

THE OPEN UNIVERSITY OF SRI LANKA
CERTIFICATE IN ENTREPRENEURSHIP AND SMALL BUSINESS
MANAGEMENT
FINAL EXAMINATION – 2008/2009
MCU 1201 – ENTREPRENEURSHIP
DURATION : TWO(02) HOURS



DATE : 13th DECEMBER 2008

TIME : 10.00 a.m - 12.00 noon

ANSWER ANY FOUR (04) QUESTIONS. ALL QUESTIONS CARRY EQUAL MARKS.

1. It is believed that only “entrepreneurs by birth” conduct businesses satisfactorily and reach success. Siddhalepa Weda Mahathmaya can be cited as an example. As a student following the Entrepreneurship and Small Business Management programme state your views regarding the above statement.
2. Assume that you reside in a village situated about 27 k.m. away from Ratnapura town. There are about 200 families in this village and about 100 of them are owners of small paddy fields. These farmer families are also engaged in growing vegetables and fruits. About 500 children study at the village school. There are about 70 office employees and labourers and about 30 students who travel daily to the Ratnapura town from their village. There is only one bus which runs between the village and the town and it does three trips morning, afternoon and evening to the city. Two small groceries, a cloth shop, a kiosk, a barber salon, and a vendor who trades vegetables and fruits operate at the village junction.

Jayadasa, who had earned a substantial amount of money by working in a foreign country for seven years is very keen in setting up a business in this village. He came to see you because you are the only person in the village who is capable of advising in identifying an appropriate business for him.
 - i. What business do you propose to Jayadasa and why?
 - ii. Justify your proposal. If there are reasonable assumptions state them.
3. After completion of the Entrepreneurship and Small Business Management Programme, assume that you took over a post of Assistant Entrepreneur Development Officer at the Divisional Secretary's office in your area today. After explaining the duties and responsibilities of your job, the Divisional Secretary (DS) accompanied you to the Conference Room. There were seven persons seated in the conference room. The DS told you that they wished to set up small businesses in their respective towns. He further informed you that these individuals do not have an understanding about commencing a business, but before their interest diminishes you were to help them start businesses as early as possible. You are expected to explain to them the vision, mission and objectives of a business with practical examples. You accepted the request of DS happily and after spending a few minutes with those who were present, found that all of

204
2768

the persons have passed G.C.E (O/L) satisfactorily. Explain in your answer how do you fulfill the request made by the D.S.

4. It is frequently observed that most of the small businesses degenerate at the same rate that they are setup. Some of them stagnate without either growth or degeneration. State four major reasons which may have contributed to stagnation. State 10 questions which you wish to raise at an interview with each owner/manager of 25 stagnating businesses of your choice in order to verify the four reasons identified by you.
5. Write short notes on the following
 1. qualities of entrepreneurs.
 2. features of small businesses
 3. disadvantages of being a small business

-Copyrights Reserved-

2700160