

# **UNIVERSITY OF SWAZILAND**

## **FACULTY OF COMMERCE**

### **DEPARTMENT OF BUSINESS ADMINISTRATION**

#### **MAIN EXAMINATION PAPER**

**MAY, 2011**

**TITLE OF PAPER : FOUNDATION OF ENTREPRENEURSHIP AND SMALL BUSINESS MANAGEMENT**

**COURSE CODE : BA 001**

**TIME ALLOWED : TWO (2) HOURS**

- INSTRUCTIONS :**
- (1) TOTAL NUMBER OF QUESTIONS IN THIS PAPER IS SIX (6)**
  - (2) THE PAPER CONSISTS OF SECTIONS A AND B.**
  - (3) ANSWER THE QUESTION IN SECTION A WHICH IS COMPULSORY AND ANY THREE (3) QUESTIONS IN SECTION B.**
  - (4) THE MARKS ALLOTTED FOR A QUESTION /PART OF A QUESTION ARE INDICATED AT THE END OF EACH QUESTION / PART OF QUESTION.**
  - (5) WHERE APPLICABLE, ALL WORKINGS / CALCULATIONS MUST BE CLEARLY SHOWN.**

**NOTE: MAXIMUM MARKS WILL BE AWARDED FOR GOOD QUALITY LAYOUT, ACCURACY, AND PRESENTATION OF WORK.**

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

**GOOD LUCK!!!**



- a. Identify all the important personal characteristics of an entrepreneur displayed by Donald Gordon. **[15 marks]**
- b. Which five broad approaches would have guided Donald Gordon in his techniques for generation of small business ideas ? **[10 marks]**
- c. If you were Donald, what methods would you enforce in developing and improving your creative abilities (cultivating a creative attitude)? **[15 marks]**

**[Total marks 40]**

## **SECTION B**

**Answer any three (3) questions from this section.**

### **QUESTION 2**

The macro environment includes the enterprise and the market environment, and consists of all the uncontrollable variables and factors outside the enterprise that have favourable or adverse effects on the enterprise. Using appropriate examples, discuss the most powerful forces in the macro environment **[20marks]**

### **QUESTION 3**

In choosing sources and forms of finance, the small business entrepreneur has a responsibility of ensuring the optimum added value to the business's equity. Discuss critical considerations that must be analyzed before each financial decision is made.

**[20marks]**

**QUESTION 4**

Deciding on your product price is a fairly complex process because of the many factors that influence / affect the price. Discuss these factors.

**[20 marks]**

**QUESTION 5**

What method could an entrepreneur apply to establish if there is a need for a product or a service in the market. Give examples where appropriate.

**[20 marks]**

**QUESTION 6**

As an entrepreneur you will require to employ skilled and competent people in your enterprise. Assuming, you have potential employees that have applied for the vacant position:-

- i. Explain the selection process you would follow in identifying the most suitable applicant for the available position. **[15 marks]**
  
- ii. Indicate your induction programme from the first day and throughout the first six months. **[5marks]**