



NATIONAL OPEN UNIVERSITY OF NIGERIA
91, CADASTRAL ZONE, UNIVERSITY VILLAGE, JABI, ABUJA
FACULTY OF MANAGEMENT SCIENCES
2024_2 EXAMINATION

Course Code: ENT 809

Course Title: ADVANCE MANAGING SMALL ENTERPRISES

Credit Unit: 2

Instructions: 1. Indicate your Matriculation Number clearly

2. Attempt Question 1 and any other 2 questions

3. Question 1 carries 30 marks while others carry 20 marks each

4. Present all your points in coherent and orderly manner

Time Allowed: 2 Hours

1a. Analyze the reasons for high failure rate of businesses in Nigeria? 10marks

1b. The following information relates to Ajani Nig. Ltd.

	May	June	July
Beginning cash balance	12,000	13,080	13,944
50% of sales	20,250	22,050	23,850
Collection from debtors	15,000	20,250	22,050
Raw material purchases	12,300	13,050	13,770
Salaries	1,500	1,500	1,500
Wages	20,340	22,140	23,940
Sales Commission	2,025	2,205	2,385
Rent	600	600	600
Miscellaneous	405	441	477
Purchase of equipment	-	1,500	-
Dividend	3,000	-	-
Minimum cash balance	12,000	12,000	12,000
Borrowing repayment	6,000	12,000	3,000
Interest	-	-	45

You are required to calculate the cash balance at the end of the three months. **20marks**

2a. Of what importance are small businesses to the economic development of Nigeria?

10marks

2b. Despite their numerous importance, small businesses face serious challenges in Nigeria.

Comment. 10marks

3a. Define Market research. 2marks

3b. Why do organisations carry out market research? 10marks

3c. Explain any four methods used in collecting data in a market research. 8marks

4a Identify the key variables in the market environment 4marks

4b. Organisations do not exist in a vacuum; hence, they should take cognizance of their environment. Itemize and discuss the six (6) macro environment that affects a typical organization. 16marks

5a. Attempt the definition of sales promotion 5marks

5b. Outline ten major objectives of sales promotion 10marks

5c. List five kinds of sales promotion that an entrepreneur can use in his business. 5marks