

EASTERN UNIVERSITY, SRI LANKA
FACULTY OF COMMERCE AND MANAGEMENT

**Third Year First Semester Examination in Bachelor of Business Administration/
Bachelor of Commerce / Specialization in Human Resource Management/
Specialization in Marketing Management / Specialization in Accounting and Finance –
2016/2017**

(Proper / Repeat) (October 2018)

DED 3032 Entrepreneurship

Answer all questions.

Time: 02 Hours

- 01. Select correct answer for each questions and write down the number of the answer in the answer book.**
1. Writing a business plan can ensure that an entrepreneur
 - a) figures out how to make her business work.
 - b) meets his target revenue goals.
 - c) achieves her expense projections.
 - d) earns profit at the business

 2. The cover page of a business plan should contain
 - a) key financial highlights.
 - b) contact information.
 - c) the funding request.
 - d) executive summary

 3. A _____ is a document that thoroughly explains a business idea and how it will be carried out.
 - a) marketing plan
 - b) financial analysis
 - c) business plan
 - d) product plan

 4. The _____ section of the business plan should be written last.
 - a) financial statements
 - b) executive summary
 - c) appendices
 - d) strategy and implementation

 5. A business plan should be _____ to convey critical information to potential investors.
 - a) long and detailed
 - b) concise
 - c) complex
 - d) technical

6. Which of the following is an element of marketing?
 - a) Create a production process that maximizes profit.
 - b) Create an organizational structure.
 - c) Identify the goods that customers want.
 - d) All of the above.
7. An entrepreneur is asking himself/herself, who might be interested in purchasing their products? This constitutes:
 - a) an initial screening.
 - b) a third screening.
 - c) a post-product development screening.
 - d) a second screening.
8. Which of the following products is likely to require the least amount of modification?
 - a) Fast food.
 - b) A textbook.
 - c) Cars.
 - d) A photocopier.
9. A set of variables is thought to influence the demand for product A in Scarborough. The firm may use data on these variables to extrapolate demand over the next 5 years. This is called a
 - a) cluster analysis.
 - b) variable analysis.
 - c) regression analysis.
 - d) none of the above.
10. Which of the following products is more likely sold through personal selling?
 - a) Hospital equipment.
 - b) Fast food.
 - c) Furniture.
 - d) Laptops.
11. Once an entrepreneur finishes a product, he/she delivers it to wholesalers who then distributes it to retailers. What is this process called?
 - a) The retailing process.
 - b) The distribution system.
 - c) The post-production cycle.
 - d) The logistics movements.
12. A market survey is important because it tells you:
 - a) How many & what types of people are shopping at a store.
 - b) Tells you what the customer will buy.
 - c) Tells you how much the customer will pay for the product.
 - d) All of the above
13. Making a purchase you had not planned is called:
 - a) Consumer shopping.
 - b) A warranty.
 - c) Impulse buying.
 - d) Comparison shopping.

14. Business ethics deals primarily with
 - a) social responsibility.
 - b) the pricing of products and services.
 - c) moral obligation.
 - d) being unfair to the competition

15. Ethics are important because
 - a) suppliers prefer to deal with ethical companies.
 - b) customers prefer to deal with ethical companies.
 - c) employees prefer to deal with ethical companies.
 - d) all of the choices.

16. Benefits derived from social responsibility include;
 - a) enhanced organizational efficiency
 - b) producing better products
 - c) attracting people who want to work for the firm
 - d) both a & c

17. Fairness in employment practices centers on
 - a) hiring no family members or friends.
 - b) giving people equal rewards for accomplishing the same tasks.
 - c) obeying equal employment opportunity legislation.
 - d) avoiding conflicts of interest.

18. The stakeholder view of social responsibility states that organizations must respond to the needs of
 - a) employees and customers.
 - b) shareholders and owners.
 - c) all interested parties.
 - d) all those who might sue the organization.

19. What is an entrepreneur?
 - a) Someone who invests time and money to start a business.
 - b) Someone who makes a lot of money.
 - c) Someone who takes a risk to make a profit.
 - d) Both A & C.

20. Quality Control is defined as:
 - a) Controlling the cost of the product.
 - b) Controlling the number of pieces produced.
 - c) Producing & monitoring products so they are acceptable to the consumer.
 - d) Producing & monitoring products so they are acceptable to the workers

21. Product planning tells you:
 - a) Where you will produce your product.
 - b) Cost to produce your product.
 - c) Your Net profit.
 - d) Total revenues.

22. Which of the following techniques is an excellent method for initially screening ideas and concepts in addition to generating new ideas?
- Focus Group
 - Brain Storming
 - Problem Inventory Analysis
 - Reverse Brainstorming
23. In some countries point of purchase displays are not allowed in retail stores. Differences are studied by international entrepreneurs under environment.
- Economic
 - Political
 - Cultural
 - Technological
24. Having more than 50% ownership position that provides the entrepreneurs with managerial control is called
- Joint Venture
 - Majority interest
 - Horizontal merger
 - Diversified Activity merger
25. The Development of a new venture based on an inventor's work often requires
- Expertise of an entrepreneur
 - Heavy investment from financiers
 - Skilled human resources
 - Highly educated Staff

(25 X 02 = 50)

02. Answer the following questions briefly

- What is entrepreneurship? (02)
- What is the role of entrepreneurship in the economic development of a country? (03)
- What are the main characteristics of an entrepreneurship? (03)
- Describe the different marketing strategies and give examples for each. (03)
- Describe the problems faced by women entrepreneurs in Sri Lanka. (03)
- What are factors motivating the entrepreneurship activities in Sri Lanka? (03)
- What are the barriers to a graduate of EUSL in becoming an entrepreneur? (03)

(Total 20)

03. "To be successful in entrepreneurship, entrepreneur should possess certain competencies."

(i) List out the competencies.

(04 Marks)

(ii) Briefly describe each of them.

(04 Marks)

(iii) Briefly explain how these competencies will assist an entrepreneur to be successful.

(07 Marks)

(Total 15 Marks)

02. "An entrepreneur will be more successful if he can add value to the products using innovation."

(i) What is value addition?

(04 Marks)

(ii) Briefly explain how innovation will contribute to value addition.

(04 Marks)

(iii) Using **milk and curd** as an example, briefly explain how producing and selling curd is more profitable than selling milk. Assume the prices for the calculation of the cost of production.

(07 Marks)

(Total 15 Marks)