



1<sup>st</sup> SEM. 2011/2012

UNIVERSITY OF SWAZILAND  
FINAL EXAMINATION PAPER

PROGRAMME:

- Bsc. Agricultural Biosystems & Engineering 2
- Bsc. Agricultural Economics & Agribusiness 2
- Bsc. Agricultural Education 2
- Bsc. Agronomy 2
- Bsc. Animal Science 2
- Bsc. Animal Science-Dairy Option 2
- Bsc. Consumer Science 2
- Bsc. Consumer Science Education 2
- Bsc. Food Science & Nutrition 2
- Bsc. Horticulture 2
- Bsc. Textile, Apparel & Design Management 2

COURSE CODE: AEM 203

TITLE OF PAPER: ENTREPRENUERSHIP

TIME ALLOWED: TWO (2) HOURS

- INSTRUCTION: 1. ANSWER ALL QUESTIONS  
 2. EACH QUESTION CARRIES TWENTY FIVE (25) MARKS

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

**Question 1**

- A. Using an illustration, discuss in detail the three aspects of a business environment. (10)
  - B. From five strategic perspectives, discuss the differences between an entrepreneur and a small business manager. (10)
  - C. What is meant by induction in human resource management? (5)
- (25 marks)**

**Question 2**

- A. Financial control is critical to every successful business. Discuss the four steps in carrying out financial controlling as a function in financial management. (10)
  - B. Elaborate on the six likely problems in obtaining finance for your small business idea? (10)
  - C. Distinguish between marginal analysis and break-even analysis. (5)
- (25 marks)**

**Question 3**

- A. Discuss the four factors to be considered when putting together a product mix for a business. (8)
  - B. Cost-oriented pricing is the most common method used by small business owners to price their product/services. Discuss the three methods in setting a basic price under cost-oriented pricing. (6)
  - C. A small entrepreneurial project produces 20 000 units and sells at E15.00 per unit, faces the following costs; Direct material = E48 000, telephone = E3000, stationery = E1000, marketing costs = E12 000, rent = E5000, depreciation of equipment = E9000, and owner salary= E40 000, direct labour cost = E72 000, water = E4000, electricity = E2000.
- For this project, calculate the break-even point. (11)

**(25 marks)**

**Question 4**

- A. Discuss what is meant by 'RISK' from a business plan preparation perspective. (6)
- B. What are the three (3) questions that guide the formulation of a mission statement for an enterprise. (9)
- C. Give the five (5) commonly used budgets in a strategy to achieve the objectives of a business. (10)
- (25 marks)**