



Final Year First Semester Examination in Bachelor Of Commerce/Specialisation in

Enterprise Development- 2013/ 2014

(December 2015/ January 2016)

(Proper/Repeat)

DED 4013 Entrepreneurial Practices

Duration: Three hours

Answer all questions

1) Read the case study below and answer the questions that follow.

Never too old to start a business – Maggie's Original Maizpro

At the ripe old age of 82 years, Maggie Fernando is no ordinary go-go. She is the entrepreneurial co-founder of Maggie's Original Maizpro, a business which manufactures and distributes the traditional, maize-based fermented drink. After starting on a small scale in 1995, Maggie accessed assistance from Center for Sustainable Business Development Services (CSBDS) and funding from the Technology Transfer Fund, which has enabled her to grow the concern and supply markets across Batticaloa and neighboring areas

Maizpro is the generic name for the non-dairy, non-alcoholic energy-giving beverage used by many of the maize-consuming populations in Africa and other countries in Asia. "My recipe was first formulated by my loving grandmother, the late Mrs Sapula Fernando, during 1990s," says Maggie. "This was a difficult time in our history where the ethnic violence erupted in Sri Lanka and mobilizations of goods were restricted and lots of people suffered of starvation. Faced with the challenge of feeding fourteen grandchildren, my grandmother decided to make a tasty nourishing meal for us. This is how our Original Maizpro was born and like my grandmother, I have passed the recipe down to my grandchildren who are now my business partners."

Maggie was referred to CSBDS and was encouraged to apply for funding from the Technology Transfer Fund in 2010. The Technology Transfer Fund assists small businesses to improve their competitiveness through technology transfer and pays for technical training. After being assessed by a CSBDS Technology Fund project officer, Maggie's Original Maizpro received funding to acquire bottling, labeling, cooling and flavoring equipment, which enabled the business to scale up production whilst improving capacity, quality and efficiency.

CSBDS is currently assisting the business with a quality management assessment, and will continue to provide advice and support as the business grows. Maggie's story proves that you're never too old to start a business! Aspiring entrepreneurs like Maggie can access information, resources and services through CSBDS.

- i) What support did Maggie need for her business? (04 Marks)
- ii) Why did Maggie need this support? (04 Marks)
- iii) What effect did the support from CSBDS have on Maggie's business? (04 Marks)
- iv) Why do you think was it necessary for Maggie to scale up production? (04 Marks)
- v) How does the Technology Transfer Fund help small businesses? (04 Marks)
- (Total marks 20)

2. What makes someone a successful Entrepreneur? It certainly helps to have strong technology skills, but this is not the defining characteristic of entrepreneurship. Instead the key qualities are some traits and skills that are needed to **build great teams**. It is essential to learn the specific skills that underpin these qualities.

- (i) Define an Entrepreneur (05 Marks)
- (ii) What do you understand by traits and skills? Differentiate them. (05 Marks)
- (iii) Identify the **team building skills** that a successful entrepreneur should possess to build great teams in his/her organization for his success. (05 Marks)
- (iv) Briefly describe each of these skills that are helpful for an entrepreneur in the building up of great teams to be a successful entrepreneur. (05 Marks)
- (Total marks 20)

3. Governments across the world are increasingly recognizing the positive impacts that the growing businesses can have on employment levels as well as the competitive advantages that small firms can bring to the market place. But identifying how small businesses can be transformed into growth oriented business has become a challenge to researchers as they remain uncertain regarding why some firms grow and others do not when originating from similar circumstances.

- (i) What do you understand by a "growth oriented business". List the growth measures available to measure the growth of businesses. (05 Marks)
 - (ii) Describe "competitive advantages" in relation to small businesses. (05 Marks)
 - (iii) Describe the factors that influence the growth intentions of an entrepreneur (05 Marks)
 - (iv) Identify the most important obstacles to the growth of businesses and describe each of them. (05 Marks)
- (Total marks 20)**

4. A worldwide consensus on the critical role of competitive markets and entrepreneurs in economic development has emerged in the last decade. In developing countries the primary barrier to economic growth is often not so much a scarcity of capital, labour, or land as it is a scarcity of both the dynamic entrepreneurs that can bring these together and the markets and mechanisms that can facilitate them in this task.

- (i) List out and describe the qualities that differentiate a successful entrepreneur from an ordinary businessman. (10 Marks)
 - (ii) What are the functions carried out by an entrepreneur. (05 Marks)
 - (iii) Discuss the advantages of self-employment over wage employment. (05 Marks)
- (Total marks 20)**

5) Write short notes on the following

- i) Role of entrepreneurship in the development of Economy
- ii) Factors influencing growth in small businesses
- iii) Challenges for entrepreneurship in Sri Lanka
- iv) Difference between an entrepreneur and a manager

4 @ 5 Marks
(Total marks 20)