

EASTERN UNIVERSITY, SRI LANKA
FACULTY OF COMMERCE AND MANAGEMENT

**Second Year Second Semester Examination in Bachelor of Business Administration/
Bachelor of Commerce – 2017/ 2018 (January 2020) (Repeat)**
DED 2013 Small Business Management

Answer all questions.

Time: 03 Hours

01. **“Small business and Entrepreneurship seem as important sector for countries development”**
- (a) Exhibit the differences between entrepreneurship and small business.
(07 Marks)
- (b) In which way an entrepreneurship and small businesses are contributed to the Sri Lanka economy?
(07 Marks)
- (c) What are the factors consider to estimate the scope of small business in Sri Lanka?
(06 Marks)
- (Total 20 Marks)**
02. **“Business plan is putting your business ideas and the information you collect together in a logical sequence with specific calculations”.**
- (a) In which ways a good business plan is advantages for entrepreneurs?
(07 Marks)
- (b) Explain the basic elements of a good business plan?
(07 Marks)
- (c) From where do you collect needed information for preparing a good business plan?
(06 Marks)
- (Total 20 Marks)**
03. **“Many entrepreneurs finance their firm in its early years in part by bootstrapping that is getting the money any way they can”.**
- (a) Describe the major source of financing available for small business entrepreneurs in Sri Lanka.
(07 Marks)
- (b) What are the financial schemes introduced by state banks and private banks for stating a new business or expand an existing business in Sri Lanka?
(07 Marks)

- (c) What are the problems faced by an entrepreneurs and bankers obtaining loans from banks in Sri Lanka? And what remedial actions would you suggest?

(06 Marks)

(Total 20 Marks)

04. **There is risk in everything that one does, and no one knows where he will meet his landfall when his/ her enterprise is at its beginning. One man, trying to succeed effectively, fails to foresee something and falls into great and grim ruin, but another man, one who is acting ineffectively, a god gives good fortune in everything and escape from his folly”.**

- (a) What are the risks faced by an entrepreneur when operating a small business? Explain.

(07 Marks)

- (b) What are the basic ways to cope with risk in a small business?

(06 Marks)

- (c) “Shoplifting” is one of the risks faced by an entrepreneur to operate a business firm in Sri Lanka and elsewhere in the world. What are the various shoplifting tactics to be taken by the small business firms to minimize shoplifting?

(07 Marks)

(Total 20 Marks)

05. **“Marketing has been a major problem identified by small businessmen in Sri Lanka. It is an observed phenomenon that many of the small business ventures fail due to the marketing problems encountered by them”.**

- (a) What is marketing? Explain it, in the context of small businesses.

(07 Marks)

- (i) Elaborate the marketing problems faced by a small businessman in your province. Briefly explain how 4P's of the marketing mix could be used in facing these problems?

(07 Marks)

- (ii) What are the promotional strategies adopted by small business ventures in promoting their products or services? Briefly describe the promotional strategies mostly adopted by a small businessman in your province.

(06 Marks)

(Total 20 Marks)