



4-4-2016

DOON UNIVERSITY, DEHRADUN
Mid Term Examination, Second Semester, 2016
School of Management
Course: IMBA 605, Small Business Management

Time Allowed: 2Hours

Maximum Marks: 30

SECTION A

Choose the right answer:

*(7*3=21Marks)*

1. When purchasing a franchise, the entrepreneur is the
 - a. Franchisee
 - b. Franchisor
 - c. Business broker
 - d. Franchised individual
2. Which of the following is not a unique aspect to purchase an existing business?
 - a. Locating a business to purchase
 - b. Developing a plan for the business
 - c. a deal to acquire exactly what you want from the operation
 - d. Analyze the liquidity ratios
3. What is one reason why franchising is so widespread?
 - a. the distance to the old business is shorter
 - b. the franchisor can offer a standard, well-known product, which is produced by a consistent, well-tested product
 - c. the individual looking to purchase the franchise should identify the franchisor in a different country
 - d. the person considering a franchise should examine that franchisor as though the potential franchisee were to purchase the business.
4. A company or individual who pays for the legal right to use the product, service, or format of another is called:
 - a. Franchisee
 - b. Franchisor
 - c. Franchising
 - d. Lunatic
5. Which type of franchise has considerable freedom and autonomy?
 - a. Business Format Franchising
 - b. Product franchisee
 - c. Manufacturing
 - d. All of the above
6. The process of transferring leadership to next generation is called:
 - a. Power sharing
 - b. Succession
 - c. Community service
 - d. Career path
7. Family business has a unique set of problems because:
 - a. the success of a family and the success of a business are based on different criteria
 - b. family members have different goals
 - c. family members usually prefer to work for a large corporation
 - d. All of the above

SECTION B

Attempt any ONE question:

*(Marks: 1*9=9)*

1. What do you mean by family business? What are the conflicts/obstacles in family business? How can they be successful?
2. What is franchise? What are the advantages and disadvantages of franchise business?
3. What is meant by Entrepreneurial Integrity? Explain how .