



## Section A

For each question below (1 – 15), write the letter which best corresponds to your response

1. Which of the following is NOT a characteristic of a small business?
  - A. Independently-owned & operated.
  - B. dominant in its field (or market)
  - C. Meets certain standards in terms of size
  - D. all of the above statements
  
2. A/An \_\_\_\_\_ is defined as “the blue-print describing the business strategy for entering the market-place and explains the business to potential investors”.
  - A. Spin-off
  - B. business alliance
  - C. intrapreneurship
  - C. Competitor analysis
  - E. business plan
  
3. Why are small businesses considered the economic nucleus of society?
  - A. They are high growth and high innovation firms.
  - B. They are made up of franchises and multisite firms, that are generally not very innovative, but are designed for high levels of growth.
  - C. They have lots of innovative ideas but lack the funds to bring them to market.
  - D. They are the most numerous and most widely available type of firms.
  
4. A market survey is important because it tells you:
  - A. How many & what types of people are shopping at a store
  - B. what the customer will buy;
  - C. How much the customer will pay for the product
  - D. all of the above statements
  
5. All but which of the following is considered to be a myth associated with entrepreneurship?
  - A. Successful entrepreneurs are born, not made
  - B. First ventures are always successful
  - C. All entrepreneurs must willingly invest significant sums of money
  - D. Successful entrepreneurs must have a break-through invention
  - E. An entrepreneur faces extra-ordinary business risks
  
6. EDP (Entrepreneurship Development Programmes) is required to help:
  - A. Existing entrepreneurs
  - B. first generation entrepreneurs
  - C. Future generation entrepreneurs
  - D. none of the above statements
  
7. Truly entrepreneurial businesses are characterised by \_\_\_\_\_, in their products, services, or business models.
  - A. novelty
  - B. imitation
  - C. experience
  - D. government subsidy
  
8. Why should an entrepreneur do a feasibility study for starting a new venture?
  - A. To identify possible sources of funds
  - B. To see if there are possible barriers to success
  - C. To estimate the expected sales
  - D. to explore potential customers
  
9. Which one of the following is the most important characteristic of a successful business website?
  - A. Innovation
  - B. speed
  - C. graphics
  - D. products

10. La-Tisha gets E5 000.00 loan from the bank to start a business. She must pay back the E5000 bank loan and also pay the bank \_\_\_\_\_
- A. Dividends                      B. bank charges                      C. production costs                      D. none of these
11. Which one of the following is “the process of entrepreneurs developing new products that over time make current products obsolete”?
- A. New business model                      B. anatomisation  
C. None of these options                      D. creative destruction
12. Which one of the following gives suggestions for new products and also helps to market new products?
- A. Existing products & services                      C. central government  
B. Distribution channels                      D. consumers (customers)
13. Which of the following is NOT a common motivation of an entrepreneur?
- A. Desire for independence  
B. Search for more rewarding work  
C. Desire to maintain the *status quo*  
D. Search for personal & professional growth
14. The sequence or organisation of jobs and careers in the economy refers to
- A. Franchising                      B. creative destruction                      C. occupational structure                      D. incubators

The steps involved in an entrepreneurial effort include all but which one of the following?

15. A. Business plan formulation                      B. obtaining financing                      C. hiring a partner  
D. Selecting the type of legal structure                      E. adapting to [business] growth

**Completion:** Fill in the blanks

16. A..... can become an entrepreneur
17. .... defines the place where goods & services are traded
18. .... plays an important role in regulating business operations
19. Basic necessities (e.g. bread) have their prices ..... by the government
20. The best alternative that has to be sacrificed in a world characterised by scarcity represents .....

[20 x 2 = 40 marks]

## Section B

### Question 1

Identify and discuss four (4) contributions of small-scale business to the economy of a country

[4 x 7.25 = 30 marks]

**Question 2**

Explain five (5) sources of financing a business idea and/or strategy in Swaziland or a country of your choice

[5 x 6 = 30 marks]

**Question 3**

Discuss three (3) forms of business ownership and indicate their appropriateness for small-scale business operations in this country

[3 x 10 = 30 marks]

**Question 4**

Explain business lay-out and/or location, including merchandising

[3 x 10 = 30 marks]

\* End of Question Paper