



**RAJARATA UNIVERSITY OF SRI LANKA**

**FACULTY OF APPLIED SCIENCES**

B.Sc. (General) Degree in Information and Communication Technology

Third Year Semester II Examination- Oct./Nov. 2017

**ICT 3208 – ENTREPRENEURSHIP**

Time allowed: 2 hours

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**INSTRUCTIONS TO CANDIDATES**

- This paper consists of two (2) questions in Section A and three (3) questions in Section B on 8 pages including this page.
- Answer **ALL FIVE (05)** questions. **Section A** has two (02) questions and **Section B** has three (03) questions.
- Answer **Section A** in the paper itself in the space provided in each question.
- Answer **Section B** in the answer book provided.
- This examination accounts for 60% of the module assessment. The total maximum mark attainable is 100. The marks assigned for each question and section thereof are indicated in square brackets.
- This is a **closed book** examination.
- Mobile phones or any other communication devices are not permitted.
- Clearly state the assumptions you make. If you have any doubts regarding the interpretation of the wording of a question, make your own decision, but clearly state it on the script.



**SECTION A****Answer ALL TWO (02) questions**

(Provide answers in the space provided in this question paper itself)

**1.**

(a) Provide market segmentations for a new entrepreneurial team who is interested in providing services for health care sector and have skills in Information Technology.

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**[4 marks]**

(b) What are the important factors you need to consider when selecting a Beachhead Market?

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**[3 marks]**

(c) Mention two products or services in Sri Lanka with Positive Network Effect and explain how Positive Network Effect works for these services or products.

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[4 marks]

(d) Quantify the Value Proposition for a selected product or a service.

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[4 marks]

(e) Mention three situations where you need to go back to previous steps in the 24 steps of startup process.

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[5 marks]



2.

(a) Briefly describe following terms.

- (i) LTV
- (ii) COCA

**Library**  
Faculty of Technology  
Rajarata University of Sri Lanka  
Mihinthale

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[4 marks]

(b) Explain following Business Models with suitable examples for each.

- (i) Shared Savings
- (ii) Advertising
- (iii) Reselling the Data Collected

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[6 marks]



- (c) Mention a service or a product that uses more than one Business Model mentioned in (b) above at a time, and explain how they are used.

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[4 marks]

- (d) "PlayMe" on line computer game company initially allows users to play its games freely for two months, and thereafter it charges a fee based on usage. However, they have realized that it is difficult to acquire paying customers with this Business Model due to competitors. Primary market research revealed that the game should be freely available initially and two-sided or multi-sided market should be created. Assuming that advertising and reselling the collected data may not work for this company, propose a suitable Business Model. Company is willing to change their existing games or create new games to adopt the new change and to have another revenue stream or to have a partnership with a another company.

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[6 marks]



**SECTION B****Answer ALL THREE (03) questions**

(Provide answers in a separate answer book)

3. (a) After you finish this ICT degree, how would you determine whether to seek for an employment or to start a new business? Discuss.  
[5 marks]
- (b) If you are to start up a software development company, what obstacles or hardships do you anticipate? Think of a software development company of your choice and explain five (05) such obstacles or hardships.  
[10 marks]
- (c) If your company is requested to undertake a software application development for a community based project, and this project will exist only for 10 years, will you undertake this project? Justify your answer.  
[5 marks]  
[Total 20 marks]
4. (a) Definition of entrepreneurship has evolved over a couple of centuries. Some of these definitions are partially acceptable with respect to today's understanding of entrepreneurship, while some are not. Give one example for each of these definitions, and justify why you categorise them in to each category.  
[8 marks]
- (b) Do you agree or disagree with the following statements? Justify each of your answers with an example for each.
- i. Entrepreneurs should be innovators.
  - ii. Entrepreneurs should be discoverers.
  - iii. Entrepreneurs should be inventors.
- [9 marks]
- (c) Why do some creative entrepreneurs become non-creative when their organisations grow? Briefly explain.  
[3 marks]  
[Total 20 marks]
5. (a) Outline the components or topics that should be included in a business plan.  
[4 marks]
- (b) Suppose you have not yet reached your break even point after starting up your company. However you observed last year that your were on the path to reaching the break-even point. This year, another competitor emerged and your income is less than you expected although your are not making a loss. In what way will this affect reaching your break-even point? Discuss this situation. Illustrate using necessary diagrams.  
[10 marks]
- (c) What steps would you take to minimise the impact of the competitor on your revenue? Briefly describe.  
[5 marks]  
[Total 20 marks]