



**Higher National Diploma in Management
Third Year, Second Semester Examination - 2016**

MAN 4105- Managing a Small Business

Instructions for candidates:
Answer any **five (5)** questions
All questions **carry equal marks**

Time : Three hours
No of Pages : 2
No of Questions : 6

Question 01

- (i) Define the following terms
 - a. Small business
 - b. Entrepreneurship (04 Marks)
 - (ii) “Small Business is dominated by **personal traits and personal skills**”. Identify such personal skills and traits to succeed in the business. (04 Marks)
 - (iii) Explain briefly the trends and opportunities available in small business start-ups (05 Marks)
 - (iv) Discuss the importance of small business in an economy (07 Marks)
- Total (20 Marks)

Question 02

- (i) Describe what franchising business means. (03 Marks)
 - (ii) ‘Family business has many advantages compared to other scale of businesses’. Identify such advantages. (05 Marks)
 - (iii) Briefly explain the key factors to be considered when deciding a location to start up a small business (06 Marks)
 - (iv) “One of the alternative way for starting-up a small business is franchising”, Discuss the merits and demerits of a franchise business (06Marks)
- Total (20 Marks)

Question 03

- (i) What is business plan? (03 Marks)
- (ii) Identify and differentiate the types of business plan (04 marks)
- (iii) State the Features of a successful Business plan that enhance the probability of attracting investors. (04 Marks)

- (iv) Assume that you are currently running a small retail business at your location. Now you have a plan to expand your business next year. Prepare a business plan for the retail business (09 Marks)

Total (20 Marks)

Question 04

- (i) Classify the main functions of human resource management that enable a small business to survive in long run (04 Marks)
- (ii) Financial plan includes key financial statements and Estimation (Projection). Describe such components (04 Marks)
- (iii) Briefly discuss the source of finance available to small business in the form of public liability company (PLC). (06 Marks)
- (iv) Discuss how technology supports customer relationship management. (06 Marks)

Total (20 Marks)

Question 05

- (i) State the methods of harvesting an investment in small business in the form of private company. (03 Marks)
- (ii) Discuss briefly each stage of the product development process. (05 Marks)
- (iii) What types of variables are used for market segmentation? Would a small firm use the same variable as a large business? (06 Marks)
- (iv) Explain why supply chain management is important to a small business (06 Marks)

Total (20 Marks)

Question 06

Write short notes on any four (04) of the followings

- (i) Marketing plan
- (ii) Niche Market
- (iii) Home based business
- (iv) E Business
- (v) Pricing Strategy
- (vi) Promotional plan

(04*05 = 20 Marks)