



UNIVERSITY OF SWAZILAND

FINAL EXAMINATION PAPER

1st SEMESTER 2008/2009

PROGRAMME: BSc. AGRICULTURAL ECONOMICS & AGBMGT YR3
BSc. AGRICULTURAL EDUCATION YR3
BSc. AGRONOMY YR3
BSc. ANIMAL SCIENCE YR3
BSc. FOOD SCIENCE, NUTRITION & TECHN. YR3
BSc. HOME ECONOMICS YR 3
BSc. HOME ECONOMICS EDUCATION YR3
BSc. HORTICULTURE YR3
BSc. LAND & WATER MANAGEMENT YR3
BSc. TEXTILE, APPAREL DESIGN & MNGMT YR3

COURSE CODE: AEM 302

TITLE OF PAPER: ENTREPRENEURSHIP

TIME ALLOWED: TWO (2) HOURS

INSTRUCTIONS: ANSWER ALL QUESTIONS. EACH QUESTION
CARRIES A TOTAL OF 25 MARKS

**DO NOT OPEN THIS PAPER UNTIL PERMISSION HAS BEEN
GRANTED BY THE CHIEF INVIGILATOR.**

QUESTION 1

- a) In 1803, Jean Baptiste Say (a French economist) discovered that an entrepreneur is an economic agent who shifts economic resources from an area of low productivity to higher productivity. Describe what is meant by this statement. **[8 marks]**
- b) Differentiate between necessity entrepreneurship and opportunity entrepreneurship. **[5 marks]**
- c) Discuss the major types of risks that are normally faced by entrepreneurs in any country. **[12 marks]**

QUESTION 2

- a) There is a common belief that all small business managers are entrepreneurs. Do you agree or disagree with this notion? Justify your answer. **[5 marks]**
- b) Discuss how entrepreneurship leads to economic growth. **[7 marks]**
- c) It is said that the screening phase normally provides the basis for making a decision on whether or not to act on a particular opportunity. Discuss the key elements an aspiring entrepreneur may need to consider regarding the marketing of his/her products or services. **[13 marks]**

QUESTION 3

- a) Social entrepreneurship has of late become equally important with the conventional business entrepreneurship concept. Discuss the factors that have led to the emergence of social entrepreneurship in countries such as Swaziland? **[8 marks]**
- b) With the aid of a diagram, describe the process of social entrepreneurship. **[10 marks]**
- c) Differentiate between a feasibility study and a business plan **[7marks]**

QUESTION 4

- a) With the aid of a diagram, describe the process an aspiring entrepreneur would need to go through before creating a new venture or expanding an existing one. **[10 marks]**

- b) What is a franchise? Discuss the major advantages and disadvantages of owning a franchise. **[8 marks]**

- c) What is a break-even point. Why is it important to do a break-even analysis for a business? **[7 marks]**