



**ZCAS University**

**BBA 3302**

**FUNDAMENTAL ENTREPRENEURSHIP**

**2023 SEMESTER TWO TEST**

**WEDNESDAY 25 OCTOBER 2023**

**12:30-15:30**

**INSTRUCTIONS:**

**TIME ALLOWED: READING AND WRITING – THREE HOURS – 5 MINUTES**

- 1. Section A: This question is compulsory and must be attempted.**
- 2. Sections B: Answer THREE (3) questions from this section.**
- 3. This examination paper carries a total of 100 marks.**

## SECTION A - COMPULSORY

### QUESTION ONE

Entrepreneurial strategy is characterized as strategy involving widespread and more-or-less simultaneous change in the pattern of decisions taken by an organization. The concept is distinguished from others which use 'entrepreneurial' to characterize a long-term pattern of strategic behaviour. Entrepreneurial strategy will be enacted with some greater or lesser frequency by all firms, whether their long-term behaviour is conservative or innovative. It is hypothesized that such strategy will be observed occurring in cycles at the single business-unit level in response to both environmental and organizational stimuli and that it will reflect choice from a limited repertoire of basic strategic moves.

Required

1. What are the Economic Impacts of Entrepreneurial Firms on the community? ( 20 marks)
2. Briefly explain 8 key characteristics of Successful Entrepreneurs. ( 20 Marks)

## SECTION B- ~~COMPULSORY SECTION~~

### QUESTION TWO

Enterprises (Business) are the backbone of the African economy. They make up more than 98% of all African businesses that provide two out of three private sector jobs in the region. Therefore, it is vitally important for Africa's economic success to have fully functioning support measures for Business. However, Business face challenges from limited access to finance, lack of databases, low R&D expenditures, undeveloped sales channels, and low levels of financial inclusion, which are some of the reasons behind the slow growth of Business. This paper focuses on four major reasons that slowed the BUSINESS growth in Africa including i) lack of finance, ii) lack of comprehensive databases, iii) low level of R&D expenditures, and iv) insufficient use of information technology and provides remedies for mitigating remedies.

Required

Briefly describe the different sources of Finance for small businesses in Zambia ( 20 Marks)

### QUESTION TWO THREE

1. What are the main reasons for writing a business plan? ( 8 Marks)
2. What is an "executive summary?" and why is the executive summary often called the most important part of a business plan? ( 12 marks)

### QUESTION FOUR

In 2008, Nokia, the global leader in mobile handset manufacturing faced difficulties in capturing a sizeable market share in the US. Nokia's profit margins reduced year after year in US since 2004. One often cited reason was its unwillingness to customise according to the preferences of the markets there. As the US telecommunication industry is one of the world's biggest telecommunication markets, Nokia had to establish itself in this market to retain its global No.1 position. The case study outlines the US telecommunication industry structure and the obstacles Nokia faced in finding a foothold in this marketplace. It has grabbed a 40% global market share; but in the US it has been able to rake it up to just 10%. What possible steps should Nokia take to capture a sizeable portion of US market share? What challenges does it face? What prevents it from having a formidable market position in the US? Should it, succumbing to the market pressures (realities!), decide to customise its business model? What are the consequences if it does? For a company, which adopted a standardised business model across the world, what would be the consequences of altering it?

Required

1. Describe the purpose of industry/target market feasibility analysis. ( 10 Marks)
2. Identify the two primary issues that should be considered. ( 5 Marks)



3. What is the difference between a firm's industry and its target market? ( 5 marks)

### **QUESTION FIVE**

Business model innovation (BMI) consists in one of the greatest challenges of this business era. With globalization, the increased focus on the customer, high number of competitors, economic changes, interconnectivity between markets and technological changes, organizations are forced to rethink their traditional models and develop new business formats to gain competitive advantage.

Required

1. What is a business model? ( 5 Marks)
2. Why is it important for a firm to have a business model? ( 5 Marks)
3. Provide and discuss an example of a specific company's business model to illustrate your answer. ( 10 Marks)

END EXAMINATION