



“Investing in Africa’s future”

COLLEGE OF BUSINESS, PEACE, LEADERSHIP AND GOVERNANCE

NMMS504: ENTREPRENEURSHIP AND SMALL BUSINESS MANAGEMENT

END OF SECOND SEMESTER EXAMINATION

MAY 2021

LECTURER: MR T. MASESE

DURATION: 7 HOURS

INSTRUCTIONS

Answer **ONE** question

Write legibly.

Credit is given to application of theory and quality examples

Question 1

- a. Entrepreneurship plays an important role in the creation and growth of businesses, as well as in the growth and prosperity of regions and nations. Discuss the role of entrepreneurship in the growth of the economy and building resilient livelihoods **(30 marks)**
- b. If personal characteristics or personality traits do not predict who will be a successful entrepreneur, why are they significant to the study of entrepreneurship or small business management? Which characteristics do you think are most important? Discuss **(30 marks)**

Question 2

- a. Your telephone rings early one morning. It is your small business/entrepreneurship lecturer Mr. Masese, who tells you he just received notification that he has won the first Nobel Prize in Entrepreneurship. His plane leaves soon for Stockholm, where he will pick up the award, so he won't be in class today. Because you are one of the star students in this class, the professor asks you to conduct today's class, covering "The Business Plan." Write an outline of how you would teach this class and what you would cover to effectively teach this material. Prepare a power-point of your lecture that you will present to the class **(50 marks)**
- b. After having learnt about entrepreneurship, would you consider someone who buys a franchise to be an entrepreneur? Does franchising stifle entrepreneurship? Discuss **(10 marks)**

Question 3

- a. You are analyzing the financial records of a business you have been thinking about buying. You discover that although the firm has excellent current and quick-asset ratios by industry standards (meaning its current assets are higher than its current liabilities), its cash is low, and it hasn't paid its bills on time. What might have caused this problem? Would it influence your decision to buy the business? Discuss the other quantitative and non-financial issues that you would consider before making your decision **(30 marks)**
- b. Discuss the legal ramifications of starting your own business. What legal issues would you worry about when starting a business in Zimbabwe? Where should the new entrepreneur seek information and advice regarding laws that govern the type of business that is being promoted? **(30 marks)**

-END OF EXAMINATION
