



MACHAKOS UNIVERSITY

SCHOOL: HUMANITIES AND SOCIAL SCIENCES

DEPARTMENT: DEPARTMENT OF DESIGN

UNIT CODE: HFM 401

UNIT NAME: ENTREPRENEURSHIP IN FASHION

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TASK: ASSIGNMENT

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QUESTION

1. Explain barrier to creativity and innovation an entrepreneur would face when running a business

2(a) Discuss how bids for tenders are carried out in a business set up

2(b) How businesses procure their Materials

3). Describe challenges entrepreneurs face in the process of running the businesses and how they go about their challenges.

ANSWERS

QUESTION ONE

INTRODUCTION

Entrepreneurs face several barriers to creativity and innovation , including fear of failure, lack of resources, resistance to change and lack of clear direction .These barriers can stem from internal anxieties , external constraints, even cultural norms within the businesses.

Definition of terms

1. Barrier

Something that restricts, impedes or blocks progress or the achievement of an ultimate objective or end.

2. Creativity

The ability to generate novel and valuable ideas, products or solutions. It involves using imagination, thinking outside the box , and finding unique perspective on problems.

3. Innovation

Refers to the process of introducing something new, either a concept, method , product or service, that leads to significant positive change and value. It involves transforming creative idea into tangible outcomes that improve efficiency, effectiveness or address unmet needs.

The barriers include:

1. Lack of funding.

Without sufficient financial resources, it becomes hard to invest in innovative ideas.

2. Fear of failure

A strong fear of making mistakes or facing criticism can prevent entrepreneurs from taking risks and experimenting with new ideas, hindering the creative process.

3. Lack of resources

Insufficient funding, limited access to technology or shortage of skilled personnel can limit the ability to implement innovative ideas.

4. Resistance to change

A reluctance to new approaches or technologies, or to disrupt existing processes can stifle innovation.

5. Lack of collaboration and diversity

A lack of diverse perspectives and open communication within a team can limit the generation of innovative ideas.

6. Poor communication

When ideas are not shared openly, innovation is hindered.

7. Short-term focus

Focusing only on immediate results may ignore long- term innovative strategies.

8. Limited skills or knowledge

Innovation often needs specialized skills or knowledge taking creative risks.

9 . Rigid business structure

Highly formal or hierarchical organizations can stifle creativity.

QUESTION 2

(a) Discuss how bids for tenders are carried out in a business set up

ANSWER

INTRODUCTION

In a business setting, bids for tenders are carried out through a formal process where interested suppliers submit proposals to compete for contracts offered to buyers. The process typically involves a buyer releasing an invitation to tender (ITT), followed by suppliers preparing and submitting their bids, which are then evaluated by the buyer before a contract is awarded.

Definition of terms

1. Bid- is the actual offer submitted by a business or individual in response to a tender.
2. Tender- it is an invitation to contractors to submit an offer to execute a task as per the tender specification.

The procedure includes the following:

1. Tender notice

A call for bids is published through newspaper or official portals.

2. Bid preparation

Interested businesses prepare their proposal according to tender requirements.

3. Submission

Bids are submitted within the given deadline.

4. Evaluation.

The bids are evaluated based on criteria like price , quality , and delivery timeline.

5. Awarding

The best bid is selected and awarded the contract .

6. Signing contract

A formal agreement is signed between the bidder and the client.

QUESTION 2

(b) How businesses procure their Materials

ANSWER

INTRODUCTION

Businesses procure materials through structured process that includes identifying needs sourcing suppliers, negotiating contracts, placing orders , receiving goods and managing the supply chain . This process ensures businesses obtain the necessary resources efficiently and effectively, meeting production requirements while optimizing costs.

Answer

1. Identifying needs

They determine the quantity and type of materials needed.

2. Supplier selection.

They evaluate and select suitable supplier.

3. Request for quotation

They ask for price from suppliers

4. Placing orders

Once the best quote is chosen , orders are placed .

5. Receiving materials.

Materials are delivered and inspected for quality and quantity

6. Payment processing

Suppliers are paid based on the agreed terms .

QUESTION 3

Describe challenges entrepreneurs face in the process of running their businesses and how they go about their challenges.

ANSWER

1. Market competition

The entrepreneurs overcome by offering unique products and effective marketing

2. Customer retention

Entrepreneurs build relationships and improve customer service.

3. Regulatory issues

Entrepreneurs handle this challenge by staying updated on laws and seeking legal advice when needed.

4. Poor management skills

Addressed through training or hiring experienced managers

5. Lack of capital

Entrepreneurs solve this challenge by seeking loans, investors or crowdfunding.

6. Economic fluctuations

Entrepreneurs manage this challenge through budgeting and having a financial cushion.

THE END

