

JU - 2928

**M.B.A. III Semester (Day) Degree Examination, Jan./Feb. 2006  
(Updated Scheme)**

**MANAGEMENT**

**3.2 : Entrepreneurship**

Time: 3 Hours

Max. Marks: 75

**SECTION – A**

1. Answer any **six** of the following. Each sub-question carries **2** marks. (6×2=12)

- a) Define Entrepreneurship.
- b) Who is an Intrapreneur ?
- c) What do you understand by venture reorganisation ?
- d) What is International Entrepreneurship ?
- e) Define entrepreneurial partnering.
- f) Define a SSI unit.
- g) What is project appraisal ?
- h) Define feasibility plan.
- i) What is entrepreneurial competency ?

**SECTION – B**

Answer any **four** of the following. **Each** question carries **5** marks. (4×5=20)

2. Why entrepreneurs are important ?
3. Distinguish between corporate and entrepreneurial culture.
4. What are the legal requirements for starting the venture ?
5. What preparations are required for launching a new venture ?
6. Describe new venture expansion strategies.
7. State the barriers to enter international business.

**SECTION – C**

Answer any **three** of the following. Each question carries **10** marks. (3×10=30)

8. Explain the marketing strategies and financial plans required for a new venture.
9. Critically examine the problems faced by SSI's in India due to new economic policies.
10. Discuss the challenges faced by entrepreneurs.
11. Describe the characteristics and motivations of successful entrepreneurs.
12. Explain the entrepreneurial process.

P.T.O.

## SECTION - D

## Case Study

13. Analyse the following case and answer the questions.

(1×13=13)

**Karla Addington**

Karla Addington is an entrepreneur in the truest sense. At the age of 18, she combined an idea on how to improve a service with a steely determination to succeed. The business she opened from the basement of her mother's home had two locations in Cincinnati with sales revenues that were expected to top \$ 350,000.

Her business, Bow-Wow Boutique, Inc., is an award-winning grooming and pet supply service for the pampered dogs and cats of Cincinnati. To date, Bow-Wow Boutique's success story has been featured in numerous national trade publications, on seven television news programs, and in five radio interviews.

Entrepreneurial activity is nothing new to Karla. To promote her childhood lemonade stand, Addington said, "I would ride my bike around the neighborhood with this silly hat with lemons all over it." At the age of 14, she was honing her sales skills by selling Fuller Brush products door-to-door.

Bow-Wow Boutique had its genesis in Addington's work experience at other grooming shops. Disappointed with what she saw at other shops as a "lack of knowledge, courtesy, and cleanliness," and bothered that the "Professionals" were not taking the time to educate clients on proper pet care, Addington began thinking about how she could offer a better service.

She planned to provide a clean, attractive atmosphere, and the safe, healthy, and unique gifts for pets and pet lovers alike. But the foundation of Addington's business would be superior customer service. "I knew I could do it better," she said.

To finance her business's startup, Addington worked three jobs until she had saved \$ 1,000. "Things were definitely tight," she said. "I had absolutely no knowledge of projections, key assumptions, or business plans - but I had chutzpah. I knew I could never be happy unless I took the risk."

After opening her first shop, Addington ran headlong into one of the obstacles facing young entrepreneurs today. "Not too many people took me seriously", she said. "I was an 18-year-old female with absolutely no business knowledge. Salesmen would call on the shop, look me over, and ask for the manager."

But Addington was not about to let her lack of knowledge stop her. She took an assertiveness training course, read management books, attended management seminars, and “even started to read the business section of the Cincinnati Enquirer” to sharpen her business skills. Addington said, “I wasn’t really sure what cash flow was, but I was going to learn!”

What makes Bow-Wow Boutique special ? Besides the superior service that Addington provides, the boutique carries pet gifts that you would expect to find only in the most spoiled pet’s home. Doggie tuxedos and top hats, hand-finished cherry waterbeds, and white gamma mink coats are just a few of the extravagant pet gifts found at Bow-Wow Boutique.

Do not, however, expect to find Addington resting on her past success. “Actually, I feel I’ve just touched the tip of what I will call personal success. I have not yet achieved my business or financial goals”. Her ultimate goal ? “To be the Mary Kay of the pet industry”, said Addington, who is now 28 years old.

**Questions:**

- 1) To what do you attribute Karla Addington’s success ?
  - 2) What role did education play in Addington’s success ?
  - 3) Comment on Addington’s ultimate goal “to be the Mary Kay of the pet industry.”
-