

UNIVERSITY OF SWAZILAND
INSTITUTE OF DISTANCE EDUCATION
BACHELOR OF ADULT EDUCATION YEAR 5
FINAL EXAMINATION PAPER – DECEMBER, 2015

TITLE OF PAPER : SMALL SCALE BUSINESS MANAGEMENT 1

COURSE CODE : IDE-BAE 524

TIME ALLOWED : THREE (3) HOURS

INTRUCTIONS : 1. ANSWER ALL QUESTIONS IN SECTION 'A'

2. ANSWER TWO QUESTIONS IN SECTION 'B'

THIS PAPER IS NOT TO BE OPENED UNTIL PERMISSION HAS BEEN GRANTED BY THE INVIGILATOR

SECTION A

ANSWER ALL QUESTIONS

Question 1

Define the concept 'small-scale business' by discussing at least five (5) characteristics that best defines it.

[25 marks]

Question 2

Discuss the following concepts as used in small-scale business management.

- a) Choosing a business [5]
- b) Start-up capital [5]
- c) Risk Assessment [5]
- d) Marketing mix [5]
- e) Marketing strategy [5]

[25 marks]

SECTION B

ANSWER TWO QUESTIONS

Question 3

- a) What do you understand by equity financing? [5]
- b) From the various sources of equity financing, identify and discuss any three (3) sources of equity financing available for small-scale business. [12]
- c) Explain only two (2) advantages and two (2) disadvantages of equity financing [8]

[25 marks]

Question 4

Using appropriate examples to illustrate your answer describe the following concepts and indicate why it is critical to consider each when buying an existing business.

- a) Income statement [5]
- b) Financial ratios [5]
- c) Employees [5]
- d) Market place status [5]
- e) Legal issues [5]

[25 marks]

Question 5

Merchandise display greatly influences customer's decision to purchase or not to purchase. Discuss how this is possible.

[25 marks]