1. Select a common characteristic of successful entrepreneurs. (2 marks)

A. Problem solvers

B. Indecisive

C. Intolerant to failure

D. Moderately motivated

Answer: A

2. Identify the statement that describes the process of identifying and evaluating a business opportunity. (2 marks)

A. Writing business proposal plan

B. Scanning the business environment

C. Seeking extra business finances

D. Registering the business name

Answer: B

3. Choose the statement that identifies entrepreneurs’ contribution to economic growth. (2 marks)

A. Discussions and reports about the economy

B. Widening the economic gap in the country

C. Creating enterprises that increase wealth

D. Registration of companies

Answer: C

4. Choose the statement that defines a business plan. (2 marks)

A. An entrepreneur’s expression of interest

B. A list of business ideas in written form

C. Entrepreneurs’ diary of business activities

D. A written proposal of a business venture

Answer: D

5. Select the content shown in the marketing strategy section of the business plan. (2 marks)

A. Deadlines and milestones

B. Transfer of assets

C. Market research analysis

D. Proximity to supplies

Answer: C

6. Identify a private form of business organization. (2 marks)

A. General Partnerships

B. Cooperative organizations

C. Non-governmental organizations

D. Savings and loans societies

Answer: A

7. Choose the guideline considered when writing a business plan. (2 marks)

A. Avoid highlighting the critical risks

B. Writing to capture the reader’s interest

C. Excess sales potential of the business

D. Focus on diverse multiple markets

Answer: A

8. Select the main disadvantage of a public limited company. (2 marks)

A. Unlimited liability of the shareholders

B. Shareholders loss of direct control

C. Risks are shared on agreed proportions

D. Ability to raise large sums of capital

Answer: A

9. Which of the following concepts allows large organizations to tap the innovative talents of their employees? (2 marks)

A. Individual creativity

B. Corporate entrepreneurship

C. Staff development

D. Entrepreneurial culture

Answer: B

10. Which of the following is a benefit that could accrue to an entrepreneur from registering intellectual property rights? (2 marks)

A. Leads to identification of new opportunities

B. Attracts government subsidy and support

C. Reduces the number of licenses required

D. Enhances the distinctiveness of a brand

Answer: D

11. Select a situation where a sole proprietorship is regarded as a favorable form of ownership. (2 marks)

A. Where the owner prefers autonomy in decision making

B. Where promptness is not required in decision making

C. Where personal attention is not an important business aspect

D. Where the market is broad and requires large capital investment

Answer: A

12. Identify a business expansion strategy. (2 marks)

A. Borrowing

B. Acquisition

C. Lending

D. Succession

Answer: B

13. Which of the following challenges faced by entrepreneurs is related to poor infrastructure? (2 marks)

A. Lack of capital

B. High taxation

C. Nearness to competitors

D. Inaccessible markets

Answer: D

14. Select the statement that describes a business incubator from the following: (2 marks)

A. Creation of new ideas to ensure success of a business

B. Innovation and creativity within a business set-up

C. Modifying business processes to meet market needs

D. Process of nurturing start-ups to become self-sustaining

Answer: D

15. Which of the following factors enhances competitive advantage of a new venture? (2 marks)

A. High prices

B. Size of business

C. Unique products

D. Quantity of products

Answer: C

16. Which of the following is a quality of a good business opportunity? (2 marks)

A. Limited market scope

B. Availability of competition

C. Enough skilled labor

D. Low return on investment

Answer: C

17. Which of the following is a source of equity finance? (2 marks)

A. Bank loans

B. Venture capital

C. Lease finance

D. Debentures

Answer: B

18. Which of the following factors influences a customer to buy a product? (2 marks)

A. Product transferability

B. Brand name

C. Product limitations

D. Availability of substitutes

Answer: B

19. Which of the following is a distinguishing factor between a merger and an acquisition? (2 marks)

A. Mergers create a new different entity

B. Mergers allow expansion of business

C. Mergers enable access to new markets

D. Mergers lead to economies of scale

Answer: A

20. Which of the following statement explains the meaning of a market segment? (2 marks)

A. Group of customers who are emotionally attached to a brand

B. Group of customers that share similar characteristics

C. Group of prospective buyers for a business product

D. Customers who trust the products of a specific business

Answer: B

21. Which of the following is a challenge associated with grapevine communication? (2 marks)

A. Could delay communication

B. Could be resisted by employees

C. Spread of incomplete information

D. It is authoritative and inflexible

Answer: C

22. Choose a statement from the following that describes the term ‘prewriting’ as a step in the writing process. (2 marks)

A. Modifying and rearranging content

B. Correcting grammatical mistakes

C. Communicating to the audience

D. Gathering and organizing information

Answer: D

23. What name is given to entrepreneurs who refine existing business ideas? (2 marks)

A. Imitating

B. Fabian

C. Hustler

D. Drone

Answer: A

24. Which of the following statement explains the meaning of the term ‘communication’? (2 marks)

A. Generation of ideas

B. Forming opinions

C. Researching information

D. Conveying information

Answer: D

25. Identify a role played by both the sender and receiver in the communication process? (2 marks)

A. Choosing a channel

B. Conceiving the message

C. Initiates communication

D. Responds to a message

Answer: D

26. Which of the following is an advantage of visual communication? (2 marks)

A. Can support all types of communication

B. Adds variety to oral and written communication

C. Suitable for complete and detailed information

D. Easy and cheap to prepare and adjust

Answer: B

27. How can an organization benefit from upward communication? (2 marks)

A. Giving instructions

B. Employees’ suggestions

C. Smooth work flow

D. Over-communication

Answer: B

28. Which of the following is an indicator of active listening? (2 marks)

A. Withholding feedback

B. Distracting the speaker

C. Appropriate body language

D. Not asking questions

Answer: C

29. What is the purpose of an ‘attention line’ in a business letter? (2 marks)

A. To indicate the desired sender of the letter

B. Indicate a particular person to handle the letter

C. To indicate the reason for sending the letter

D. To draw interest to the important sections of the letter

Answer: B

30. Which of the following is a purpose of advertisement? (2 marks)

A. Reduce cost of production

B. Make the brand name noticed

C. Eliminate need for middlemen

D. Increase market competition

Answer: B

31. Which statement explains the manuscript method of delivering a speech? (2 marks)

A. Delivering using a pre-prepared outline

B. Presenting from memory

C. Presenting while unprepared

D. Reading the speech word for word

Answer: D

32. Which of the following is a challenge associated with highly structured interviews? (2 marks)

A. Limited range of answers

B. Usually takes more time

C. They are difficult to control

D. Requires highly skilled interviewers

Answer: A

33. Which of the following distinguishes a formal meeting from an informal meeting? (2 marks)

A. Has records of proceedings

B. Allow contribution of members

C. No requirement of notice

D. Making of resolutions

Answer: A

34. Identify the main purpose of a memorandum of association. (2 marks)

A. Show the list of shares offered

B. Show the rights of shareholders

C. Show the companies broad objectives

D. State the qualifications of the directors

Answer: C

35. Which of the following is a contribution of small businesses to the economy? (2 marks)

A. Enhance balanced regional development

B. Discourage growth of large businesses

C. Reduce exploitation of local resources

D. Promote dependence on imported goods

Answer: A

36. Which of the following is a purpose of the marketing plan component of a business plan? (2 marks)

A. Developing marketing-mix

B. Attracting financiers

C. Defining business objectives

D. Increasing market share

Answer: A

37. Identify a tool that is used in market positioning. (2 marks)

A. Customers

B. Slogan

C. Distributors

D. Competitors

Answer: B

38. Choose the importance of having accurate minutes of a meeting. (2 marks)

A. They provide a basis for subsequent action

B. They are a partial record of the events

C. They are used by the secretary only

D. They are a source of misunderstanding

Answer: A

39. Which of the following factors distinguishes a video conference from a webinar? (2 marks)

A. Allows more interaction and collaboration

B. Takes place real-time over the internet

C. Videoconferencing allows for screen sharing

D. Enables discussions to be recorded

Answer: A

40. Identify the purpose of having references to support information in a presentation. (2 marks)

A. To add authority to the arguments or ideas

B. To make the presentation complicated

C. To allow speaker give an in-depth analysis

D. To add color to the arguments raised

Answer: A

41. Identify the behavior that discourages creativity. (2 marks)

A. Listening actively to employees

B. Being pessimistic, judgmental and critical

C. Protecting honest mistakes when learning

D. Treating employees as equals always

Answer: B

42. Identify the purpose of using notices in an organization. (2 marks)

A. To hide identity of the sender

B. To keep employees fearful

C. To ensure effective performance

D. To update employees on events

Answer: D

43. Choose a business letter given in reply to an enquiry of a purchase. (2 marks)

A. Enquiry letter

B. Acknowledgement

C. A quotation

D. An order

Answer: C

44. Identify an advantage of written communication in business organizations. (2 marks)

A. No immediate feedback

B. Limited to literate people

C. Communication evidence

D. Easily misunderstood

Answer: C

45. Which of the following statements is a benefit of using circulars in communication? (2 marks)

A. They are a slow means of distributing information

B. They provide minimal information to the readers

C. An inexpensive way to distribute information

D. Lengthy and communicates to all managerial levels

Answer: C

46. Select the meaning of a window of opportunity. (2 marks)

A. Low business risk opportunity

B. A marketing opportunity gap

C. Time to enter a new market

D. An idea for business set up

Answer: C

47. Identify the major difference between sole proprietorship and partnership. (2 marks)

A. Lack of continuity of business

B. Owners unlimited liability

C. Full control by the owners

D. Shared responsibilities

Answer: D

48. What term refers to beliefs and attitudes of individuals in a society that facilitate investment in business opportunities? (2 marks)

A. Entrepreneurship

B. Entrepreneurial culture

C. Intrapreneurship

D. Social customs

Answer: B

49. In the context of SWOT analysis, identify a threat that could affect the viability of a business idea. (2 marks)

A. Presence of strong competitors

B. Internal operations problems

C. Lack of entrepreneurial skills

D. High market demand

Answer: A

50. Select the main function of the articles of association. (2 marks)

A. State the liability of members

B. State objectives of the company

C. Guide internal management of company

D. Provide a list of company directors

Answer: C