

UGANDA MARTYRS UNIVERSITY
FACULTY OF BUSINESS ADMINISTRATION AND
MANAGEMENT
DEPARTMENT OF MANAGEMENT SCIENCES
SEMESTER ONE 2018/19 FINAL EXAMINATION
BMF 2, BSDC, BAM 2 Nkozi & Lubaga Day

COURSE UNIT: **Basic Principles of Entrepreneurship**

DATE: **Monday, 10th December 2018**

DURATION: **Three (3) Hours**

TIME ALLOWED: **02:00pm – 05:00pm**

Instructions to Candidates:

Read the following before answering the examination questions.

1. Do not write anything on this question paper
2. **Question One is compulsory**
3. Select **any other three questions**
4. Attempt **Four (4) Questions** in total
5. All questions carry equal marks

QUESTION ONE (COMPULSORY)

Read the following case study of Copulink systems and the answer the following questions:

Founders: Unday Kothari and Vishwas Mahajan

Niche: Product Packaging

Revenue:\$ 1,000,000

No. of employees: Nearly 100.

Mwenyi and his best friends have decided to start a venture together but never got their act together. Compulink Systems is a story of how two Indian friends – Vishwas Mahajan and Uday Kothari – actually got together after completing foreign stints to set up their own company. Coming from middle – class backgrounds, their venture started out of a garage in 1996 with money borrowed from friends. The two professional's realized there was a good opportunity to do offshore work for small product development companies.

However, in 2000, on the advice of former Nasscom head Dewang Mehta, the two decided to develop their own Intellectual Property (I.P.). They decided to devote a certain amount of the resources, both in terms of manpower and money to crease IP. That led to the making of its flagship product Project ByNet, which helped to manage projects and software engineering practices. It is a salable product, where the pricing expends on the number of users – this means both large and small customers can use it effectively.

Clients include software companies such as Accenture, Datamatics, geometric, Tata Consulting Engineers and Tata Industries. So far, 50 percent of Compulink's revenues have come from India, but now that the set up for international marketing is being put in place they expect that by 2005 the India component will be down to 25 percent. Hard work, team, spirit and an eye on the market is helping Compulink Systems to grow and increase exports. (Source: Economic Times 9th January, 2014 Corporate Dossier)

Required:

- a) Explain some of the entrepreneurial qualities Vishwas Mahajan and Uday Kothari possess. **(10 marks)**
- b) If you were in their position, what strategies would you take for the future of the company? **(10 marks)**
- c) Discuss giving relevant examples, some of the driving forces that motivate people to start their own ventures. **(5 marks)**

QUESTION TWO

- a) Describe who is an entrepreneur? **(5 Marks)**
- b) What contributions do entrepreneurs have on our economy? **(10 Marks)**
- c) Describe the benefits and drawbacks of entrepreneurship? **(10 Marks)**

QUESTION THREE

- a) Write short notes on a Business Plan. **(5 Marks)**
- b) Discuss the Business Plan components and their importance in regard to a startup business. **(15 Marks)**
- c) Why do some times marketing plans fail? **(5 marks)**

QUESTION FOUR

- a) Discuss using relevant examples the characteristics commonly used to describe entrepreneurs **(15 marks)**
- b) Explain why entrepreneurs are needed in the public sector. **(10 marks)**

QUESTION FIVE

- a) What is a Financial Statement? **(5 Marks)**
- b) Discuss three ways in which you can represent the financial state of your business. **(6 Marks)**
- c) Describe the importance of preparing financial statements. **(14 Marks)**

QUESTION SIX

- a) How would you describe a business opportunity? **(5 Marks)**
- b) Discuss the ways entrepreneurs employ to identify business opportunities. **(10 Marks)**
- c) With relevant examples, describe how a small business can build a competitive edge over others. **(10 Marks)**