

UNIVERSITY OF SWAZILAND

FACULTY OF COMMERCE

DEPARTMENT OF BUSINESS ADMINISTRATION

SUPPLEMENTARY EXAMINATION 2007

TITLE OF PAPER: SMALL ENTERPRISE MANAGEMENT

DEGREE AND YEAR: BCOM IV

COURSE NUMBER: BA 415/ IDE BA 415

TIME ALLOWED: THREE (3) HOURS

INSTRUCTIONS:

- 1. THIS PAPER CONSISTS OF SECTIONS (A) AND (B)**
- 2. THE CASE STUDY SECTION (A) IS COMPULSORY**
- 3. ANSWER ANY THREE QUESTIONS FROM SECTION (B)**

***Note:* MARKS WILL BE AWARDED FOR GOOD COMMUNICATION
IN ENGLISH AND FOR ORDERLY PRESENTATION OF WORK.**

**THIS EXAMINATION PAPER SHOULD NOT BE OPENED
UNTIL PERMISSION HAS BEEN GRANTED BY THE
INVIGILATOR.**

SECTION A: THIS SECTION IS CUMPLSORY

THE DAUGHTER OF THE IMMIGRANT

This is the story of a journey through poverty, a large and loving family, and a quest for wealth and social good. This is the story of a twenty-first century woman with a wide-reaching agenda that would touch many lives. This is the story of Zola Dlamini, the youngest of eight children, born in Swaziland, born in poverty. There was never any money, but there was always lots of love and culture and religion-plenty of sources of hope and inspiration.

Soon after Zola's father died, the family immigrated to start a new life in the USA sponsored by an Aunt living in Los Angeles California. Her mother and most of her siblings were forced to find work, but Zola was pushed to stay in school. She was always the brightest, and she always had big goals and plans that went far beyond her immediate family.

Zola is determined to achieve great wealth. Zola is also determined to break the cycle of poverty and hopelessness and to help and inspire members of her Swaziland (black) culture to "get educated and get out," as she puts it, and to live and be a part of the "American dream." Zola was the first in her family to attend college, and through hard work, straight A's, and much determination, is about to graduate with a degree in business. Zola still has no money and now has nearly \$60,000 in outstanding school loans that will have to be repaid over the next 10 years. She is very happy and very excited to begin to fulfill her dreams.

Zola has many goals. She already sees her life as a blended mission of family, career, and community service. She does not believe in the separation or distinction of work and play or work and family that others do. At the moment, however, Zola has no specific agenda and no money. Her major goals are:

- A successful career in real estate and business consulting. Zola believes in capitalism, is proud to be living in America, and intends to become a millionaire. She plans to achieve this goal through her real estate work and through "outside projects," as she puts it. Zola is thinking about real estate investment, in particular, the purchase and development of multi-unit apartment buildings.
- A program to improve the lives of women and minorities and the black culture in particular.
Zola believes that education and motivation are the foundations of success. As a woman and a minority and a poor person, she believes that she can use her education and motivation to inspire others to do the same. Zola would like to have a hand in helping others achieve a successful career in family, business, and community service.
- A strategy of high growth and high performance. Zola plans to earn a good living through traditional real estate sales and to achieve wealth and high earnings through real estate development.
- A productive and satisfying balance of wealth, family and social values, community, and lifestyle. Zola also wants to have at least five kids.

One would describe Zola's characteristics as very hard working and ambitious, very conservative, very religious and traditional, and very bright. One would describe Zola's competencies as having good common sense, a good education and basic training in business, and being very personable.

Case extracted from:
Small Business Entrepreneurship
J. Katz and Green
2006

QUESTIONS SECTION A: THIS SECTION IS COMPULSORY (ALL 4 QUESTIONS)

While this is not the end of Zola's story, it is the end for you for now. Most of you are reaching the point where it is time to formulate your own mission of family, career, lifestyle, and community service. You can help yourself by first helping Zola through your responses to the following questions:

1. Answer only **one** (1) of the following two questions: **(10 marks)**
 - a. **Will** Zola achieve her goals? Provide specific entrepreneurship reasons and analysis to support your answer.
 - b. **Will** Zola **NOT** achieve her goals? Provide specific entrepreneurship reasons and analysis to support your answer.
2. Does Zola have the Entrepreneurial characteristics and competencies to accomplish her goals? Provide a detailed description of the relevant Entrepreneurial characteristics and competencies. **(10 marks)**
3. Given her current status of no job, no money, and a large debt to payoff, how specifically would you advise Zola to proceed? Provide a detailed description of the short-term and long-term activities (steps) you are recommending to Zola. **(10 marks)**
4. Now think about yourself, list and briefly describe your own goals for your career, family and community. Provide a detailed description of the activities (steps) you are planning to take to accomplish these goals. **(10 marks)**

SECTION B

SECTION B: ANSWER ANY THREE (3) OF THE FOLLOWING QUESTIONS.

1. The text lists 10 Creative Problem-solving techniques. List four (4) of these techniques and describe in **detail** how the technique is implemented and under what business situation and/or the reason you would choose to use each technique. **(20 marks)**
2. The Financial Plan is a critical part of the business plan. List the components of a complete Financial Plan and describe how each is used in making Entrepreneurial planning decisions. Use lists with detailed comments where appropriate. **(20 marks)**
3. Although many aspects of the entrepreneur's background have been explored, only a few have differentiated the entrepreneur from a manager. Describe in detail four (4) of these characteristics. **(20 marks)**
4. Describe in detail the steps you would take to raise the capital for a E100,000 start-up cost business in Swaziland. Assume you have E10,000 of seed money from the Swazi Bank as part of your graduation. **(20 marks)**
5. There are up-to eleven (11) distinctive parts (sections) in a business plan. You may **NOT** use the following sections to answer this question: Introductory page, Executive Summary, Financial Plan, and Appendix. Of the business plan sections from the text book and/or the Business Plan Workbook handout, select **three** (3) and describe in **detail** what is included in each of them. **(20 marks)**