



UNIVERSITY OF RUHUNA
FACULTY OF MANAGEMENT AND FINANCE

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No. of Questions: 06
Total Marks : 70

571

BBA 12013 - ENTREPRENEURSHIP

Academic Year 2021/2022

BACHELOR OF BUSINESS ADMINISTRATION HONOURS DEGREE

Three Hours

1000 LEVEL SECOND SEMESTER END EXAMINATION -
FEBRUARY/MARCH 2023

Instructions

- ➔ Answer only four (04) questions including question number one (01).

Question No. 01

Read the story of Mr. Sajith and Diluka and answer the questions given below.

Story of Mr. Sajith and Diluka

Sajith and Diluka are close friends who studied together both during their school time and in the university. They passed out last year from University of Sri Jayawardenepura with a BBA Degree in Management. Both of them were highly determined to start their own business on their own as they wanted to do something of their own rather than working for somebody else. After completing their degree programs they started to search for possibilities of starting a new business venture on their own and came up with a decision to start a business related to mushroom growing as mushrooms have a great market potential and is a perishable food. Further, mushrooms are also known to be the best alternative food for vegetarians. They were assisted by their lecturers, and they could derive the inspiration for this from the practical exposure they got from their course units, and specially they also received help from the Entrepreneurship Club of the faculty.

For Sajith and Diluka, fund raising was a serious handicap for mass production. Sajith's father volunteered to assist them financially in addition to what they had in their hands saved from "Mahapola" scholarship to start their own venture. Then they brought the first trial batch of mushrooms that they produced to a star hotel in their area. Further, the hotel started placing orders for supply of 20 kgs every day. Gradually, their income started to get better, and they could hire four other people to work for them in the mushroom cultivation.

Sajith and Diluka believed that a business needs getting updated with novelties day by day in order to conquer the market and they started searching for new technologies related to mushroom cultivation along with their current progress in the industry. Herein, they specially looked into the latest technologies and means adopted by agriculturally more developed countries and the possible alternative products that could be done with mushrooms. As the first step, they produced a sausage

out of mushrooms and introduced that to supermarkets island wide. Another innovation is Mosh Mushrooms, equipped with cold storage facility which has a demand in the export market. Sajith and Diluka have set their sight high now. They aim to sell mushrooms in a very big way all over the country and with a time plan to expand it to the international market.

- I. What motivated Sajith and Diluka to start-up a business on their own?
(03 Marks)
 - II. In addition to the financial sources mentioned in the case study, write other sources of finance they could have obtained to start their business?
(05 Marks)
 - III. Explain how one's university education and the resources available within the universities are beneficial to undergraduates who are planning to start their own business ventures.
(07 Marks)
 - IV. Discuss why identifying business opportunities is important for anyone with special reference to the case of Sajith and Diluka.
(10 Marks)
- (Total 25 Marks)**

Question No. 02

- I. State the stages of entrepreneurial process.
(03 Marks)
 - II. Briefly explain how observing trends helps to identify business opportunities. Explain with an example.
(05 Marks)
 - III. Suppose that you have identified a business opportunity for producing a fertilizer using waste from the university premises. Briefly explain the steps you go through to establish a business using your knowledge of entrepreneurial process.
(07 Marks)
- (Total 15 Marks)**

Question No. 03

- I. What are the key components of individual creativity?
(03 Marks)
- II. "Creativity is considered to play a crucial role in Entrepreneurship." Explain why creativity is needed in Entrepreneurship.
(05 Marks)
- III. Most new ventures need to raise money during their early life. Discuss why the new ventures need finance especially during the early stage of the venture life cycle.
(07 Marks)

(Total 15 Marks)

Question No. 04

- I. Distinguish between “International Entrepreneurship” and “Domestic Entrepreneurship”.
(03 Marks)
 - II. Explain the Importance of international entrepreneurship to a firm.
(05 Marks)
 - III. Discuss what are the possible business opportunities in the international market.
(07 Marks)
- (Total 15 Marks)**

Question No. 05

- I. Define the term “Corporate Entrepreneurship.”
(03 Marks)
 - II. How does an entrepreneur differ from an intrapreneur? Compare and contrast the two.
(05 Marks)
 - III. Corporate leaders have the responsibility of creating an environment that encourages employees to contribute innovatively to the success of the company. Explain how managers can create an innovation-friendly climate within the company with an example.
(07 Marks)
- (Total 15 Marks)**

Question No. 06

Write short notes on any three (03) of the following:

- I. Bootstrapping method.
- II. Serial Entrepreneur and Portfolio Entrepreneur.
- III. The stages of Venture life cycle.
- IV. Initial legal issues faced by new ventures.

(05 marks for each)
(Total 15 Marks)
