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UNIVERSITY OF RUHUNA**FACULTY OF MANAGEMENT AND FINANCE****Bachelor of Business Administration Degree Programme 2000 Level Second
Semester End Examination - March 2022****Academic Year 2020/2021****ENT 22223 – VENTURE CREATION****Duration: Three hours****The question paper contains five (05) questions.****Total 70 marks****Answer only four (04) questions including question number one (01).****Question One**

Read the case titled “**Ndopart- Online Design Service**” and answer the questions given below.

“Ndopart- Online Design Service”

Ndopart is a start-up online graphics firm that serves small- to medium-sized companies. The firm is based in Trincomalee and operates from a small, downtown office. Ndopart is a sole proprietorship owned and operated by Muhammad Ali. Initially this was just a hobby, but then a friend of Mr. Ali advised him to seriously cultivate this hobby and convert it into a business. By believing this word and with the support of his friend, Mr. Ali decided to start his own business. Just he started the business, he received many orders that he could not just refuse and therefore he became more serious about developing web page craft on a daily basis and in a professional way.

Mr. Ali tried to make many portfolios to attract customers and to increase his capabilities. Mr Ali felt that “It requires to explore what has never existed.” He also promoted his products to create existing experiences to the customers. If it will turn out the responses to the free web page design (blog) tutorials are good and many orders will come in and even if the responses are not good, the useful feedback can be used to improve the quality. In the initial phase, Mr. Ali created web page design tutorials that made people become more interested in learning about web designs. Some were giving up on trying to make their own web sites and placed orders with Mr. Ali and others were successful and made their own web sites without ordering. Since Mr. Ali wanted to build a portfolio, he made many free web sites for close friends and also for a famous blogger (oom.com). The work was highly appreciated and was put in his web page post. People consequently became more aware with the work of Mr. Ali, especially also through backlinks from other blogs.

Ndopart provides web page design services for personal and corporate branding purposes also. The majority of services are provided at Mr. Ali's office space. This office is modern, practical, and sleek. This is very important because the office of a graphic designer is to a large degree a piece of their portfolio and reflects their work. Therefore, a decent amount of investment has been made to develop the proper appearance of the business office. As mentioned earlier, Ndopart is targeting small- to medium-sized companies. These client companies typically started with their original grassroots of visual communication elements. Presently, Ndopart has matured into a larger company and does not longer rely on the original grassroots corporate identity. These companies are in need of a professional firm like Ndopart to expand their identity and take them to that same level as their competitors and be able to compete. The market segments are focused on a number of different ways. It must be noted that graphic firms generate visibility and sales not only through advertising, but much more through networking and client referrals. The other method used for the target market segment strategy is target customer acquisition.

The networking is based on leveraging of Mr. Ali's personal and professional relationships that he has developed after spending many years in the industry. Ways of networking include sending out business cards to all acquaintances announcing the opening of Ndopart, periodically meeting with people to catch up as well to continue to network which means to find out who this person knows within the target companies that Ndopart will try to turn into customers.

Other strategy is client referrals. A lot of business is derived through referrals. Some of the referrals come through the Chamber of Commerce and some of the referrals come from customers. Recognizing that referrals will be a good source of new customers, Mr. Ali is in constant contact with the Chamber. In addition, Mr. Ali is investigating the possibility of doing a project namely "pro bono" for the Chamber. This will be done to let the Chamber view an example of Ndopart's work. It will also provide a reason for the Chamber to recommend Ndopart. Mr. Ali is working very hard to satisfy all of his customers. By making sure that he exceeds their expectations, he is increasing the likelihood that he will receive referrals from satisfied customers.

The another important method followed by Mr. Ali is targeted customer acquisition. This is the strategy to attract a chosen company to become a customer. Mr. Ali has put together a list of 20-30 companies that would be excellent customers. Once these companies have been identified, he will devise a strategy to target these companies as customers by initially determining what value Ndopart can offer them. Eventually, the goal is to be able to meet with the decision makers of the company and present them with a portfolio of Mr. Ali's past work as well as the proposed value Mr. Ali can offer them.

The biggest challenge as an artist lies in overcoming boredom especially when working uninteresting/standard designs as orders. Working in a room without any company can enhance the feeling of being bored or even lonely. In dealing with the feeling and preventing a burnout, Mr. Ali usually engages in balancing activities such as going to painting exhibitions, attending art exhibitions, and other activities with his friends. Ali said that "Doing something we like will make us keep going and going. Be consistent in your business, keep up the highest quality standards in products and services and never intentionally degrade the quality of your own work

just because of money.” Further, he recommends people should start their business from the heart. In his case, initially, his parents and other people were pessimistic about his plans, nevertheless, he kept going because he enjoyed the work he did it.

- I. Identify the entrepreneurial characteristics of Mr. Ali, the owner of Ndopart. (04 Marks)
 - II. State the types of networking relationships that have been used by Mr. Ali to become as a successful entrepreneur in the field of online-design. (05 Marks)
 - III. “Don’t worry about being successful but work toward being significant and the success will naturally follow.” Do you agree with this statement? Discuss your answer by using examples from the case. (06 Marks)
 - IV. Briefly explain the challenges faced by Mr. Ali throughout his journey and how he faced these challenges successfully to become as a leading character in this industry. (10 Marks)
- (Total 25 Marks)

Question Two

- I. Define the term “succession planning.” relating to family business. (02 Marks)
- II. Briefly explain the advantages and disadvantages of a family firm as an option of entering into entrepreneurship. (06 Marks)
- III. “A business plan is a written document prepared by the entrepreneur that shows the blue print of the future of a new venture.” Discuss this statement by emphasizing the key elements that required to be covered in a business plan.

(07 Marks)
(Total 15 Marks)

Question Three

- I. Define the term "Venture growth".
(02 Marks)
 - II. Identify the lifecycle of a venture from an entrepreneur's perspective and briefly describe the unique characteristics and strategies that can be seen in each stage.
(06 Marks)
 - III. "One of the biggest challenges faced by an entrepreneur is choosing a proper location for a business". Discuss this statement by using a service sector business as an example.
(07 Marks)
- (Total 15 Marks)

Question Four

- I. Define the term "Idea generation".
(03 Marks)
 - II. Briefly explain the skills required for a potential entrepreneur for recognizing suitable business opportunities.
(05 Marks)
 - III. "Entrepreneurs generate many ideas but only a few of these create real opportunities for their businesses." Do you agree with this statement? Explain.
(07 Marks)
- (Total 15 Marks)

Question Five

Compare and Contrast the followings.

- I. 'Necessity – Driven Motives' and 'Opportunity – Driven Motives'
 - II. "Invention" and "Innovation"
 - III. "Internal Growth Strategies" and External Growth Strategies"
- (5 Marks per each)
(Total 15 Marks)
