

1st SEM. 2019



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UNIVERSITY OF ESWATINI
FINAL EXAMINATION PAPER

PROGRAMME: BSc. in Agricultural and Biosystems Engineering Year III
BSc. in Agricultural Economics & Agribusiness Management Year III
BSc. in Agricultural Education Year III
BSc. in Agricultural Extension Year III
BSc. in Agronomy Year III
BSc. in Animal Science Year III
BSc. in Animal Science- Dairy Year III
BSc. in Horticulture Year III
BSc. in Consumer Science III
BSc. in Consumer Science Education III
BSc. in Food Science, Nutrition and Technology III
BSc. in Textile, Apparel Design and Management III

COURSE CODE: AEM309

TITLE OF PAPER: ENTREPRENEURSHIP

TIME ALLOWED: 2: 00 HOURS

INSTRUCTION: ANSWER ALL THREE QUESTIONS

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Question 1

1. Why should the business stay in constant contact with the market environment?
 - a. Changing customer needs
 - b. Changing technology
 - c. Competitor activities
 - d. All of the above
2. The entrepreneur takes initiative to continually looking for :
 - a. New ideas
 - b. New products
 - c. Improved methods of doing business
 - d. All of the above
3. The following is one of the variables of the micro environment.
 - a. Production factors
 - b. Advanced technology
 - c. Customers
 - d. None of the above
4. _____ is the general increase in prices & fall in the purchasing value of money.
 - a. Exchange rate
 - b. Interest rate
 - c. Inflation
 - d. Recession
5. Which one is not one of the types of market segmentation?
 - a. Demographic
 - b. Psychographic
 - c. Positioning
 - d. Geographic
6. A business goes through many cycles in the economy. Which of these trade cycles did you learn in class.
 - a. Recession
 - b. Regression
 - c. Progression

- d. All of the above
- 7. Which of the following is a category or element of the balance sheet?
 - a. Expenses
 - b. Profit
 - c. Liabilities
 - d. Interest
- 8. _____ is the **creation** of a business or a business **within** an existing larger business, by using **new** ideas & opportunities.
 - a. Creativity
 - b. Corporate entrepreneurship
 - c. Entrepreneurship
 - d. Innovation
- 9. Why should an entrepreneur do a feasibility study for starting a new venture?
 - a. To identify possible sources of funds.
 - b. To see if there are possible barriers to success.
 - c. To estimate the expected sales.
 - d. To explore potential customers.
- 10. According to promotional mix, the method which focuses on building relationships with individual customers to maintain lasting relationship is called _____.
 - a. Sales promotion
 - b. Direct channelling
 - c. Public relations
 - d. Direct marketing
- 11. Apple is an example of which type of brand?
 - a. Family
 - b. Individual
 - c. Manufacturer
 - d. Private
- 12. Operations Management deals with the planning and control of three areas of the transformation process. Circle the area that is not part of operations management.
 - a. Inputs
 - b. Output
 - c. Transformation systems'

- d. Profit
13. The following is one of the uses of job description and specification.
- Promotions
 - Control purposes
 - Human resources
 - Performance evaluation
14. The following are some of the financial activities in a small business EXCEPT one.
- Customer services
 - Safeguarding cash resources
 - Formulating credit policy
 - Salary administration
15. _____ is primarily concerned with the improvement of all aspects of operations performance.
- Operations management
 - Total quality management
 - Intensive operation
 - All of the above
16. The following are the objectives of inventory management EXCEPT one.
- To supply the required materials continuously.
 - To maximize the risk of under and over stocking of material.
 - To maintain systematic record of inventory.
 - To reduce losses, damages and misappropriation of materials.
17. _____ is a written document that expresses management's goal & forecasts in financial terms for a specific future period. (2 marks)

Question 2

- Using a diagram, illustrate the budgeting cycle. (10 marks)
- Use a diagram to illustrate the planning stage in establishing a business (5 marks)
- Draw up an orientation programme for new administrative manager using the following headings. (10 marks)
 - The week before the newcomer arrives
 - The first day at work
 - The first week in the post

Question 3

High Quality Enterprise (HQE) has the following projected financial records for April 2020 to March 2021.

- 870 bags of 7kg Sweet potatoes at E80.00/bag and lettuce of 7010 heads of lettuce at E4.50 each.
- Variable cost for sweet potatoes amount to E13,000 and about half of that for lettuce production
- The firm also has to pay for 10 farm and sales employees E1300 per month.
- Communication, rent and insurance expense is E3000, 12,000 and 600, respectively
- Tax required is 5%
- High quality enterprise will have to pay E2,300 interest to the bank.

Prepare an income statement budget for HQE. (25 marks)