# MODEL QUESTIONS OF ENTREPRENEURSHIP FOR S2

**Question 1**. What are the different between entrepreneur and intrapreneur

**Question 2**. To become a successful entrepreneur is required different traits and qualities. Explain the qualities of good entrepreneurs

**Question 3**. Government of Rwanda has put more effort in self-employment process where by all citizens are encouraged to think big and try to create their own business activity instead of being employed. Describe the roles of an entrepreneur in entrepreneurship development.

**Question 4.** Entrepreneur plays a pivotal role not only in the development of industrial sector of a country but also in the development of farm and service sector. What are the roles of an entrepreneur in the economic development of Rwandan economy?

**Question 5.** Stating and operating one’s own business enterprise yields a number of benefits / gains / advantages to the entrepreneur. Explain the benefits of being entrepreneur.

**Question 6.** Being an entrepreneur brings forth number of disadvantages and hindrances that one must overcomes in order to become successful. What are the challenges of being self-employed?

**Question 7.** A goal is an aim or purpose which an individual set for him or herself or the enterprise and which has to be achieved. Explain the characteristics of good goal.

**Question 8.** As a student of S2 is it better to set a goal? Why?

**Question 9.** Identify the Steps needed in setting SMART goals

**Question 10.** Priorities are things that should be treated as being the most important ones out of the very many. What are the importance of prioritizing activities?

**ANSWERS OF MODEL QUESTIONS OF ENTREPRENEURSHIP FOR S2**

**Question 1. Differentiate between entrepreneur and entrepreneur**

**Answer:** An **Entrepreneur** is a person who brings an idea to start and run a business for the purpose of making a profit while an **Intrapreneur** is person within a large corporation who takes direct responsibility for turning an idea into a profitable finished product through assertive risk-taking and innovation.

**Question 2. To become a successful entrepreneur required different traits and qualities.**

**Answer: the qualities of the entrepreneurs are the following:**

**1.Hard working:** Hard work involves using extra effort to do whatever one is doing. It involves working at odd hours, at times at night. A hard working person commits more time, more energy and more resources to achieve the desired objective.

**2. Creative and Innovative:** Creativity involves using ideas to come up with new products. For a person to be a successful in life, he/she has to be creative by doing new things or doing old things differently. Being innovative helps a person find new business ideas, improve existing business activities, and find solutions to difficult problems. All of these help a person become successful.

**3. Risk taking:** Entrepreneurs are risk takers. They risk starting a business. This is not to mean that they are reckless people. They take moderate risks. Good entrepreneurs assess the risks related to their business before they take them.

**4. Decision maker:** A successful person in life has to be able to make decisions on various issues, follow the decisions made, and accept the result of the decisions made.

**5. Persistence:** An entrepreneur should be persistent in what he/she does for the business. He/she puts in as much efforts as possible to ensure the business objectives are achieved.

**6. Perseverance:** An entrepreneur should have the determination to keep trying to achieve business success in spite of a lot of difficulties. Starting and growing a business requires a lot of determination and a “never-give-up” attitude.

**7. Self-confidence:** An entrepreneur should have a strong belief in his/her abilities. The entrepreneur should be confident that he/she will able to achieve what he/she sets himself to achieve. If a person is not confident of himself/herself, he/she cannot be a good entrepreneur.

**8. Commitment:** An entrepreneur will succeed in business if he/she is committed to the business and also committed to fulfilling obligations; for example, an entrepreneur should be able to spend a lot of time at the business and also make sure that customers are served properly. The entrepreneur ensures that customers receive very good services and when the entrepreneur makes a promise, he/she fulfills it.

**9. Persuasive and good at networking:** Persuasiveness is the ability to convince others and change their thinking. Networking is the practice of meeting other people involved in the same kind of work, to share information and support each other.

**10. Planning and monitoring:** An entrepreneur should be able to put in place means of planning and monitoring business activities. Monitoring business activities helps the entrepreneur to know whether the business is succeeding or failing.

**Question 3. The role of entrepreneur in entrepreneurship development**

1. Scanning the environment to identify business opportunities that would help him/her to set goals in life
2. Identifying business opportunities needs and analyses them in relation to what he/she would wish to be in future
3. Mobilizing necessary resources needed to start and operate the selected business
4. Proper allocation of resources in the business by making right decision in the right time
5. Setting up the business or arrangement through which the business will be operated
6. Managing business operations, day-to-day activities, direction of manpower, machinery materials, etc.
7. Seeking out new, cheaper and more efficient production techniques like launching new products, creation of new markets, discovering new raw materials, new technology, etc
8. Bearing all the risks and uncertainties of success and failure of the enterprise; this involves calculating risks involved in doing selected business and to find out if they can be easily managed or else to find an alternative that can be easily managed.
9. Co-coordinating and planning the activities of the enterprise by monitoring the operations and performance of the business regularly to find out whether it is performing towards achieving the set goals and objectives or not

**QUESTION 4. The roles of an entrepreneur in the economic development of Rwandan economy**

1. **Promotes Capital Formation:** Entrepreneurs promote capital formation by mobilising the idle savings of public. They employ their own as well as borrowed resources for setting up their enterprises. Such type of entrepreneurial activities lead to value addition and creation of wealth, which is very essential for the industrial and economic development of the country.
2. **Creates Large-Scale Employment Opportunities:** Entrepreneurs provide immediate large-scaleemployment to the unemployed which is achronic problem of underdeveloped nations.With the setting up of more and more units byentrepreneurs, both on small and large-scalenumerous job opportunities are created forothers. As time passes, these enterprises grow,providing direct and indirect employmentopportunities to many more. In this way,entrepreneurs play an effective role in reducingthe problem of unemployment in the countrywhich in turn clears the path towards economicdevelopment of the nation.
3. **Promotes Balanced Regional Development:** Entrepreneurs help to remove regionaldisparities through setting up of industries inless developed and backward areas. The growthof industries and business in these areas lead toa large number of public benefits like roadtransport, health, education, entertainment, etc.Setting up of more industries lead to moredevelopment of backward regions and therebypromotes balanced regional development.
4. **Reduces Concentration of Economic Power:** Economic power is the natural outcome ofindustrial and business activity. Industrialdevelopment normally leads to concentration ofeconomic power in the hands of a fewindividuals which results in the growth ofmonopolies.

In order to redress this problem alarge number of entrepreneurs need to bedeveloped, which will help reduce theconcentration of economic power amongst thepopulation.

1. **Wealth Creation and Distribution:** It stimulates equitable redistribution of wealthand income in the interest of the country tomore people and geographic areas, thus givingbenefit to larger sections of the society.Entrepreneurial activities also generate moreactivities and give a multiplier effect in theeconomy.
2. **Increasing Gross National Product and Per Capita Income:** Entrepreneurs are always on the look out foropportunities. They explore and exploitopportunities,, encourage effective resourcemobilisation of capital and skill, bring in newproducts and services and develops markets forgrowth of the economy. In this way, they helpincreasing gross national product as well as percapita income of the people in a country.Increase in gross national product and percapita income of the people in a country, is asign of economic growth.
3. **Improvement in the Standard of Living:** Increase in the standard of living of the peopleis a characteristic feature of economicdevelopment of the country. Entrepreneurs playa key role in increasing the standard of living ofthe people by adopting latest innovations in theproduction of wide variety of goods and servicesin large scale that too at a lower cost. Thisenables the people to avail better quality goodsat lower prices which results in theimprovement of their standard of living.
4. **Promotes Country's Export Trade:** Entrepreneurs help in promoting a country'sexport-trade, which is an important ingredientof economic development. They produce goodsand services in large scale for the purposeearning huge amount of foreign exchange fromexport in order to combat the import duesrequirement. Hence import substitution andexport promotion ensure economicindependence and development.
5. **Facilitates Overall Development:** Entrepreneurs act as catalytic agent for changewhich results in chain reaction. Once anenterprise is established, the process ofindustrialisation is set in motion.
6. **Provision of goods and services,**

**QUESTION 6 . Benefits of being entrepreneur**

* 1. **Increased income:** Owning and operating a business enterprise gives the entrepreneur additional income in form of profits generated by the business.

* 1. **Social recognition and respect in the community/improved status:** Entrepreneur is highly respected and recognized in the society because of goods and services they provides and then employment opportunities they created for the people in the community.

* 1. **Self employment**: The entrepreneur employs themselves and thus enjoy the benefits of self employment such as increased income, independence, high job security, etc

* 1. **Self reliance and independence through self employment**: They enjoy independence in financial matter as they earn their own income and meet much of their needs and determine how to spend both personal income and business funds.

* 1. **Independence and flexibility in decision making** : They always enjoys the opportunities to make independence decisions and also change such decision whenever needs arises

* 1. **Self confidence :** When one become entrepreneur, he/ she develops confidence in his /her self abilities since he/she does things by him/ herself or independently.

**Question 6. Challenges of being entrepreneurs**:

These challenges include the following:

* Risk of losing the resources invested in the business
* Long hour of work
* Uncertainty of income
* No fringe benefits
* Less leisure and lifestyle enjoyed
* Raising enough capital for the business which requires to get loans which bring the costs of paying back high interest.
* Getting enough market for the business products entrepreneurs also face a challenge of obtaining enough market for business products to ensure that sufficient profits are generated from the resources invested in the business.

**Question 7. Characteristics of good goals**

**Specific:** What exactly do you want to achieve? The more specific your description, the bigger the chance you'll get exactly that. S.M.A.R.T. goal setting clarifies the difference between 'I want to be a millionaire' and 'I want to make €50.000 a month for the next ten years by creating a new software product'.

**Measurable:** Measurable goals mean that you identify exactly what it is you will see, hear and feel when you reach your goal. It means breaking your goal down into measurable elements. You'll need concrete evidence. Being happier is not evidence; not smoking anymore because you adhere to a healthy lifestyle where you eat vegetables twice a day and fat only once a week, is.

**Attainable:** Is your goal attainable? That means investigating whether the goal really is acceptable to you. You weigh the effort, time and other costs your goal will take against the profits and the other obligations and priorities you have in life.

**Relevant/Realistic:** Is reaching your goal relevant to you? Do you actually want to run a multinational, be famous, have three children and a busy job? You decide for yourself whether you have the personality for it, or your team has the bandwidth.

**Timely:** Time is money! Make a tentative plan of everything you do. Everybody knows that deadlines are what makes most people switch to action.

**Question 8. As a student of S2 is it better to set a goal? Why?**

Answer : yes it is necessary to set a goals because of the following reasons
1. Goals help one to be what her/she wants

2. goals boost an individual confidence

3. goals make one more self-reliant

4.goals encourage one to trust his/her decision keeping

5. goals help one to turn the impossible into realities

6. they help in decision making

7. goals help the maximum utilization of resources

**Question 9. Identify the Steps needed in setting SMART goals**

Steps needed in setting SMART goals are:

Step 1. Identifying the priorities

Step 2. Analyze one’s skills ant interest

Step 3. Checking on the available opportunities

Step4. Setting the strategies used to achieve the goals

Step 5. Identifying possible obstacles

**Question 10. Priorities are things that should be treated as being the most important ones out of the very many. What are the importance of prioritizing activities?**

Answer : priorities are more important because of the following

1. Helps in effective use of available resources
2. Elimination of unnecessary human conflicts
3. Systematic implementation of plan
4. Help in proper monitoring and evaluation
5. Reduce confusion in ana enterprise.