

**University of Swaziland**  
**Faculty of commerce**  
**Department of business administration**  
**Main examination**  
**May 2017**

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Title of the Paper : Applied Entrepreneurship and small business Management  
Degree : Bachelor of Commerce  
Course : BA 305 and BA 405 (IDE)  
Time allowed : Three (3 hours)

Instructions:

1. THIS PAPER CONSIST OF SECTION A AND SECTION B)
2. SECTION A IS CASE STUDY AND IT IS COMPULSORY QUESTION
3. ANSWER ANY THREE QUESTIONS FROM SECTION B

Note: You are reminded that in assessing your work, account will be given of accuracy of language and the general quality of expression, together with layout and presentation of your final answer.

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

## **Section A : Compulsory**

**Question 1: Read the case below and answer the questions that follow.**

Mr Maseko has been running a hotel business in the past five years. Narrating the story of what happened in the past, he said he was not interested in preparing the financial forecasts and projections for the business. He wanted to start the business immediately without considering marketing planning, financial planning and organization planning. He said within a year he made a huge loss which resulted in engaging a consultant to turn it around.

The financial Consultant reviewed the financial reports and organizational structure and found that he was supposed to do business plan with financial planning and proper organization plan. On the financial plan he was supposed to prepare profoma Statement of Financial position, Comprehensive Income statement and Statement of Cash flow. According to the consultant he was supposed ensure that all actual expenditure are compare with proforma statement.

Another weakness Mr Maseko's business was identification expected function of the formal business. In this scenario staff should know that there was a business culture to be followed As an entrepreneur, he has to allocate resources, negotiation with customers and suppliers to ensure that the business adopt to environment pressure and does not loss competent staff that he has invested a lot to them. Mr Maseko did not know that he was responsible for allocating resources and negotiating with suppliers and customers.

Before the product was introduced in the market, Mr Maseko was support to develop a marketing plan that is more comprehensive. The consultant found that the plan was not comprehensive to attract more visitors in the hotel.

**Question 1:**

- a) Identify and explain five financial planning processes Mr Maseko should had involved in before setting up the business. **20 marks**
- b) Identify and explain any five expected functions of formal organization should Mr Maseko used in future. **20 Marks**

**40 marks**

**Section B: Attempt any three questions in this section**

**Question 2**

Mr Mabuza has just started his Tyres business and one of the key things lacking in his business is marketing and sales control. As the expert identify and discuss five sales and marketing control focus on the key variables that reflect performance results established in the annual marketing plan. **20 marks**

**Question 3**

The university students are often engaged in strike with purpose of raising their grievances to management. In most cases time is wasted and lectures are disturbed during their protest. As entrepreneurship student explain five principles of time management on how the students should consider before engaging in the protest. **20 marks**

**Question 4**

Ms Mabuza owns a restaurant at Matsapha. Her business has been fast growing in the past five years. Identify and discuss four implications of business growth the entrepreneur and small business may encounter. **20 marks**

### **Question 5**

When the business expands and become popular an entrepreneur may decide going public. Entrepreneur should then appoint a managing underwriter that will lead in forming the underwriting syndicate, once he realize that timing of going public is favorable. Identify and explain briefly five factors the entrepreneur should consider before selecting the managing underwriter? **20 marks**