

**BOTSWANA COLLEGE OF DISTANCE
AND OPEN LEARNING
In collaboration with
THE VIRTUAL UNIVERSITY
FOR SMALL STATES OF THE COMMONWEALTH
(VUSSC)**

Bachelor Of Business And Entrepreneurship

**INTRODUCTION TO ENTREPRENEURSHIP
IE201**

Sessional Examination

Marks – 100

Time allowed: 3 hours

Instructions

1. The examination consists of **Four** sections: A, B, C and D
2. Begin each answer to a new question on a new page.
3. Answer questions according to instructions given in each section
4. Write answers in the answer booklet provided
5. Write in grammatical English

SECTION A - MULTIPLE CHOICE QUESTIONS

[10 MARKS]

Answer ALL questions. Each question carries ONE (1) mark.

1. Juan is starting a software writing company. He is the owner and has only 3 employees. He wants a simple inexpensive form of ownership that leaves him in control and that he can quickly dissolve if he decides to change to another business. His best choice of form of ownership would be _____.
 - A. S-corporation.
 - B. Partnership.
 - C. Corporation.
 - D. Sole proprietorship.

2. A business plan _____.
 - A. Is developed through an intuitive process by which the entrepreneur records his/her plans for the business in the future.
 - B. Focuses on the internal elements of the business.
 - C. Forces an entrepreneur to think a business idea through, considering both its positive and its negative aspects.
 - D. Is a strategic plan for a business that must be supplemented by operational plans once financing is secured.

3. According to Barringer and Ireland, an opportunity must have the following four essentials _____.
 - A. Attractive, timely, durable and based on a product.
 - B. Timely, internally focused, durable and based on a product.
 - C. Attractive, durable, based on a product and internally based,
 - D. Internally focused, attractive, competitive and durable.

4. Characteristics of successful entrepreneurs exclude _____.
 - A. Taking initiative
 - B. Prepared to take deep- seated risk

- C. Having a clear vision
D. Ability to organize.
5. Developing a customer base and, adjusting marketing and operational plans are the _____ part of the entrepreneurial process:
- A. Growth
 - B. Planning
 - C. Generating and evaluating ideas
 - D. Start-up
6. A _____ is a set of exclusive rights granted by a state to a person, usually for a fixed period of time in exchange for the regulated, public disclosure of certain details of a device, method, process or composition of matter known as an invention.
- A. Patent
 - B. Copyright
 - C. Trade secret
 - D. Brand name
7. Which one of the following covers: A description of the business you wish to create, the products and services you wish to provide, the market it serves and the potential competition?.
- A. Developing a Business concept
 - B. Developing a Business growth concept
 - C. Developing a Business planning concept
 - D. Developing a Business Feasibility concept
8. A small business' "aggregation of factors that sets it apart from its competitors" is its _____.
- A. Strategic plan.
 - B. Competitive advantage.
 - C. Vision.

- D. Competitive strategy.
9. When shoppers compare prices, quality, design and durability, they will be purchasing _____.
- A. Specialty goods
 - B. Shopping goods
 - C. New products
 - D. Industrial or business goods
10. Knowing where the customers live, where they go regularly and how much storage space is needed are all factors to be considered when an entrepreneur is making a decision on _____.
- A. Promotion
 - B. Place
 - C. Pricing
 - D. Advertising

SECTION B – TRUE/FALSE QUESTIONS

[20 MARKS]

Answer ALL questions. Each question carries TWO (2) marks.

State whether each of the following statements is TRUE or FALSE and give a brief explanation for your answer.

1. One hallmark of successful entrepreneurs is their ability to adapt to the changing demands of their customers and businesses.
2. Lack of experience is the number one cause of small business failures.
3. While the sole proprietorship is the easiest type of business to get into, it is the most heavily regulated.
4. The business plan needs to address, in the management section, how important officers will be encouraged to remain with the company.
5. Packaging is no more than parceling out the product in smaller quantities.
6. Marketers of goods and services use the same approach to attract new customers and also to retain the customer base.

7. Specialty goods are products that customers shop around for before buying. They compare prices, quality, design etc.
8. Advertising is a public service announcement or news generated through the media.
9. E- commerce has replaced the traditional way of doing business.
10. Any typed word, phrase, symbol, design, name, logo, etc., may be a Patent.

SECTION C – SHORT ANSWER QUESTIONS

[50 MARKS]

Answer only FIVE (5) questions in this section. Each question carries 10marks.

1. Briefly discuss the five most important characteristics of successful entrepreneurs.
(10 Marks)
2. Explain why the owners of a company choose to incorporate their business. What drawbacks do they face? (in your answer state 4 reasons for incorporation and 5 drawbacks)
(10 Marks)
3. Differentiate between cash and profit, and explain the importance of each.
(10 Marks)
4. Briefly discuss the "5 Cs of credit?"
(10 Marks)
5. Briefly explain the concept of the marketing mix and the four Ps?
(10 Marks)
6. Discuss the factors a business manager should consider when selecting advertising media?
(10 Marks)
7. Write succinct notes on each of the following
 - a. Opportunity **(2 Marks)**
 - b. Executive summary **(3 Marks)**
 - c. Convenience product **(2 Marks)**
 - d. Competitive advantage **(3 Marks)**

SECTION D ESSAY QUESTIONS

[20 MARKS]

Answer ONE question only from this section

QUESTION 1

Discuss any six crucial potential drawbacks to business ownership, and give any four reasons why some people still continue to take up entrepreneurship.
(20 marks)



QUESTION 2

Outline any five reasons for the development of a business plan and, for its purpose.

(20 marks)