



**MANICALAND STATE UNIVERSITY
OF
APPLIED SCIENCES**

FACULTY OF AGRIBUSINESS AND COMMERCE

DEPARTMENT OF BUSINESS MANAGEMENT

ENTREPRENEURSHIP 1

MODULE CODE: ENT 205

SESSIONAL EXAMINATIONS

SEPT/OCT 2021

DURATION: 3 HOURS

EXAMINER: MR S MUPARANGI

INSTRUCTIONS

- 1. Answer all questions in Section A and any three questions in Section B.*
- 2. Section A carries 40 marks whilst Section B carries 60 marks.*
- 3. Total marks 100.*
- 4. Credit will be given for appropriate use of examples.*

SECTION A: COMPULSORY

(Answer all questions in this section. Section A carries 40 marks)

Question 1

Read the following case study and answer the questions that follow

Daniel Platt limited: the doyen of innovation

William Wilkes, Roof Tile Technical Manager at Daniel Platt Limited and an experienced brick layer and roofer, recognised the problem precisely. “Builders using clay roof tiles often find that they cannot get the roof tiles they need when they need them, especially when working on the valley area of a roof where two pitches meet.” During 170 years of manufacturing natural clay floor tiles Daniel Platt has had to adapt to market needs in an entrepreneurial way on many occasions and this problem for builders presented an opportunity to create new customers.

The move into the niche market for clay roof tiles was one such entrepreneurial response when the wider market for ceramic products became increasingly competitive. Having made the move, maintaining a strong, distinct position in the selected niche was vital in order to maximise the value of the opportunity. The introduction of a flexible product design would enable the right products to be available ex –stock. Routinely builders might have to wait for up to eight weeks because a particular specification to fit the pitch of the roof they were working on was not available. The implications in terms of time lost and negative cash flow are significant as jobs cannot be completed within contractual terms. Producing only one type of fitting instead of three would reduce stock levels and improve product availability resulting in more satisfied customers and increases in sale revenue.

Roofs are constructed with different levels of pitch (slope), most commonly 40, 45 and 50 degree pitches, each one requiring a different ‘fitting’ which is in fact the term used to describe the angle between the two wings of a valley tile. The task was to design a single tile that would fit all three angles. “It was relatively easy to get it right for two angles but all three required more consideration to ensure the aesthetics and the functionality of the tile were right”, William Wilkes explained. The process began with a cardboard template, progressed to a metal angled support plate and then to a piece of extruded clay placed on the support plate and cut to required shape. Different angles were tried and tested on a metal frame roof construction fitted with boards and tile laths and located within Daniel Platt’s manufacturing facility. The selected best fits were then fired and placed on to the test roof. It was a long and meticulous design engineering process. As the valley tiles do not feature the ‘nibs’ that hold regular roof tiles on the laths, precision engineering was essential as the valley tiles at every angle must be supported by the regular tiles.

Daniel Platt’s capacity to exploit the opportunity was considerably enhanced by the support of the Innovative Actions Programme, West Midlands. This regional development agent provided a mechanism for encouraging companies to think differently and for making innovation ‘real’ and effective. Daniel Platt’s entrepreneurial skills and engineering capability were boosted and a product that may have otherwise never reached the market was successfully created. The team provided David Platt with funding to support the research and product development processes including a coaching and mentoring service. The universal valley tiles are currently on test with the building trade and positive feedback is already being

received. Sales of roof tiles are now providing customers for one third of the company's total output.

Required:

- a) Discuss factors which contributed to the competitiveness of this small business. (8 marks)
- b) What features does Mr William Wilkes possess as an artisan entrepreneur that made him to succeed. (10 marks)
- c) Identify and explain the significance of product strategy elements of Daniel Platt limited. (10 marks)
- d) Not all business ideas are opportunities. Evaluate Daniel Platt Business idea and indicate whether it's a viable business opportunity. (12 marks)

[Total marks: 40]

SECTION B

(Answer any 3 questions from this section. Each question carries 20 marks)

Question 2

Triscor Enterprises is Zimbabwean manufacturing firm specializing in water treatment chemicals. The company has been facing fierce competition from established firms locally. Further to that, depressed consumer spending has also affected the firm. The management of Triscor has decided to look beyond Zimbabwean borders for markets as a solution to their woes. Discuss any 4 strategies which they can adopt if they are to implement their solution.

[20 marks]

Question 3

Zimbabwe has been facing several economic challenges such as poor economic growth, formal unemployment and de-industrialisation. Despite these challenges domestic and foreign investors have been investing in the country. Using examples, examine the rationale for investing in Zimbabwe despite the noted challenges.

[20 marks]

Question 4

a). Business planning is an unnecessary, costly endeavour which does not add value to small businesses. Discuss. (10 marks)

b). Tino and Tatenda came up with a car sale business idea. They produced their business plan in preparation for venture creation. However, the manager at the City Bank rejected their business plan without giving reasons. Examine probable reasons why the manager at City Bank rejected the business plan. (10 marks)

[Total Marks: 20]

Question 5

Dambudzo is an entrepreneur in dairy farming and processing business. Although he has been in business for 5 years, his business has failed to grow. He hires you for assistance.

- a) Advise Dambudzo on the possible business growth strategies that he can pursue. (10 Marks)
- b) Further to that, advise Dambudzo on the **internal** sources of finance that he can use to finance his business growth ambitions. (10 Marks)

[Total marks: 20]

Question 6

With the aid of practical examples, detail the relevance of intellectual property rights to entrepreneurs in the manufacturing sector. **[20 marks]**

END OF EXAM