXAMINATION FOR DIPLOMA IN RECREATION**

**MANAGEMENT AND EXERCISE SCIENCE**

**HLR 034 : SPORT ENTREPRENEURSHIP**

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**DATE: MONDAY 26<sup>TH</sup> MARCH 2012**

**TIME: 8.00 A.M. – 10.00 A.M.**

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**INSTRUCTIONS**

Answer question 1 and any other two questions.

**Question One (Compulsory) (10 marks)**

- i) Explain the concept of “entrepreneurship”
- ii) Distinguish between small businesses and enterprises.

**Question Two (30 marks)**

Explain the following theories of Entrepreneurship

- i) Economic theory
- ii) Psychological theory
- iii) Sociological theory

**Question Three (30 marks)**

Expound on the following dimensions of entrepreneurship

- i) Innovativeness
- ii) Risk-taking
- iii) Pro-activeness

**Question Four (30 marks)**

Give 3 examples on each of the following perspectives of entrepreneurship

- i) Motivational factors to entrepreneurship
- ii) Barriers to entrepreneurship
- iii) Traits of an entrepreneur
- iv) Importance of entrepreneurship in an economy
- v) Sources of Finance for a new venture

**Question Five (30 marks)**

Attached is a business profile of a possible new venture at Kenyatta University. Use the profile to answer the following questions.

- a) Giving at least two items on each component, perform a possible SWOT analysis on the business venture. (16 marks)
- b) Using the Business profile attached, what would X, Y, Z represent (6 marks)
  - i) X –
  - ii) Y –
  - iii) Z-
- c) Identify the immediate target market (2 marks)
- d) Suggest two ways in which Kenyatta University Sports Shop could market its products to its customers. (4 marks)
- e) Suggest one other preferable source of funding for the venture and support your answer (2 marks)

## Business Profile

|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Business Name:</b> | <b>The Kenyatta University Sports Shop</b>                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>X</b>              | <ul style="list-style-type: none"> <li>To become the preferred sports goods supplier of choice, based on product, price, quality, and level of service, by developing a long-term relationship with the Kenyatta University Community. We will specialise in apparel and merchandise with the Kenyatta University logo, Name and Logo.</li> </ul>                                                                                         |
| <b>Y</b>              | <ul style="list-style-type: none"> <li>Quality and affordability are the core of our business which involves providing a wide range of sporting goods to our customers</li> </ul>                                                                                                                                                                                                                                                         |
| <b>Location:</b>      | <b>Kenyatta University New Business Centre</b>                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Products:</b>      | <ul style="list-style-type: none"> <li>Customised Kenyatta University sports teams and merchandise and apparel including: T-shirts, caps, shoes, shorts cups</li> <li>Sports equipment and gear e.g. balls, swimming costumes</li> <li>Official Replica T-shirts (e.g. Barclays Premier league teams, Kenya national teams etc.)</li> </ul>                                                                                               |
| <b>Z</b>              | <ul style="list-style-type: none"> <li>We will constantly strive to enhance the efficiency and effectiveness of our service.</li> <li>We will make every effort to operate in the best interest of all stakeholders</li> <li>We ensure that our customer's positive experience is a priority in every encounter</li> </ul>                                                                                                                |
| <b>Funding Source</b> | <ul style="list-style-type: none"> <li>Kenyatta University</li> </ul>                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Goals</b>          | <p>We plan to grow steadily over the next three years and further expand to a wider market presence dealing in Educational institution Merchandise and apparel. We plan to do this by:</p> <ul style="list-style-type: none"> <li>Deliver superior quality products</li> <li>Provide high quality customer service</li> <li>Recruit well trained and enthusiastic staff</li> <li>Offer competitive prices on all our products.</li> </ul> |