



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) – 2022

March - 2025

BMGT E3025 – Small Business Management

No. of questions : Eight (08)

Time: 03 hours

Answer only **five (05)** questions only.

1. a) (i) What a small business is? Define.
(05 marks)
- (ii) Explain its characteristics.
(05 marks)
- b) Discuss the significance of small businesses in the economy, focusing on their role in job creation and local economic development.
(10 marks)
- (Total 20 marks)**
2. a) What is the primary purpose of a business plan? Explain.
(05 marks)
- b) “Developing a business plan is crucial for steering the growth and sustainability of a small business.”
Describe five (05) key components of a comprehensive business plan.
(15 marks)
- (Total 20 marks)**
3. a) List five laws related to small businesses in Sri Lanka.
(05 marks)

- b) As an aspiring entrepreneur starting a small business in Sri Lanka, it is important to be prepared for potential disputes in business operations. Explain the different methods available for resolving disputes in small businesses in Sri Lanka.
(15 marks)
(Total 20 marks)
4. a) Discuss three (03) internal growth strategies for entrepreneurial firms.
(06 marks)
- b) Discuss the various external growth strategies that entrepreneurial firms can adopt and explain their importance in business expansion. Support your answer with relevant examples.
(14 marks)
(Total 20 marks)
5. a) (i) List down the advantages of buying an existing business.
(05 marks)
- (ii) How it can benefit an aspiring entrepreneur.
(05 marks)
- b) Discuss the advantages and disadvantages of a partnership business model.
(10 marks)
(Total 20 marks)
6. Draw and explain the key components of a business model, including core strategy, strategic resources, customer interface, and partnership network, value composition, cost structure, revenue stream and etc. Discuss how each component contributes to the overall success of a business.
(Total 20 marks)
7. a) Discuss the importance of the marketing mix for small businesses, emphasizing

how each of the 4Ps contributes to business growth and competitiveness.

(10 marks)

- b) Provide examples of how small businesses can use the marketing mix to effectively meet customer needs and build a strong market presence.

(10 marks)

(Total 20 marks)

8. Use a table to explain the strengths, weaknesses, challenges, and opportunities for small and medium-sized enterprises.

(Total 20 marks)