



***"Investing in Africa's Future"***

**COLLEGE OF BUSINESS PEACE LEADERSHIP AND GOVERNANCE**

**NMMS401: ENTREPRENEURSHIP AND SMALL BUSINESS  
MANAGEMENT**

**END OF SEMESTER EXAMINATIONS**

**MAY 2024**

**LECTURER: MR T MASESE**

**TIME: 3 HOURS**

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### **INSTRUCTIONS**

Answer **SECTION A** and **ANY TWO** Questions **SECTION B**  
MARKS ALLOTTED TO EACH QUESTION ARE SHOWN

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CLEAR AND NEATLY PRESENTED WORK WILL BE AWARDED  
MARKS FOR PRESENTATION



## SECTION A

You have been engaged as a consultant to prepare a presentation for a graduating class on how to prepare a business plan as part of their life skills training. Prepare a presentation starting with an introductory explanation of what a business plan is and its functions. Using a business idea of your choice, outline the sections you would include in the business plan giving a brief explanation of what you would include in each section

**[40 marks]**

## SECTION B

### Question 1

- a. According to Harisson and Hart (1983), people become entrepreneurs for a number of reasons; some by necessity and for some, to pursue opportunity. The push-pull theory provides a framework that could explain entrepreneurial supply. An entrepreneurial initiative stemming from a push dynamic would correspond to a defensive reaction to the state of the job market and/or the entrepreneur's personal difficulties. In contrast, the pull dynamic would arise from a proactive initiative, in which case entrepreneurial initiatives are more likely to derive from strong professional aspirations articulated in an offensive posture, possibly originating in the identification of a market opportunity” Discuss this statement with regard to factors that drive people into entrepreneurship clearly distinguishing between opportunity-based and necessity-based entrepreneurship **[15 marks]**
- b. Business ethics, practiced throughout the deepest layers of a company, become the heart and soul of the company's culture and can mean the difference between success and failure. Define entrepreneurial ethics and integrity. Describe the framework for integrity in small businesses and discuss ways to incorporate ethics and integrity into business practices **[15 marks]**

### Question 2

Nyasha wants to venture into the tech business and is considering the option of either starting a business from scratch or buying Sustainable Tech Solutions, an existing tech business that is on sale and turn it around. As a recent graduate in entrepreneurship, Nyasha has approached you for advice. Explain to Nyasha why it would be better for her to acquire an existing business rather than starting a new one. What is the downside of acquiring the existing business that Nyasha should also consider? Advise her how she can evaluate an existing business. What are the other non-quantitative factors she should consider in evaluating an existing business? **[30 marks]**

### Question 3

- a. Business ideas need to be analyzed for feasibility before they can be implemented. Explain what feasibility analysis is and why it is important for business success. Outline and briefly



discuss each of the four dimensions of a feasibility analysis you would carry out for your business idea to be successful **(15 marks)**

- b. Gender differences in entrepreneurial activity are both persistent and universal and according to Venkataraman & Sarasvathy (2000)'s metaphor, 'entrepreneurship has long been Romeo and Juliet without the Juliet'. What are the unique problems faced by women who pursue entrepreneurial careers? To what extent do men and women differ as entrepreneurs in terms of types of companies they create and manage, the industries in which they operate, the challenges they face and their sources of competitive advantage? **[15 marks]**

#### **Question 4**

- a. Franchising is another way to enter an industry, by either starting a franchise operation or becoming a franchisee. Explain what franchising is, and discuss the nature of the roles of franchisors and franchisees. What would be the most attractive aspects of franchising to you as a potential franchisee? What is the least attractive part of franchising? **[20 marks]**
- b. Social entrepreneurship is often described as "ventures with a conscience". Define social entrepreneurship and explain the differences between traditional entrepreneurship and social entrepreneurship. Explain the differences between socially responsible ventures, social ventures and enterprising non-profits. What is meant by the concept of triple bottom line when it comes to socially focused businesses? **[10 marks]**

#### **Question 5**

- a. Entrepreneurship is all about opportunity. Would-be entrepreneurs often have one of two things on their minds: how to come up with a good business idea and whether this idea big enough to make a successful business. What is an opportunity and are its characteristics. Explain each of the three main types of business ideas (Type A, B and C). With relevant examples discuss the main sources of business ideas classified under each of the following headings: observing trends in society, solving problems, filling product and market gaps **[20 marks]**
- b. Joining a family business is an option for those people who have parents or grandparents who have an operating business venture. A family business is not a normal business because of the involvement of family issues that are, by nature, more emotional. Explain the main merits and disadvantages that result from family involvement in business? What are the main reasons why family members commit to the family firm **[10 marks]**

**END OF PAPER**