



FINAL EXAMINATION
FOUNDATION IN COMMERCE

COURSE	: ENTREPRENEURSHIP
COURSE CODE	: ETR1184
DURATION	: 2 HOURS

INSTRUCTIONS TO CANDIDATES :

1. This question paper consists of **TWO (2)** parts. : PART A (40 questions)
: PART B (04 questions)
2. Answer **ALL** questions from PART A and PART B.
 - i. Answer PART A in the Objective Answer Sheet
 - ii. Answer PART B in the Answer Booklet provided
3. Please check to make sure that this examination pack consists of:
 - i. Question Paper
 - ii. Answer Booklet
 - iii. Objective Answer Sheet
4. Do not bring any material into the examination hall.
5. Please write your answer using permanent ink.

MY KAD/PASSPORT NO : _____
ID NUMBER : _____
LECTURER : _____
SECTION : _____

DO NOT OPEN THIS QUESTION PAPER UNTIL YOU ARE TOLD TO DO SO

This question paper consists of 10 printed pages including the front page

PART A: MULTIPLE CHOICE**Instruction: Answer ALL questions**

1. What is the definition of entrepreneurship?
 - A. The process of selling products.
 - B. The process of government taxation.
 - C. The process of managing employees.
 - D. The process of creating and expanding businesses.

2. The ultimate purpose of entrepreneurship is to _____.
 - A. build personal wealth
 - B. reduce the number of entrepreneurs
 - C. increase competition among businesses
 - D. form a force for national development and societal prosperity

3. Building good relationships with customers and stakeholders reflects _____.
 - A. perseverance
 - B. networking skills
 - C. risk-taking ability
 - D. visionary thinking

4. Which entrepreneurial trait helps in adjusting to new technology or market changes?
 - A. Risk-taking.
 - B. Leadership.
 - C. Adaptability.
 - D. Perseverance.

5. Which of the following is an example of innovation in entrepreneurship?
 - A. Relying only on tradition.
 - B. Ignoring customer feedback.
 - C. Copying competitors' products.
 - D. Introducing new products or methods.

6. What does risk mean in entrepreneurship?
 - A. A reduction in operating costs.
 - B. A method of increasing sales automatically.
 - C. A guaranteed profit from business activities.
 - D. The possibility of experiencing losses or failure.

7. What is **ONE** of the major challenges faced by new entrepreneurs?
- A. Earning excessive profits.
 - B. Having too many customers.
 - C. Lack of capital and experience.
 - D. Operating in a market without competition.
8. Why is entrepreneurship considered an attractive career choice?
- A. It eliminates market competition.
 - B. It requires no skills or knowledge.
 - C. It does not require any investment.
 - D. It offers opportunities for income generation.
9. An entrepreneur who seeks new business opportunities demonstrates _____.
- A. Laziness
 - B. Uncertainty
 - C. High initiative
 - D. Dependence on others
10. Which factor is **MOST** likely to influence an individual to choose entrepreneurship as a career?
- A. Lack of interest in innovation and creativity.
 - B. Desire for independence and self-employment.
 - C. Avoidance of responsibility and decision-making.
 - D. Preference for fixed working hours and guaranteed income.
11. What is business innovation?
- A. Reducing the quality of products.
 - B. Increasing the number of employees.
 - C. Copying competitors' products exactly.
 - D. Creating new ideas, products, or processes that add value.
12. Which of the following is a source of innovative business ideas?
- A. Tax regulations.
 - B. Business failures.
 - C. Customer feedback.
 - D. Employee resignation.

13. Why is it important for entrepreneurs to identify customers' needs and wants?
- A. To avoid competition.
 - B. To reduce innovation.
 - C. To increase operational cost.
 - D. To develop product that satisfy customers.
14. Which method can entrepreneurs use to identify customer needs?
- A. Guesswork only.
 - B. Market research.
 - C. Random decision-making.
 - D. Ignoring customer feedback.
15. 'An entrepreneur develops a mobile application to solve delivery problems.' This is an example of _____.
- A. innovation
 - B. downsizing
 - C. franchising
 - D. outsourcing
16. Which of the following is an external environmental factor?
- A. Employee skills.
 - B. Business culture.
 - C. Company policies.
 - D. Customer preferences.
17. A business opportunity should be selected when it _____.
- A. has no risks involved
 - B. has no competition at all
 - C. requires unlimited resources
 - D. matches market demand and business capabilities
18. Why is feasibility analysis important before starting a business?
- A. To avoid planning.
 - B. To guarantee success.
 - C. To eliminate all business risks.
 - D. To determine whether the idea is practical.

19. Which tool is commonly used to assess the external business environment?
- A. Payroll Report.
 - B. Balance Sheet.
 - C. SWOT Analysis.
 - D. Income Statement.
20. Changes in government regulations may create _____.
- A. guaranteed profits
 - B. no impact on businesses
 - C. reduced customer demand
 - D. opportunities and challenges for businesses
21. Which of the following is the simplest form of business ownership?
- A. Partnership.
 - B. Cooperative.
 - C. Sole Proprietorship.
 - D. Private Limited Company.
22. A sole proprietorship is owned by _____.
- A. shareholders
 - B. one individual only
 - C. government agencies
 - D. two or more individuals
23. What is the maximum number of partners allowed in an ordinary partnership in Malaysia?
- A. 10.
 - B. 20.
 - C. 30.
 - D. Unlimited.
24. One advantage of a private limited company is _____.
- A. limited liability
 - B. unlimited liability
 - C. no legal obligations
 - D. no registration required

25. What is the primary purpose of the Personal Data Protection Act (PDPA) 2010?
- A. To regulate taxation.
 - B. To regulate company registration.
 - C. To manage intellectual property rights.
 - D. To protect personal data used in commercial transactions.
26. Under the PDPA 2010, businesses must obtain a person's _____ before collecting personal data.
- A. license
 - B. consent
 - C. investment
 - D. registration certificate
27. What is the main role of the Intellectual Property Corporation of Malaysia (MyIPO)?
- A. Collecting taxes.
 - B. Issuing business loans.
 - C. Registering businesses.
 - D. Protecting intellectual property rights.
28. Which intellectual property right protects original literary, artistic, and musical works?
- A. Patent.
 - B. Copyright.
 - C. Trademark.
 - D. Industrial Design.
29. Which authority is responsible for business registration in Malaysia?
- A. Ministry of Education.
 - B. Inland Revenue Board.
 - C. Bank Negara Malaysia.
 - D. Companies Commission of Malaysia (SSM).
30. Under the Companies Act 2016, a private company may be incorporated with a minimum of _____.
- A. ten members
 - B. two directors only
 - C. five shareholders
 - D. one director and one shareholder

31. What is the primary purpose of a business plan?
- A. To increase taxes.
 - B. To guarantee profits.
 - C. To eliminate competition.
 - D. To provide a roadmap for business operations and growth.
32. Who typically uses a business plan to evaluate whether to provide funding?
- A. Suppliers.
 - B. Customers.
 - C. Competitors.
 - D. Investors and financial institutions.
33. Which group uses a business plan as a guide for managing the business?
- A. Customers.
 - B. Employees.
 - C. Government agencies.
 - D. Entrepreneurs and business owners.
34. Which of the following is typically included in an administrative plan?
- A. Sales forecast.
 - B. Marketing budget.
 - C. Cash flow statement.
 - D. Organizational structure.
35. Which of the following represents the components of marketing mix?
- A. Product, Profit, Planning, and Policy.
 - B. People, Process, Profit and Product.
 - C. Product, Price, Place, and Promotion.
 - D. Price, Planning, Productivity, and Promotion.
36. What is the primary objective of a marketing plan?
- A. To recruit employees.
 - B. To prepare financial reports.
 - C. To attract and retain customers.
 - D. To manage production activities.

37. Why is an operational plan important?
- A. It replaces financial planning.
 - B. It eliminates production costs.
 - C. It guarantees customer loyalty.
 - D. It ensures that business operations run efficiently.
38. Which of the following is commonly included in an operational plan?
- A. Production process.
 - B. Shareholder dividends.
 - C. Sales commission only.
 - D. Company vision statement.
39. Which of the following is a component of a financial plan?
- A. Customer survey.
 - B. Organizational chart.
 - C. Cash flow statement.
 - D. Product packaging design.
40. Why is financial forecasting important in a business plan?
- A. It eliminates business risks.
 - B. It guarantees investment approval.
 - C. It determines employee performance.
 - D. It helps estimate future revenues, costs, and profitability.

(TOTAL: 40 MARKS)

PART B: SHORT STRUCTURED

Instruction: Answer ALL questions.

1. a. Explain any **TWO (2)** importance of entrepreneurship to the economy.
(5 marks)
- b. Discuss any **TWO (2)** characteristics of successful entrepreneurs.
(6 marks)
- c. Explain any **TWO (2)** reasons why entrepreneurship is considered an attractive career choice.
(4 marks)
- (Total: 15 marks)

2. a. Explain the difference between customers' needs and wants. Provide **ONE (1)** relevant example for each.
(5 marks)
- b. Describe any **TWO (2)** methods that can be used to identify business opportunities.
(4 marks)
- c. Discuss any **THREE (3)** factors to consider before selecting a business opportunity.
(6 marks)
- (Total: 15 marks)

3. a. Differentiate a Sole Proprietorship and a Private Limited Company (Sdn. Bhd.) in terms of ownership and liability.
(4 marks)

b. Explain any **TWO (2)** purpose of the Personal Data Protection Act (PDPA) 2010.
(5 marks)

c. Briefly explain any **THREE (3)** importance of the Business Registration Act 1956.
(6 marks)

(Total: 15 marks)

4. a. State any **TWO (2)** parties who need a business plan. Explain why it is important to them.
(5 marks)

b. Briefly describe **FOUR (4)** components of a business plan.
(10 marks)

(Total: 15 marks)

(TOTAL: 60 MARKS)

(TOTAL: 100 MARKS)

END OF QUESTION PAPER