



“Investing in Africa’s future”

COLLEGE OF BUSINESS, PEACE, LEADERSHIP AND GOVERNANCE

NMMS 401: ENTREPRENEURSHIP AND SMALL BUSINESS MANAGEMENT

END OF SECOND SEMESTER EXAMINATIONS

APRIL 2022

LECTURER: MR T MASESE

DURATION: 3 HOURS

INSTRUCTIONS

1. Section A is compulsory.
2. DO NOT repeat material.
3. Candidates are to answer any TWO questions from section B
4. Marks will be awarded for clear, grammatically correct and well-constructed sentences

SECTION A

Question 1

- a. According to John W. Mullins, the author of the highly regarded book *The New Business Road Test*, failure to properly investigate the merits of a business idea before the business plan is written runs the risk of blinding an entrepreneur to inherent risks associated with the potential business and results in too positive of a business plan. Alfred, who has considerable experience in the home security industry, is planning to launch a firm that will sell a new line of home security alarms that she believes will be superior to anything currently on the market. Alfred wants to carry out a feasibility analysis that might be helpful in assessing viability of his idea and avoid falling into the “everything about my opportunity is wonder” mode. If Alfred turned to you for help, what would you tell her about how to carry out a feasibility analysis? **(25 marks)**
- b. Imagine you just received an e-mail message from a friend. The message reads, “Just wanted to tell you that I just finished writing my business plan. I’m very proud of it. It’s very comprehensive and is just over 100 pages. The executive summary alone is 9 pages. I plan to start sending it out to potential investors next week. Do you have any words of advice for me before I start get funding?” How would you respond to your friend’s request for feedback in not more than 3000 words? **(15 marks)**

SECTION B:

Question 2

Outline and explain motivating factors that may pull or push individuals into entrepreneurship. What traits are associated with entrepreneurs that distinguish themselves from managers who settle for corporate life? **(30 marks)**

Question 3

What are the pros and cons of joining a family business as an entry mode into entrepreneurship? Outline and discuss the four main reasons why members commit themselves to family business

(30 marks)

Question 4

It is critical for an entrepreneur to carry out a thorough feasibility assessment before crafting a business plan for a new startup. What are the key components of a feasibility analysis? **(30 marks)**

END OF PAPER
