

# MGT 250: Entrepreneurship and Small Business Management

Lecture Hours: 150

Full Marks: 100

Pass Marks: 35

## Course Objectives

The main objective of this course is to provide basic knowledge and practice of entrepreneurship and small business management.

## Course Description

This course contains meaning of small business, causes of failure of small business, importance of location of business, nature and importance of management, nature of capital needs, factors for product-line decision, sources of long-term funds, management of small retail store.

## Course Details

### Unit 1: Introduction

LH 7

Concept, becoming an entrepreneur, key elements of entrepreneurship, characteristics of successful entrepreneurs, common myths about entrepreneurs, types of start-up firms, Importance of entrepreneurship- entrepreneurial firms, society and larger firms, The process of new venture creation, ; Entrepreneurship Vs entrepreneurship Vs salaried employees; Comparative advantage and disadvantages of salaried employment; Positive and negative aspects of entrepreneurship; Entrepreneurship qualifications Entrepreneurship development in Nepal.

### Unit 2: Meaning of Small Business

LH 12

Relative importance of small business; Features of small business in developed and developing countries; Small business in Nepalese economy; Strengths and weakness of small business; Importance of small business; Role of human resources in small business, Identifying and recognizing opportunities- observing trends and solving problems, personal characteristics of the entrepreneur, techniques for generating ideas, encouraging and protecting new ideas; linking creativity, innovation and entrepreneurship.

### Unit 3: Causes of Failure of Small Business

LH 17

Sources of idea generation for small business; Different ways of business ownership; Pros and cons of buying, inheriting and starting a new business; Forms of business organizations and their relative importance; Introduction and role of small business promotion centre; Role of Ministry of Commerce and Industry in promoting and strengthening small business in Nepal; Acts regulating small business in Nepal. History and evolution of franchising opportunities; Relative advantages and disadvantages of franchising; Evaluating franchising opportunities; Scope and practice of franchising in Nepalese context; Failure symptoms; Failure trend of small firms in Nepalese economy.

### Unit 4: Importance of Location in Business and feasibility Analysis

LH 16

Factors affecting location sustainability; Choice of location; Agencies that assist in choosing location; Special location problems for small wholesaling, service and retailing business; Physical facilities and their minimum requirements; Factors in acquiring appropriate physical facilities; Problems of physical facilities; Layout of physical facilities; Effective use of physical facilities, Concept, product/service feasibility, industry/target market feasibility analysis, organizational feasibility analysis and financial feasibility analysis.

## **Unit 5: Nature and Importance of Management and Start-Up of Business**

**LH 28** Management functions and their applicability; Sources of management assistance; Management of time in small business; Economics of small business strategy; Objectives of small business; Social responsibility of small business; Small business and firms; Planning in small firms; Steps In planning procedure; Types of plans; Decision-making functions and its relevancy; Steps in decision-making; Major quantitative tools to aid decision making; Organizational structures and their comparative advantages and disadvantages; Formal and informal organizational structure; Factors for effective organization; Recruitment and selection; Use of personnel manager and important personal functions; Human relations approach; Factors for good human relations. Recruiting and selecting key employees, selecting a market and establishing a position, key market issues for new ventures, the 4 Ps of marketing for new ventures; Nature of business growth, planning for growth, reasons for growth and managing growth, knowing and managing the stages of growth, managing capacity, day-to-day challenges of growing a firm.

## **Unit 6: Nature of Capital Needs**

**L**

### **H 11**

lenders and investors, funding requirements, sources of personal financing, venture capital, commercial banks, sources of debt financing; Estimating capital requirements; Sources of funds; Nature of credit selling; Decision in relation to terms of sales: cash or credit; Procedure in credit operation.

## **Unit 7: Factors for Product-line Decision**

**L**

### **H 14**

Factors for pricing decision; Elements of personal selling; Advertising and sales promotion; Marketing research techniques and activities; Motivation research; Use of consultants in marketing research.

## **Unit 8: Sources of Long-term Funds**

**L**

### **H 12**

Concept and application of capital budgeting in small business; Maintenance of accounting records; Preparation of financial statements; Analysis of financial statements to facilitate management control.

## **Unit 9: Management of Small Retail Store**

**L**

### **H 23**

Operating method of small retail store; Problems and deficiencies in the operations of small stores in Nepal; Service firm; as a small business; Operation and unique characteristics of service firms; Material and alike problems of service firms in Nepal; Operation of small manufacturing plant as small business; Operating methods; Focus and problems of small manufacturing plants in Nepal.

## Project Work

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### H 10

After the completion of fourth year concentration classes the students shall have to prepare and submit a project work in the area they have specialized. The subject teachers have to discuss with students on possible topics of the project work, availability and sources of literature, availability of data, data collection methods, appropriate tools of data analysis, etc relevant to the subject within 10 lecture hours.

### Basic Books

Siropolis, N. C., *Small Business Management*, Houghton Mifflin Company, Dallas  
Broom, H.N., J.G. & Moore, C.W., *Small Business Management*, South-Western Publishing Co., Dallas.

### Reference Books

Schaper, M., Volery, T. Weber, P. & Lewis, K. *Entrepreneurship and Small Business*, 3<sup>rd</sup> Asia-Pacific Edition. Barringer, B.R., & Ireland, R. D., *Entrepreneurship: Successfully Launching New Ventures*, Pearson.  
Holt, D.H. *Entrepreneurship New Venture Creation*, New Delhi: Prentice-Hall.  
Mariotti, S. & Glackin, C., *Entrepreneurship and Small Business Management*, Pearson.  
Zivetz, Lausiz, *Private Enterprise and the State in Modern Nepal*, New Delhi: Oxford University Press  
Steinhaff, Dan & Burgess, J.F., *Small Business Management Fundamentals*, Tokyo: McGraw Hill