



MACHAKOS UNIVERSITY

SCHOOL: HUMANITIES AND SOCIAL SCIENCES

DEPARTMENT: DEPARTMENT OF DESIGN

UNIT CODE: HFM 401

UNIT NAME: ENTREPRENEURSHIP IN FASHION

REG.NUMBER: K17- 8837-2021

NAME: KYALO M TERESIA

TASK: ASSIGNMENT

LECTURER: MADAM KITHEKA

DATE: 16/4/2025

## **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**

