

UNIVERSITY OF SWAZILAND
FACULTY OF COMMERCE
DEPARTMENT OF BUSINESS ADMINISTRATION
RE-SIT / SUPPLEMENTARY EXAMINATION
NOVEMBER 2017

TITLE OF PAPER : **ENTREPRENEURSHIP**

DEGREE : **B.COMM**

COURSE CODE : **BUS 303**

COURSE NAME : **ENTREPRENEURSHIP**

TIME ALLOWED : **THREE (3) HOURS**

INSTRUCTIONS : **1.THIS PAPER CONSISTS OF SECTIONS (A) AND (B)**
2. THE CASE STUDY ON SECTION (A) IS COMPULSORY. TOTAL MARKS POSSIBLE: 40 MARKS
3. ANSWER ANY THREE QUESTIONS FROM SECTION (B): TOTAL MARKS POSSIBLE: 60 MARKS

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

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SECTION A

Elizabeth is an intelligent and talkative young lady who recently joined the HR department of the Royal Development Bank after graduating from university with a first class pass. After joining the bank, she noted that there were opportunities to improve the operating systems of the HR department and made suggestions to her supervisor on this issue. She was informed that this needed to be submitted to and sanctioned by top management, however the supervisor never passed it up the organizational hierarchy. On a separate occasion, the bank had serious problems with the labour unions who threatened a strike action due to unpaid December bonuses which had not been allowed by the bank's board of directors yet had been promised by the CEO. Elizabeth suggested that employees be given an alternative arrangement whereby they were allowed to skip two instalments on their personal loan repayments. This saved the bank from the strike action.

Elizabeth was perceived to be loner at work, mostly working independently and spent most of her time reading and informing herself up on current HR matters. She was however always smartly dressed and confidently pursued with her supervisor any issue that she thought to be important, regardless of whether she succeeded or failed. In the main, her ideas were often rejected on the basis that they were outside the already determined strategy and budget of the bank. She was also frustrated by the long delays in getting approval for her ideas, but enjoyed the freedom to explore new ideas at the expense of the organization and the assurance of a salary at the end of each month. Despite the slow processing of ideas, her supervisor allowed her to present them at meetings for discussion by her colleagues who contributed towards their development. The supervisor also tolerated her tendency to work in her own time and was flexible to her unusual work schedule as she arrived late and worked after working hours. All in all, Elizabeth was happy with her job.

Questions

- (a) Would you characterize Elizabeth as a typical bureaucrat? Discuss the characteristics set her apart from a typical employee. (20 marks)
- (b) Discuss the extent to which the bank exhibits an entrepreneurial versus a traditional management culture. (20 marks)

SECTION B

Question 1

Some believe that entrepreneurs are born and not made. Do you subscribe to this belief? Explain your reasons for your stance. What factors can be influenced and manipulated in order to cultivate an entrepreneurial attitude and aptitude? (20 marks)

Question 2

Most economies are actively pursuing and promoting the establishment and expansion of a vibrant entrepreneurial sector. Why do you think this sector is important? What sets it apart from other types of venture undertakings? (20 marks)

Question 3

Franchising provides an opportunity to start a business through a proven business formula, increasing the chances of business success for new entrants. However it is not without its pitfalls. Discuss how one should evaluate a franchise offer to avoid problems and ensure that it is a worthwhile venture.

Question 4

Aspiring entrepreneurs are always challenged by lack of funds to start their businesses. Discuss the possible sources of funds for businesses. (20 marks)