



**PENINSULA**  
**C O L L E G E**  
GEORGETOWN

**Take Home Examination**

Programme	:	<b>BA (HONOURS) ACCOUNTING &amp; FINANCE</b>
Academic year	:	<b>2020/21</b>
Stage	:	<b>2</b>
Course	:	<b>ENTREPRENEURSHIP</b>
Course Code	:	<b>MPU 3233</b>
Time Allowed	:	<b>3 HOURS</b>

**INSTRUCTIONS TO CANDIDATES:**

1. Please read the instructions given in the question paper **CAREFULLY**.
2. This assessment consists of **FOUR (4)** questions.
3. Answer **ALL** questions.
4. Answers to the questions are to be typed in word format.
5. Please write your student ID number on the first page of your answer script.  
**DO NOT** write your name.

**WARNING:**

The Examination Board of Peninsula College Georgetown regards cheating as a most serious offence and will not hesitate to mete out the appropriate punitive actions according to the severity of the offence committed, and in the accordance with the clauses stipulated in the Students' Handbook, up to and including expulsion from Peninsula College Georgetown.

*(This booklet contains 3 printed pages including this page)*

**DO NOT OPEN THIS BOOKLET UNTIL YOU ARE ALLOWED TO DO SO**

Answer **ALL** questions.

### Question 1

#### Facebook's example of bootstrapping

When Harvard dropout Mark Zuckerberg wrote the Facemash programme during his second year at the university, few could have expected that he was laying the groundwork for the future of social media.

When Facebook took off in 2004, spreading across college campuses like wildfire, it was clear that Zuckerberg had created something whose potential for growth seemed unlimited. The company finally received its first significant investment from PayPal co-founder Peter Thiel later that year.

But for college students who first got a chance to play with this earliest iteration of Facebook, it was clear from the second they created their profiles that this social network would not go the way of Friendster or Hi5.

Most notable though is how Zuckerberg created all of this with the help of several other students – who later sued him for approximately \$300 million in shares – and how Facebook grew through both actual and digital word of mouth.

Simply put, it was the first social network to truly gain such traction and give its audience exactly what they wanted, something Facebook continues to do at the time of writing through its constant expansion of features that include live streaming video and messaging.

What Zuckerberg's case shows is that the quality of an idea and a team willing to help one realise it could change the world, all without the need for significant funding to get started.

Cag, D. (2020). 10 Successful Companies That Started by Bootstrapping. [online] *Richtopia*. Available at: <https://richtopia.com/effective-leadership/10-successful-companies-started-bootstrapping-case-studies/> [Accessed 16 July 2021].

- a. What is the bootstrap strategy used by Mark Zuckerberg to promote Facebook? (4 marks)
- b. Explain **THREE (3)** benefits of social media marketing. (6 marks)
- c. Analyse in detail, the strategies that bring success to Facebook? (15 marks)

[Total: 25 marks]

## Question 2

- a. Entrepreneurs must be able to adapt to changes in the marketplace. Once the business moves past its start-up a strategic plan becomes necessary. A solid strategic plan provides managers and employees a sense of direction when everyone is involved in creating and updating it. The biggest change facing entrepreneurs today is the shift from financial capital to intellectual capital. Discuss the importance of Intellectual capital to an entrepreneur. (4 marks)
- b. Every business plan is unique and must be tailored to the specific needs of the business and one of function is to attract lenders and investors. Discuss the **THREE (3)** tests that an entrepreneur must pass with potential lenders and investors to get external financing. (9 marks)
- c. Formulating strategic options and selecting the appropriate strategies are part of the road map of the actions an entrepreneur draws up to accomplish a company's mission, goals, and objectives. Illustrate with an example how a company can gain its competitive advantage by using the strategies. (12 marks)

[Total: 25 marks]

## Question 3

Many Malaysian firms are simply ignorant about exporting opportunities. In addition, some governments use a variety of barriers that block free trade among nations in an attempt to protect their own industries. Foreign firms are restricted access into global markets and all consumers suffer and pay the price.

- a. Criticise **FIVE (5)** barriers that companies encounter when they expand internationally. (15 Marks)
- b. As an entrepreneur, discuss guidelines for success in international markets. (10 marks)

[Total: 25 marks]

## Question 4

Today's business environment is highly competitive and businesses can no longer consider themselves as domestic companies if they truly want to compete. Operating a successful business increasingly requires entrepreneurs to see their companies as global citizens rather than as companies based in a particular geographic region. Going global is today a matter of survival, not preference. Create **FIVE (5)** strategies that may enable Malaysian entrepreneurs to succeed globally. (25 marks)

[Total: 25 marks]

**- END OF QUESTIONS -**