



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) – 2014/ 2015

July - 2019

BMGT E 3025 – Small Business Management

No of questions : 07 (Seven)

Time: 03 Hours

Question paper consists with two parts.

Answer one (01) question from part one and three (03) questions from part two.

Part 1

Question No. 01

Suppose if you are running a food restaurant and franchisee of McDonald gets opens up nearby it. Due to which your profits are declined then what innovative ways you will use to compete with McDonald. Prepare a detail business plan for your fast food restaurant.

(Total 25 marks)

Question No. 02

Samanthi Silva is a graduate of Cloth Designing. After her graduation, she worked as a designer in a large Garment Company in Agulana, Moratuwa for two years. She then resigned from her job and started her own business called 'Samanthi's' Designs. Her first assignment is by supplying School concert performer's clothes for their annual event. Today she designs clothes for actors, singers, and politicians. Today, Samanthi's Designs has turned into a successful enterprise that employs 50 employees.

- a) Explain the characteristics of successful entrepreneurs
(10 marks)
- b) Give four reasons why Ms. Samantha Silva might have decided on a Sole Proprietorship for her business.
(5 marks)
- c) Write a short note on two other forms of ownership available to an entrepreneur.
(10 marks)
- (Total 25 marks)**

Part 11

Question No. 3

- a) Explain the significance of conducting a study on legal background before initiate a new venture
(13marks)
- b) List down and explain the different dimensions of the legal and environment study.
(12 marks)
- (Total 25 marks)**

Question No. 4

“Many successful new businesses enjoy longevity because their owners conduct a marketing feasibility study to understand their target market, identify consumer problems and pinpoint realistic competitors.”

- a) Do you agree with this statement? Explain
(12 marks)
- b) List down and explain key components of the marketing study
(13 marks)
- (Total 25 marks)**

Question No. 05

- a) How does "entrepreneurship" differ from "self-employment"? Explain with examples. (10 marks)
- c) Define social entrepreneurship. (05 marks)
- d) What are the risks and challenges that are faced by social entrepreneurs? (10 marks)
- (Total 25 marks)**

Question No. 06

- a) State with reasons whether following statements are true or false.
- (i) Profit maximization is the sole objective of entrepreneurs, (05 marks)
- (ii) Entrepreneurs are "doers" not "thinkers". (05 marks)
- b) Small Business is seen as a driver of change for inclusive economic growth, regional development, employment generation and poverty reduction
Elaborate this statement using Sri Lankan economy (15 marks)
- (Total 25 marks)**

Question No. 07

- a) Explain problems a small business owner may experience when trying to obtain sufficient financing. (13 marks)
- b) Suggest the various ways and means of developing women entrepreneurs. (12 marks)
- (Total 25 marks)**

