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FACULTY OF MANAGEMENT SCIENCES
DEPARTMENT OF BUSINESS ADMINISTRATION
BUS 206 -- SMALL SCALE BUSINESS MANAGEMENT
2005/2006 RAIN SEMESTER EXAMINATION

Instruction: Attempt all Questions.

Time allowed: 1:45 min

SECTION A

Mark True or False. Any guess work shall attract negative mark.

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| (1) It is easier to describe Small Business than defining it. | True or False |
| (2) In an attempt to define Small Business, number of employees used is more potent than all other parameters. | True or False |
| (3) Small Business operates a wide range of market. | True or False |
| (4) SMEDAN was established in 2002. | True or False |
| (5) SMEEIS was introduced in Nigeria in 2001. | True or False |
| (6) SMEEIS is a voluntary initiative of the Bankers' committee whose membership includes all the General Managers and Regional Officers of Banks in Nigeria. | True or False |
| (7) MDGs is called Millennium Development Goals. | True or False |
| (8) SMEDAN was introduced to promote the development and growth of Large firms in the country. | True or False |
| (9) International Council for Small Business (ICSB) performs similar functions with that of SMEDAN but at different levels. | True or False |
| (11) 10% of Profits After Tax of Banks makes up the equity investment of Banks in SMEEIS. | True or False |
| (12) TRANSCORP is a typical example of SMEs. | True or False |
| (13) Small Business is always a public company. | True or False |
| (14) Small Business is homogenous in characteristics. | True or False |
| (15) Small Business is highly independent of external influence. | True or False |
| (16) Small Business can usually be managed in a personalised way. | True or False |
| (17) One of the activities not covered by SMEEIS is Agro-allied. | True or False |
| (18) One Local Government, One Product (OLGOP) is a product of SMEDAN. | True or False |
| (19) MSMEs is called Mini, Small and Mega Enterprises. | True or False |
| (20) Small Business ensures Mobilisation and Utilisation of domestic savings in the subsector of Economy. | True or False |

(10 mks)

SECTION B

- (1) Define the followings according to National Council (NCI) on Industry in Nigeria:
- (i) Cottage Industry.
 - (ii) Small Scale Industry.
 - (iii) Medium Scale Industry.
 - (iv) Large Scale Industry.

(8 mks)

- (2) List the benefits of SMEEIS to SMEs in Nigeria.

(7 mks)

- (3) Given various definitions of Small Business across different scholars and institutions, five common parameters can be deduced. List them.

(5 mks)

- (4) List 6 factors that differentiate a Small firm from a large one.

(6 mks)

- (5) List the roles of Small Scale Business in an economy.

(4 mks)

Total marks (30 mks)

SECTION C

- (1a) A key decision to be made by any one going into business is the form of ownership to adopt. To a large extent, the legal form of ownership that is chosen depends on certain factors. Name them.

(4 mks)

- (1b) What would make an individual to do business alone and under what conditions would Partnership becomes desirable?

(11 mks)

- (2) Itemize problems faced by Small and Medium Scale Enterprise in Nigeria. What are the reasons for these failures? Identify the symptoms of Small Business failures.

(15 mks)

Total marks (30 mks)