

**THE OPEN UNIVERSITY OF SRI LANKA
FACULTY OF MANAGEMENT STUDIES
ADVANCED CERTIFICATE IN ENTREPRENEURSHIP AND
SMALL BUSINESS MANAGEMENT (ESBM) PROGRAMME
OSC2402: SMALL BUSINESS MANAGEMENT
FINAL EXAMINATION – 2025/2026
DURATION – TWO (02) HOURS**



Date: 17th May 2026

Time: 01.30 p.m. – 03.30 p.m.

Instructions:

- Answer any Four (04) questions.
- All questions carry equal marks.

1. (a) Define 'Small and Medium Enterprise (SME)' using a standard criterion. (05 Marks)
- (b) Discuss the contribution of Small and Medium Enterprises to the economic and social development of Sri Lanka, citing examples. (20 Marks)
2. (a) Briefly discuss the challenges that women Small and Medium Enterprise owners of Sri Lanka face when starting and managing their businesses. (10 Marks)
- (b) What are the steps the Sri Lankan government can take to encourage women's participation in the SME sector? Explain with justifications. (15 Marks)
3. (a) In your opinion, what is the importance of 'Controlling' management function for a small business? Discuss, citing appropriate examples. (10 Marks)
- (b) Briefly discuss why a small business owner should possess knowledge of management functions. (15 Marks)

4. "Today's businesses are operating in a highly dynamic business environment where technology is changing at a pace like never before. Hence, it is essential for any business to adapt to these technologies to survive in the marketplace. Small and Medium enterprises also should face these technological changes, which open them both opportunities and challenges."

Discuss the above statement, highlighting opportunities and challenges of technological developments for Small and Medium Enterprises. (25 Marks)

5. (a) According to your opinion, what are the five (05) key skills that should be improved by Sri Lankan small business owners to prevent their businesses from failing? Discuss. (10 Marks)
- (b) Assume that you are planning to start a small business in your residential area. Briefly explain the strategies you would follow to identify business opportunities available in your area. (15 Marks)

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