



“Investing in Africa’s future”

COLLEGE OF BUSINESS, PEACE, LEADERSHIP AND GOVERNANCE

NMMS401: ENTREPRENEURSHIP AND SMALL BUSINESS MANAGEMENT

SPECIAL EXAMINATIONS SESSION

AUGUST 2023

LECTURER: MR T. MASESE

DURATION: 3 HOURS

INSTRUCTIONS

Answer **QUESTION 1** and any other **TWO** questions from this paper

DO NOT repeat material.

Write legibly.

Credit is given to application of theory and practice

Question 1

You have been asked by the local chamber of commerce, ZNCC, to present at a two-hour workshop on how to write an effective business plan. People who are thinking about starting their own business but do not currently have a business plan will attend the workshop. Prepare a presentation detailing what you would cover in the two-hour session. Explain the key elements of a business plan and the critical importance of a business plan to a new start up. **(25 marks)**

Question 2

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. Rudo Murombo, 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. Rudo wants to carry out a feasibility analysis that might be helpful in assessing viability of her idea and avoid falling into the “everything about my opportunity is wonder” mode. If Rudo turned to you for help, what would you tell her about how to carry out a feasibility analysis? **(25 marks)**

Question 3

- a. Briefly discuss any other two entry methods into entrepreneurship besides greenfield startups clearly explaining the advantages of each over starting the business from scratch **(15 marks)**
- b. The Business Model Canvas (BMC) categorizes the processes and internal activities of a business into nine separate categories, each representing a building block in the creation of the product or service. Briefly outline and discuss the various business activities contained in the BMC, explaining how each is important to the success of any business venture. **(10 marks)**

Question 4

- a. Mike, a product development specialist at Zimbabwe Enterprises, plans to write an e-mail message to his dad asking for a loan. The purpose of the loan will be to start a company to sell an environmentally friendly line of cleaning supplies that are suitable for light manufacturing facilities. Joseph has spent the past two years developing the products in his spare time, and wants to convince his dad that the idea represents an attractive business opportunity. What is an opportunity and what makes it attractive? In your opinion, what information and insights about the company he wants to start should Joseph include in the e-mail message? **(15 marks)**
- b. Socioemotional wealth is the concept that gains and losses in nonfinancial characteristics of the relationship between the family and the business affect strategic and policy decisions

regarding the family company. Family members commit to a family business for various reasons and socioemotional commitment of family members to the firm occurs along five dimensions. Discuss this statement and in your discussion include an analysis of why members of the succeeding generation in family firms may have emotional resistance to joining the firm (10 marks)

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