

**UGANDA MARTYRS UNIVERSITY**

**FACULTY OF BUSINESS ADMINISTRATION AND  
MANAGEMENT**

**DEPARTMENT OF MANAGEMENT SCIENCE**

**BAM 2 SEMESTER ONE 2021/2022**

**COURSE UNIT: BASIC PRINCIPLES OF ENTREPRENEURSHIP**

**DATE: Monday, 17th January 2022**

**Time allowed: 2:00pm -5:00pm**

**Instructions to Candidates:**

Read the following before answering the examination questions.

Do not write anything on this question paper.

Answer ONLY 4 Questions

Use relevant examples

Each question carries 25 marks.

Put Your Registration Number on All Answer Booklets

Write clearly

1. a) Explain the differences among creativity, innovation, and entrepreneurship? (6 Marks)  
b) Why are creativity and innovation so important to the survival and success of a business? (7 Marks)  
c) Using relevant examples, explain what can entrepreneurs do to stimulate their own creativity and to encourage it among workers? (12 Marks)
- 2- a) Explain why Protection of intellectual property is important to entrepreneurship? (10 Marks)  
b) Using relevant examples, Describe what is meant by patents, trademarks, and copyrights (15 points)
- 3- In an economic crisis, Small businesses can remake themselves faster than larger companies. Do you agree? Using relevant examples explain. (25 points)
- 4- a) Explain why every entrepreneur should create a business plan (5 points)  
b) Explain the benefits of developing a plan. (5 Points)  
c) Assume that you are a member of a team of entrepreneurial students competing in a prestigious business plan competition. Describe what could be your team's strategy for winning the competition (15 points)
- 5 a) Using a relevant example, explain the difference between business plan and feasibility study? (10 points)  
b) Using relevant examples, explain what could be the factors to consider before an entrepreneur start a sole proprietorship, the partnership, and the corporation? (15 points)
- 6 A well-designed and logical financial plan is one of the most important steps to launching a new business venture and therefore a critical aspect of a comprehensive business plan. Describe the three important financial statements that assist entrepreneurs to assess the financial status of their business? (10 points)  
b) Why is ratio analysis such as Liquidity ratio, leverage ratio, and operating ratios so important to entrepreneurs who use them over time to keep track of their companies' financial performances? (15 points)

Wish you Success!