higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE

# ENTREPRENEURSHIP AND BUSINESS MANAGEMENT N5

(Second paper)

(4090315)

**9 November 2022 (X-paper)**
**09:30–12:00**

**OPEN-BOOK EXAMINATION**

**This question paper consists of 8 pages and an answer sheet of 2 pages.**



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# DEPARTMENT OF HIGHER EDUCATION AND TRAINING
# REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE
ENTREPRENEURSHIP AND BUSINESS MANAGEMENT N5
(Second paper)
TIME: 2½ HOURS
MARKS: 150

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NOTE: If you answer more than the required number of questions, only the required number of questions will be marked. All work you do not want to be marked, must be clearly crossed out.

**INSTRUCTIONS AND INFORMATION**

1. Answer any THREE questions.
2. Read all the questions carefully.
3. Number the answers according to the numbering system used in this question paper.
4. Write your student number at the top of all the ANSWER BOOK provided.
5. Write your EXAMINATION NUMBER on the ANSWER SHEETS and detach them from the question paper before handing them in.
6. Marks will NOT be allocated for copying directly from the textbooks.
7. Write neatly and legibly.

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## SECTION B

## QUESTION 2

The governing party together with the government of South Africa are daily calling on youths to take up farming. Teba Motaung, who had agriculture as a subject in high school, decided to try her skills at mechanised farming. She now specialises in poultry farming. Many people who visit her farm as well as the Department of Agriculture wish she could assist schools and youths in starting their own farms. Teba Motaung has developed a passion for educating and training young women. She now wants to teach farming in the community. With the help of government funding, Teba Motaung is able to run a new programme. The farm has 20 employees working full time and 50 casual workers and has expanded to include pigs and vegetables. Teba Motaung says: 'I have fulfilled my dream of becoming a successful farmer.'

2.1 Identify from the scenario any THREE elements of habits in the Teba Motaung project. Give an example. (3 × 3) (9)

2.2 Based on the scenario, explain the importance of the following habits:

2.2.1 Synergies

2.2.2 Begin with an end in mind

2.2.3 Being proactive

2.2.4 Win-Win

(4 × 2) (8)

2.3 When a company starts to grow and expand, it becomes more complex. The management or the owner has to pass on the responsibilities of certain tasks to their employees with the aim of getting all the work done. These responsibilities go hand in hand with authority and obligations. The work environment and organisational structure should support any delegation of duties. Delegation of tasks does not diminish the manager's accountability for those tasks. There are also certain personal barriers that managers must take into account when delegating duties to employees.

Outline how personal and individual characteristics of a manager can negatively affect his/her ability to delegate duties or responsibilities to their subordinates. (Any 3 × 3) (9)

2.4 Teambuilding involves employees or groups of individuals working together to achieve a common goal. It has become a yearly event for a women stokvel of Madeni in KwaZulu-Natal to take time out together. This is aimed at promoting teambuilding. On the eve of Women's Day, 20 women left for a two-days' stay at Golden City. According to the team leader, their message for this year is 'Women in Action'.

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2.4.1 Define *teambuilding*. (2)

2.4.2 State any THREE advantages of teambuilding. (3 × 2) (6)

2.4.3 Draw up a teambuilding programme for the Madeni women stokvel association. (10)

2.5 Moral stance is an ethical decision one makes when faced with a problem or situation that is governed by any formal laws and rules. Most often people fall back on their background, religion, culture and conscience to make an acceptable decision. Despite the concept of profit-making, it is expected that in the business world, businesses should act in an ethical manner and embrace moral management. Green and Blue are planning to set up a joint business in their community with the aim of creating jobs and assist growing the economy of the community and the country at large.

In bullet form, state any THREE benefits of moral management based on sound ethical standards. (3 × 2) (6)

**[50]**

## QUESTION 3

3.1 The management of Baby First Enterprise is faced with a situation of either buying additional production equipment or hiring an additional salesperson. Use the steps in the decision-making process to assist the management of Baby First Enterprise in making a financially sound decision. (7 × 3) (21)

3.2 It is customary for the Minister of Finance in the Republic of South Africa to deliver the budget speech after the president's yearly state of the nation address (SONA). The budget is a way of expressing the financial plans of a country in measurable terms. In business, budget is used or forms part of financial control because they set targets for the business's income and expenses over a reasonable time frame, usually one financial period. As Mark Jacky Dealers' financial manager, you are given the following information from different departments of the business.

Use the information given below to draw up a projected master budget for Mark Jacky Dealers for the year ending 31 March 2020. **RAW MATERIALS** accounted for R550 000. **(Use ANSWER SHEET A.)**

**Sales department:** budget

- Forecasted sales in units 275
- Selling price per unit R3 500
- Government subsidy R1 500 000
- Interest from investment R216,000
- Contributions from stakeholders R1 850 000

**Selling and administration budget**

- Telephone R12 000
- Travelling expenses R65 000
- Refreshments at meeting R35 000
- Stationery R4 500
- Bank charges R15 850
- Audit fees R12 000
- Advertising and marketing R20 000

**Direct labour budget**

- Staff salary R1 800 000
- Staff training R45 000
- Overtime R120 000

**Overhead budget**

- Water and electricity R85 580
- Rental R120 000
- Insurance R40 000

(17)

3.3 Good-quality goods or services are those without defects. They meet the minimum standards that the public expect. The management of Mark Jacky Dealers wants to run a programme that will educate their employees on the value and significance of quality as essential ingredient for control system.

Explain the basic quality requirements to the management of Mark Jacky Dealers. (6 × 2) (12)

**[50]**

## QUESTION 4

4.1

Group dynamics is about the way people in a group behave and react to each other. Groups that work together are more productive and motivated. Mark Jacky Dealers has more than 50 employees who are considered the best in their respective departments. The recent corruption scandals in the business are of great concern to the management.

The situation is gradually affecting the employees' morale, and productivity is low. The management at their joint meeting with stakeholders decides to ask employees to assist in finding a solution to the problem of corruption in the business. Management had high hopes that employees would make acceptable and profitable decisions, thus providing solutions by themselves.
To the management's surprise, the employees could not come up with a solution or decision. Members could not agree on anything. Two members hardly made any contributions to the discussion at all, but only agreed with the majority's ideas. Mojalefa is very critical of other employees' ideas. Her attitude is discouraging others from taking active part in the discussion. Malefu randomly makes humorous remarks at inappropriate times, which upsets the atmosphere of the discussion.

**Common group roles: Information giver, gatekeeper, avoids confrontations, positive feedback, provides factual information, records ideas, finds solutions to problems, blocker, encourages everybody to participate, tries to reduce stress, dominator, energiser, aggressor and initiator**

Tabulate the common roles found from the case study above.
**Example (Use ANSWER SHEET B.)**

| Constructive roles | | Destructive roles |
|---|---|---|
| **Task roles (5)** | **Maintenance roles (5)** | **Self-centred roles (5)** |
| **Information giver** | **Gatekeeper** | **Avoider** |
| | | |

(5 × 3) (15)

4.2

Social responsibility is the obligation of businesses or individuals towards communities or other individuals. These responsibilities could be viewed in three different ways, namely profit-centred, investment earned, and regulations imposed. Black Economic Empowerment-rating certificates are given to businesses with good practice that meet and comply with the Companies Act. Mark Jacky Dealers is a certified Black Economic Empowerment company of good standing in the community.

Over the last two years, Mark Jacky Dealers invested R500 000 in an early childhood development project in the community of Sheki in QwaQwa in the Free State, and R400 000 in a water and sanitation project in Northern Cape.

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Outline some benefits to the community that flow from their social responsibility investment. (5 × 2) (10)

4.3 In your N4 Entrepreneurship and Business Management programme, you were taught various components of a business plan. Among them were production, human resources, administration, marketing and promotion. Recent developments and improvement in technology have prompted the management of Mark Jacky Dealers to readjust and update various departmental functions in line with global changes and innovation. Marketing functions play an important role in any business.

As an event planner of Mark Jacky Dealers, explain in bullet format any FIVE functions of marketing. (5 × 2) (10)

4.4 Compile the curriculum vitae of a fictitious person who has several years' working experience.
ONLY include the following sections:

- Qualifications
- Achievements
- Interests
- Work experience
- Reference (15)

**[50]**

**QUESTION 5**

5.1 As part of their planning for effective service delivery to the community, the Department of Health is hoping to establish a new unit that will meet the aim of better and effective services to people at grassroots level. The new unit will have a manager whose main duty will be to coordinate all the activities of the centre and report directly to the minister on a monthly basis. Recommendations for suitable candidate/candidates must be made to the Minister of Health for consideration and appointment. It is true that not everyone has the natural characteristics that qualify them to be a good manager. Some must work hard to improve certain qualities. (NOTE: do not include qualification, gender, age and working experiences).

Outline to the Minister of Health any SEVEN qualities that a good manager should possess. (7 × 2) (14)

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5.2 After the death of his father in 2010, Siyabonga Dube decided to become a lawyer, with the intention of setting up a family law firm. As he was working and taking care of his siblings, he had to learn how to manage his time to complete his studies in time, complete his NCV level 4 qualification, graduate with a degree, register for law school and gain working experience. His time management skills helped him to complete NCV level 4 with outstanding results and gain admission to the University of the North.

He completed both his bachelor's and postgraduate degree in record time. He also developed financial goals to enable him to live well, while aiming to reach his destiny – of becoming a renowned lawyer with a law firm. He is also passionate about his social and romantic life, and spiritual and emotional relationship with his maker.

Help Siyabonga to compile a SWOT analysis to adapt and evaluate his business plan. (4 × 4) (16)

5.3 Women in Action soup kitchen offers a variety of products to their customers. The soup kitchen sells pap and rice at the local school in Polokwane. The business' gross profit percentage on pap is 45% and 48% on rice. The business owners estimated that pap will account for 80% and rice 20% of their total sales. Fixed cost R15 000. (Use ANSWER SHEET C).

Calculate the following:

5.3.1 Average weighted gross profit percentage (8)

5.3.2 Breakeven point in rand (5)

5.3.3 Breakeven point in rand if the business wants to make a profit of R12 000 (7)

**[50]**

**TOTAL SECTION B: 150**
**GRAND TOTAL: 200**

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**ANSWER SHEET A**

3.2 **PROJECTED BUDGET FOR MARK JACKY BUSINESS**

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**ANSWER SHEET B**

4.1

| CONSTRUCTIVE ROLES | | DESTRUCTIVE ROLES |
|---|---|---|
| **TASK ROLES** | **MAINTENANCE ROLES** | **SELF-CENTRED ROLES** |
| E.g. initator | Gate-keeper | Avoider |
| | | |
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| | | |
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**ANSWER SHEET C**

5.3.1 **AVERAGE WEIGHTED GROSS PROFIT PERCENTAGE**

| Product | Percentage of sales | Gross profit % | Weighted gross profit percentage |
|---|---|---|---|
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