

# POKHARA UNIVERSITY

Level: Bachelor

Semester: Spring

Year: 2021

Programme: BBA/TT/BHM

Full Marks: 100

Course: Fundamentals of Entrepreneurship

Pass Marks: 45

Time: 3 hrs.

*Candidates are required to answer in their own words as far as practicable. The figures in the margin indicate full marks.*

## Section "A"

### Very Short Answer Questions

Attempt all the questions. [10×2]

1. List out any four importance of entrepreneurship.
2. What do you mean by risk reduction strategy?
3. List out the different sources of business ideas.
4. Differentiate creativity and innovation.
5. What is trademark and copyright?
6. Write the challenges of social entrepreneurship in Nepal.
7. What do you mean by the term Intrapreneurship?
8. What are Trunkey Projects?
9. Define e-commerce.
10. List out the different entry modes for international entrepreneurship.

## Section "B"

### Descriptive Answer Questions

Attempt **any six** questions. [6×10]

11. "Entrepreneurship plays a vital role in the economic development of a country." Discuss.
12. What is business plan? Discuss in details the components of a business plan for a new venture.
13. What is an intellectual property? Discuss the procedures of obtaining patent rights in Nepal.
14. What is e-commerce? What are the benefits and challenges of ecommerce in modern era?
15. What are differences between Strategic Alliance and Joint Ventures? Discuss.
16. Differentiate entrepreneurial decision making process with managerial decision making process.
17. What do you understand by the term "Social Entrepreneurship."? Discuss the benefits for promoting Social Entrepreneurship in the country like Nepal.



Section "C"  
Case Analysis

18. *Read the case situation given below and answer the questions that follow:*  
[20]

**Jim Boothe, Inventor**

Jim Boothe has invented dozens of different products in his 25 years as an engineer to a large research and development lab. For some time, he has been thinking of leaving his current company and starting his own but has never seemed to have the nerve to do so. Jim feels that with his children grown up and on their own, now would be a good time to start his own business.

Having been an avid bicyclist for many years, Jim had invented an automatic derailleur for a 15-speed bike. This derailleur can be easily attached to any bicycle. The user does no shifting as the bicycle shifts the gears of the bicycle automatically (depending on terrain) much like the automatic transmission on an automobile. Jim feels that this invention has significant market potential, particularly since he has observed a rapid growth in the bicycling industry. This growth has been related to Lance Armstrong's success in the Tour de France, increased interest in physical fitness, and technological improvements in derailleur allowing for off-road travel as well as more comfort for longer distance riding. In his cycling club alone, the membership has doubled in the past two years and to his knowledge is consistent with a national trend.

Jim feels that all he needs to do is to write a business plan and submit it to his bank to obtain the estimated Rs 1,000,000 needed to get started. He is willing to support this by taking out a second mortgage as collateral. Jim feels that he can subcontract the manufacturing of the derailleur and the bicycle separately; then upon receiving the items, he can complete the final installation and fabrication functions before shipping to customers.

Jim's wife Nora is a little skeptical about him leaving a good job for the purpose of fulfilling one of his many fantasies or lifelong dreams. She is the more practical of the two and is concerned about their financial future and the commitment that will be required of Jim in the first few months of the start-up. Taking a second mortgage on the house makes her uncomfortable. She is also not sure Jim is the entrepreneurial type.

In spite of all the concerns, Jim has prepared a business plan that he expects to submit to his banker in the next few days. The business plan consists of six parts: a one-page summary of the plan, a detailed description of his invention, forecasts of growth for the bicycle market, a one-year profit and loss statement, a plan for the manufacturing and final fabrication of the derailleur and bicycle, and an appendix that contains surveys with some of his friends who own 10-speed bikes.



**Questions:**

- a) To become an entrepreneur, one should be able to make decision to change his/her existing lifestyle. What can be the motivational factors for Jim Boothe to make a decision to become an entrepreneur? Also, discuss the resisting factor for entrepreneurship.
- b) Prepare a brief business plan for Jim's project to be submitted to the bank.