UNIVERSITY OF KWAZULU-NATAL, PIETERMARITZBURG
SCHOOL OF MANAGEMENT, HONOURS PROGRAMME
EXAMINATIONS: November 2007

COURSE: Honours
MODULE: Entrepreneurship: Innovation and Venture Creation
CODE: ENTR7BOP2

DURATION: THREE (3) HOURS TOTAL MARKS (100)

Internal Examiner: Prof RC O'Neill

External Examiner: Mr J Welman

NB:
STUDENTS ARE REQUESTED IN THEIR OWN INTEREST TO WRITE LEGIBLY AND IN INK.

INSTRUCTIONS:

1. ENSURE THAT YOUR STUDENT NUMBER APPEARS ON EACH ANSWER BOOK/SHEET IN THE SPACE PROVIDED
2. ANSWER ALL QUESTIONS
3. ALL EXAMINATION QUESTION PAPERS ARE TO BE HANDED IN WITH THE ANSWER BOOK(S)

THIS EXAMINATION PAPER CONSISTS OF 3 PAGES (INCLUDING THIS COVER PAGE). PLEASE ENSURE THAT YOU HAVE ALL OF THEM.
Question 1

Name at least five characteristics of an entrepreneur and apply them critically to the typical manager of a supermarket. Indicate which of the entrepreneurial characteristics mentioned, are normally not found in the typical manager of a supermarket.

Question 2

Identify 10 (ten) business opportunities for honest entrepreneurs as a response to the high crime rate in South Africa.

Question 3

Explain in concise manner how creativity fits into the entrepreneurial process.

Question 4

Anticipate what would happen if entrepreneurs were not creative.

Question 5

A variant of brainstorming is synectics. Name and explain the five principles on which synectics is based in a concise manner.

Question 6

Explain the Heuristic Ideation Technique (HIT) and apply it to the development of a new product of your choice.

Question 7

A) Identify five technical viability factors that will be most important when establishing a bicycle manufacturing factory in a specific area. Motivate and explain your answer briefly.

B) Design an organogram for the bicycle factory.
Question 8  
(10 Marks)

Name ten factors a market viability study should consider.

Question 9  
(10 Marks)

Provide the formulas for the following:

A) Mark-up % =  

B) Gross profit % =  

C) Calculate the breakeven turnover required if Gross Profit = 50% and Operating costs = R50 000. Show all your calculations.  

D) Calculate the turnover required to realise a net profit of R20 000 if Gross Profit = 50% and Operating Costs = R50 000. Show all your calculations.

Question 10  
(30 Marks)

A) Explain why a cash flow budget is so important to the small business in particular  

B) List the five steps to be followed when doing market research in chronological order  

C) Write an essay of +_ 250 words to convince a skeptical entrepreneur that a Feasibility study is worth the effort prior to starting a business from scratch  

Total: 100 Marks