



**STRATHMORE INSTITUTE
DIPLOMA IN ENTREPRENEURSHIP
END OF SEMESTER EXAMINATION
DE 1207: FOUNDATIONS OF SOCIAL ENTREPRENEURSHIP**

DATE: 6th September 2020

Time: 08:00- 10:00 AM

Instructions

1. This examination consists of **FIVE** questions.
2. Answer **Question ONE (COMPULSORY)** and any other **TWO** questions.
3. Do not write on the question paper.

QUESTION ONE

Read the case and answer questions that follow:

Ntaka Waste management

Ntaka waste management, a social enterprise based in Nairobi was founded by Johnstone Muruka an IT graduate from Masen University

The social enterprise works to provide low-income youths in Kenya chance to clean up their neighborhoods by capturing value from waste through an incentive-based recycling program that rewards people for the waste they collect.

The team provides households with waste collection bins that sort waste in form of plastic, papers and food and other forms of waste.

Operating in Nairobi informal settlements the team collects waste by setting up designated points and collects from up market residents, the waste is sorted out in biodegradable, hazardous and non-biodegradable (plastic bottles and Papers) and sold to recycling firms like Eco posts limited.

The biodegradable waste is converted to organic manure used for urban farming and tree nurseries. The team operates tree nurseries along Ngong forest
It is estimated that it has managed to collect over 5000 tons of waste throughout the city, within one year thus making a significant contribution to the cleaning environment

- a) Identify five sustainable development goals (SDGs) addressed by the enterprise
(5Marks)

- b) Describe five criteria for assessing social value potential of Ntaka enterprises
(10Marks)

- c) Suggest five possible channels Ntaka enterprises can use to market their services and grow **(5Marks)**

- d) Identify key partnerships that would enable the business to achieve its mission
(5Marks)

- e) Describe the impact of Ntaka enterprises to the community **(5Marks)**

Question two (15 Marks)

Thato Kathylene the founder of Rethaka Trading, a for-profit social enterprise that specializes in green innovations for social development. The company created the “Repurpose Schoolbag”, a backpack made from recycled plastic bags and integrating soft solar panels, allowing it to charge automatically during the day.

The bag to work as a lantern to enable study at night, a practical solution to a major problem facing many children in rural, non-electrified parts of Africa. The integration of reflective light material in the Repurpose Schoolbag also provides much-needed visibility for the students on their way back home from school, as they often need to walk several kilometres in often near pitch darkness.

- a) Identify target market for the repurposed school bag **(2Marks)**

- b) Illustrate six benefits offered by repurpose school bag to the target customers. **(6Marks)**

- c) Describe elements of the cost structure of Rethaka trading. **(7marks)**

Question Three (15 Marks)

E-Soko, a social enterprise dealing in Agriculture information services has developed a mobile-based platform providing information regarding market trends, product prices, weather patterns, farming tips, the farmers subscribe and pay a fee to receive SMS information.

- a) Advise the platform owners four ways of marketing the platform to the target market. (4Marks)
- b) Describe four possible constraints that may prevent customers from using the digital application. (6Marks)
- c) Explain the social value proposition for the platform (5Marks)

Question Four(15 Marks)

A group of youth from the community are considering starting a social enterprise and have approached you for advice on the following issues.

- a) The difference between profit and Non-profit social enterprises (4Marks)
- b) Stakeholders of non-profit making social enterprises (4Marks)
- c) Suggest to them five possible green social enterprise opportunities (7Marks)

Question Five (15Marks)

Most social enterprises deal with so-called “wicked” problems, that are difficult to solve and are systemic in nature. For example, child malnutrition, which has a variety of causes, including the low income of a child’s parents, low levels of education, poor access to clean drinking water, etc. Thus, a social enterprise aiming to provide a successful solution to child malnutrition could not just content itself with providing affordable nutritious food but might also have to become involved in awareness-raising activities and in infrastructure projects to provide a community with access to safe drinking water.

To achieve measurable impact, social enterprise requires funding.

- a) Describe five principles that social entrepreneurs focus on when looking for solutions to alleviate poverty. (5Marks)
- b) Explain Five possible sources of funding available for social enterprises dealing with the so called “wicked” social problems. (10Marks)