



Jomo Kenyatta University of Agriculture and Technology

College of Engineering and Technology

School of Mechanical, Materials, and Manufacturing Engineering

Department of Mechatronic Engineering

CAT 2.

**Entrepreneurship Skills(HRD)
(ASSIGNMENT 1)**

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1. (a) **Define creativity and innovation.**

This is the process of creating a new idea, or thing or improving a new idea or thing.

(b) **What is the importance of creativity and innovation to an entrepreneur?**

- i. Aids an entrepreneur in solving inefficiency problems.
- ii. Allows an entrepreneur to counter competition from already existing businesses.
- iii. Helps the entrepreneur to protect current position of monopoly or success.
- iv. Allows the entrepreneur to open up markets both locally and abroad.
- v. Facilitates diversification of a product's risks and losses.

2. (a) **What is corporate social responsibility?**

This is a form of business self-regulation that ensures that a business is accountable and committed to contributing to the well-being of communities and societies through various environmental and social measures. It ensures the business is reliable to itself, its shareholders and the general public.

(b) **Why should entrepreneurs practise Corporate Social Responsibility?**

- Gaining and attraction of employees.

A corporate social responsibility strategy shows that the company is compassionate and cares for people including its employees.

- Improve customers' perception of the brand.

Having and implementing a corporate social strategy can help build a good reputation and in turn earn trust and loyalty among customers.

- Boost employee morale.

Social responsibility programs help lift the spirit of the organization employees and in the process improve their productivity.

- Investor attraction

An entrepreneur attracts more investors when their organization commits to social responsibility

- Business sustainability

When the entrepreneur makes corporate responsibility a focus, they are driven to be more innovative and creative which helps in making the business more sustainable.

- Reduced manufacturing costs.

Sometimes taking corporate social responsibility can lead to reduces production costs e.g. Installing an energy monitoring system can lead to reduce cost by reducing the amount that would have been used to pay for the wasted energy.