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**College of Administrative and Financial Sciences**

**Assignment 3**

**Deadline: 28/11/2020 @ 23:59**

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| --- | --- |
| Course Name: Entrepreneurship and Small Business | Student’s Name: |
| Course Code: - MGT 402 | Student’s ID Number: |
| Semester: I | CRN: |
| Academic Year: 1440/1441 H | |

**For Instructor’s Use only**

|  |  |
| --- | --- |
| Instructor’s Name: Dr. Vinay Nagu | |
| Students’ Grade: Marks Obtained/Out of | Level of Marks: High/Middle/Low |

**Instructions – PLEASE READ THEM CAREFULLY**

* The Assignment must be submitted on Blackboard (**WORD format only**) via allocated folder.
* Assignments submitted through email will not be accepted.
* Students are advised to make their work clear and well presented, marks may be reduced for poor presentation. This includes filling your information on the cover page.
* Students must mention question number clearly in their answer.
* Late submission will NOT be accepted.
* Avoid plagiarism, the work should be in your own words, copying from students or other resources without proper referencing will result in ZERO marks. No exceptions.
* All answered must be typed using **Times New Roman (size 12, double-spaced)** font. No pictures containing text will be accepted and will be considered plagiarism).
* Submissions without this cover page will NOT be accepted.



**Department of Business Administration**

**Entrepreneurship and Small Business - MGT 402**

**Marks: 5**

**Course Learning Outcomes:**

1. Demonstrate a solid understanding of the potential of entrepreneur in today's competitive business world. (Lo 1.2).
2. Design a solid projected financial Plan and conduct a breakeven analysis for a small company. (Lo 2.5).
3. Demonstrate a thorough understanding regarding the importance of cash management for the success of a small business. (Lo 2.8).

**Assignment – 3**

*Students are supposed to read the Case 2- Able Planet from the textbook, page number:812*

*“How can a small company find capital to finance an innovative new product?”*

*Textbook: (Scarborough, N.M. & Cornwall, J. (2012). Effective small business management: An Entrepreneurial approach (10th ed.). Upper Saddle River, NJ: Prentice Hall.*

*Based on your understanding of the case and concepts, answer the following question in 200-350 words each.*

Assignment Questions:

1. Experts say that entrepreneurs who need between $100,000 and $3 million often face the greatest obstacles when raising capital for their businesses. Why? **(1.5 marks)**

2. How should Kevin Semcken raise the $1.5 million in capital that Able Planet needs? Be sure to consider sources of both debt and equity financing. **(1.5 marks)**

3. Write a short memo to Kevin Semcken explaining what he should do before he approaches potential lenders and investors to maximize his chances of getting the capital that Able Planet needs. **(2 marks)**

**Answer:**

1.

2.

3.