



THE OPEN UNIVERSITY OF SRI LANKA  
CERTIFICATE IN ENTREPRENEURSHIP AND  
SMALL BUSINESS MANAGEMENT PROGRAMME  
FINAL EXAMINATION – 2005/2006  
MCC 1202 – MANAGING A SMALL BUSINESS  
DURATION : TWO (02) HOURS



Date : 18<sup>th</sup> February 2006

Time: 01.30 p.m. – 3.30 p.m.

ANSWER ANY FOUR QUESTIONS. ALL QUESTIONS CARRY EQUAL MARKS.

01. a) What are the advantages and disadvantages of establishing and operating your own business? Make a comparative analysis. (10 marks)
- b) What are the common reasons for the failure of a small business enterprise? In your opinion how can such a failure be avoided? (15 marks)
02. a) With the help of an example, explain the steps involved in the planning process required for establishing a small business. (15 marks)
- b) Describe the general skills that small enterprise operators and business owners need to possess. (10 marks)
03. describe and analyze the success story of a small business in your local community. (25 marks)
04. a) Select a small business you wish to start. Make a SWOT analysis of it. (16 marks)
- b) Briefly describe the role of small businesses in the development of an economy. (09 marks)
05. Write short notes on the following topics, clearly bringing out the meaning.
- a) Business plan
  - b) Strategies for pricing a product
  - c) Problems of small businessmen
  - d) Functions of management
  - e) Characteristics of a small business firm.

(25 marks)

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