



UNIVERSITY OF KELANIYA - SRI LANKA

*Centre for Distance and Continuing Education*

**Faculty of Commerce & Management Studies**

Bachelor of Business Management (General) Degree Third Examination (External) – 2016

April/May - 2022

**BMGTE 3025 – Small Business Management**

No. of questions: Eight (08)

Time: 03 hours

**Instructions:**

- The question paper consists of Part 1 and Part 11.
- You must **answer five (05) questions, at least selecting two questions from each part.**

**PART 1**

**Question No: 01**

- a) State whether you agree with this statement and briefly justify your answer.
- Entrepreneurs are made, Not born
  - Entrepreneurs are motivated primarily by money.
  - Entrepreneurs should be young and energetic.
  - The number one characteristic of successful entrepreneurs is a passion for the business.

(3 marks × 4 = 12 marks)

- b) 'In Sri Lanka, socio-economic development is given massive support from Small, Medium Enterprises (SMEs).' Do you agree with this statement? Explain your answer by considering real examples extracted from the Sri Lankan context.

(08 marks)

**(Total 20 marks)**

**Question No: 02**

- a) What is the connection between the terms of "awareness of emerging trends" and "the entrepreneur's characteristics"?

(04 marks)

- b) 'Detailed feasibility study consists of seven significant studies. Assume you will start a new venture of your own and briefly explain how to check the feasibility of your new business idea considering below four studies into account.

- I. Legal and investment environment study.
- II. Market study and analysis.
- III. Financial study.
- IV. Operational feasibility study

(4 marks × 4 = 16 marks)

**(Total 20 marks)**

**Question No: 03**

State whether you agree with the below statements and briefly justify your answers with reasonable explanations.

- a) The business plan is a dual-purpose document which is used by both parties of inside and outside the firm.
- b) It's not essential to include a section in the market analysis that deals with the behavior of the consumers in the market".

- c) Human resource plan outlines how the business will be run and how the product or service will be produced.
- d) Business plans discover any weaknesses in the business idea so beginners will be able to address them after opening for business.

(5 marks × 4 = 20 marks)

**(Total 20 marks)**

**Question No: 04**

- a) What is the difference between industry and industry analysis?  
(02 marks)
- b) When studying an industry, an entrepreneur must answer three questions before pursuing the idea of starting a firm. What are they?  
(03 marks)
- c) Assume you will start a new venture. Explain three methods which you can be used to perform industry competitor analysis for your new venture.

(15 marks)

**(Total 20 marks)**

**PART 11**

**Question No: 05**

- a) Briefly explain the 4Ps of marketing activities (product, price, promotion, and place) used by entrepreneurial firms.  
(08 marks)
- b) Define a brand and explain why it is important to an entrepreneurial firm's marketing efforts. Support your answer with a real-world example.

( 12 marks)

**(Total 20 marks)**

**Question No: 06**

- a) Briefly discuss four (04) types of external growth strategies that can be adopted by an organization.  
(08 marks)
- b) Describe three (03) internal product-growth strategies which an entrepreneurial firm can be used. Each strategy should be supported with a practical example in describing.  
(12 marks)
- (Total 20 marks)**

**Question No: 07**

- a) List down four (04) warning signs that a business is growing too fast towards a slump.  
(08 marks)
- b) Briefly discuss six (06) reasons which highlight the need of growing for a small business with a practical example.  
(12 marks)
- (Total 20 marks)**

**Question No: 08**

- a) Draw and describe the parts of a business model.  
( 08 marks)
- b) Describe the value chain of a real-world organization highlighting the elements of a value chain, relevant to the selected example.  
(12 marks)
- (Total 20 marks)**