

**MNE3701**

May/June 2016

ENTREPRENEURSHIP AND SMALL BUSINESS MANAGEMENT

Duration 2 Hours

70 Marks

 EXAMINERS .
 FIRST
 SECOND
 EXTERNAL

 MRS MJ PHILLIPS
 MS NM MMAKO
 DR MN MOOS

Use of a non-programmable pocket calculator is permissible

Closed book examination.

This examination question paper remains the property of the University of South Africa and may not be removed from the examination venue.

This paper consists of 23 pages

THIS IS A FILL-IN EXAMINATION PAPER**INSTRUCTIONS:**This paper comprises two sections, namely **section A** and **section B**.**Section A**

- This section is compulsory
- The total for this section is **30 marks**
- The questions must be answered on the **examination paper**, in the spaces provided

Section B

- Section B comprises **three** questions
- You must do **any two** of the three questions
- Each question is worth **20 marks**
- The total for this section is **40 marks**
- Indicate the numbers of the questions you have answered on the **cover** of this book

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SECTION A

- This section is compulsory
- Read the following case study and answer ALL the questions in this section. Use the space provided below each question for your answer.
- The total for this section is 30 marks

Case study

Three years ago, James started his own catering business in Brooklyn, Pretoria, called Gourmet. The business operates from a lovely old house in this very upmarket area with its large percentage of older, higher-income professionals and retired people. James caters for private functions at the homes of his wide portfolio of clients, which he has built up over the last three years. He has also converted the lounge and dining room of his house into a stylish venue that he rents out for private functions. James's business is not growing anymore and he is quite aware of the fact that he will have to initiate some new business in order to stimulate new growth. He has decided to open his dining room during lunch times and evenings for his clients to come and enjoy gourmet meals in a stylish environment with classical music. Several of his clients have expressed the need for an exclusive restaurant where they can entertain their special guests in an environment with exquisite service, good wine and a pleasant ambience.

The biggest challenge that James is facing with regard to another new restaurant is ensuring that quality standards are adhered to. He is very busy with the catering side of the business and will not be able to manage the restaurant as well. The only way that he can do this is by appointing the following people to work in the restaurant: a manager, a chef, waiters and bartender. Needless to say, all of these people will have to be handpicked and trained according to James's exceptionally high standards in order to ensure that the restaurant lives up to the expectations of his clients.

Source: Nieman, G (editor). 2013. Small Business Management, Van Schaik: Pretoria.

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ROUGH WORK PAGE 1

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ROUGH WORK PAGE 2