higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

ENTREPRENEURSHIP
NQF LEVEL 2

(3021042)

2 December 2020 (X-paper)
09:00–11:30

Calculators may be used.

This question paper consists of 8 pages.

199Q1N2002

Copyright reserved

TIME: 2½ HOURS
MARKS: 100

INSTRUCTIONS AND INFORMATION

1. Answer all the questions.
2. Read all the questions carefully.
3. Number the answers according to the numbering system used in this question paper.
4. Start each section on a new page.
5. Use only a black or blue pen.
6. Write neatly and legibly.

Copyright reserved

SECTION A

QUESTION 1

Various options are given as possible answers to the following questions. Choose the answer and write only the letter (A–D) next to the question number (1.1–1.15) in the ANSWER BOOK.

1.1 For entrepreneurs to be successful they should have the right …

A solutions.
B functions.
C environment.
D skills and expertise.

1.2 In the … environment we find various forces such as (political forces) or challenges that affect the business.

A market
B external
C internal
D business

1.3 A … is a simple, but useful tool that can be used for almost all decision making.

A research analysis
B market research
C SWOT analysis
D market gap

1.4 'New products are launched all the time.' This statement can be regarded as a/an …

A strength.
B weakness
C opportunity.
D Both A and B

1.5 … is regarded as one of the ubuntu values for the entrepreneur.

A Computer literacy
B Innovation
C To be trustworthy and honest
D Resourcefulness

1.6 … can be regarded as the main reason why most businesses fail.

A Bad suppliers
B Financial control
C Safety needs
D None of the abovementioned



1.7 The … describes the group of customers, present and potential, who are most likely to buy your product or service.

A target market
B creditors
C competitors
D sample

1.8 A factor(s) that influence the pricing of a product or service:

A Government regulations
B Elasticity of demand
C The availability of substitute products
D All the abovementioned

1.9 … refers to a profit a business makes after the deduction of expenses, such as rent, telephone and marketing costs.

A Market share
B Net profit
C Gross profit
D Cash flow



1.10 Entrepreneurs prioritise tasks because …

A it saves time and money.
B guides them as to what must be achieved.
C it is an organisational tool.
D All the abovementioned

1.11 A/An … is a list of intended events and their time frames.

A work schedule
B time frame
C action plan
D questionnaire

1.12 The … explains how the business will operate and how it will market its products or services.

A action plan
B business plan
C SWOT analysis
D marketing plan



1.13 … refers to something new and can apply to technology, product markets and processes.

A Innovation
B Creativity
C Improvement
D Trend

1.14 A business plan is important for a business because it …

A is an essential decision-making tool.
B is extremely motivating.
C shows commitment.
D is profitable.

1.15 A business plan provides …

A information on employment in the industry.
B information on the finished goods.
C an explanation of your ideas.
D an explanation of your threats and successes.

(15 × 1) **[15]**

QUESTION 2

Indicate whether the following statements are TRUE or FALSE by writing only 'True' or 'False' next to the question number (2.1–2.15) in the ANSWER BOOK.

2.1 Technical skills of an entrepreneur include managing his/her employees.

2.2 Competition can be a threat or an opportunity in a SWOT analysis.

2.3 Convenience is one of the factors that influence pricing.

2.4 Information from the library form part of primary data collection.

2.5 A roster is a tool to identify duties and responsibilities for each day.

2.6 Creativity helps you to recognise a business opportunity.

2.7 Entrepreneurship enables the government to collect more income and business-related taxes.

2.8 An organising skill is about an entrepreneur working long hours.

2.9 The total cost of a product excludes the cost components used in the production of that product.

2.10 Debtors are customers who bought from your business but have not yet paid.

2.11 Inventory refers to the stock you buy and sell in a business.

2.12 The business plan should be concise, comprehensive and easy to read.

2.13 Goodwill is an example of the political environment. 0

2.14 The content pages of a business plan give an overview of the items that will be in the business plan.

2.15 Break-even point refers to a point in the business where profit is made.

(15 × 1) **[15]**

TOTAL SECTION A: 30

SECTION B

QUESTION 3

Study the scenario and answer the questions.

BOSS LADY

She sits on a bright red stool behind her stall. Fanning herself as the sun climbs higher in the sky. It is the end of the month and people have money to spend - its going to be a hectic day. Elsie Mathonsele, or sis Elsie as everyone calls her - stands up as a woman approaches her stall. She buys some sweets and gives one to the baby. As the mother moves away, Elsie sits down again and records the sale in a notebook. She has been doing it for the past eight years, every sale, no matter how small, is written down. It is the only way she can keep track of everything she sells. 0

She has sold plenty since she opened her stall in downtown Johannesburg in 1990. This 32-year-old mother of two is probably more committed than most street vendors - and her customers know that. They know she will always be at her stall on the corner of Bree and Quartz streets, come rain or shine. They know they will be able to buy just about anything from her - fruits and vegetables, underwear and nappies, sweets and biscuits, ballpoint pens and mothballs, health and beauty products, cleaning aids and safety pins.

Her stall is like a mobile general dealer and her customers know that everything they buy there is top quality. Elsie knows that keeping her customers satisfied over the years has been the key to her success. Armed with just R160, she went to the City Deep market and bought her first supply of fresh fruits and vegetables. She was making a profit of about R80 a day. But times and the economy have changed and Elsie now has to pay about R500 for her stock everytime she goes to the market, but her profit has also increased - on good days she takes home about R300.

Copyright reserved

Hard work is Elsie's recipe for success. She rises at 5:00 every morning, has a hot bath and a light breakfast and is at the market by 6:00. 'You have to be there early to get the best produce.' After pushing four tables together and covering them with a spotless cloth, everything is set by 8:00. Elsie says she does not have a special skill or talent, but what she does have, is a large dose of determination and a strong spirit.

[Adapted from Drum, 15 October 2008]

3.1 Elsie wants to compile a business plan.

Explain the following components of a business plan to her:

3.1.1 Cover page

3.1.2 Marketing plan

3.1.3 Management plan

3.1.4 Financial plan

(4 × 2) (8)

3.2 The importance of customers is always a concern for Elsie.

Name and discuss FOUR customer relations practices that she can use to ensure customer satisfaction. (4 × 2) (8)

3.3 Discuss the following characteristics of an entrepreneur with specific reference to Elsie's case study:

3.3.1 Energetic

3.3.2 Risk-taking

3.3.3 Organising skill

(3 × 2) (6)

3.4 Use the information from the case study to complete a marketing mix analysis for Elsie's business under the following points:

3.4.1 Products

3.4.2 Place

3.4.3 Promotion

(3 × 2) (6)

[28]

QUESTION 4

4.1 Explain the following financial terms, keeping Elsie's business in mind:

4.1.1 Sales forecast

4.1.2 Inflation

(2 × 2) (4)

4.2 Elsie decides to offer 12% discount on a box of butternut. The normal selling price is R218. She estimates to sell 24 boxes during the Easter holiday.

Calculate the following:

4.2.1 The selling price per box after discount (8)

4.2.2 The total selling price of the products she estimates to sells during the holiday (1)

4.3 Calculate the break-even amount for Elsie's business if her fixed cost amount to R4 200 and the gross profit percentage is 56%. (3)

[16]

QUESTION 5

5.1 Copy and complete the following table in the ANSWER BOOK by filling in a SWOT analysis for Elsie's business together with TWO examples for each component.

COMPONENT 1	**COMPONENT 2**
TWO examples	TWO examples
COMPONENT 3	**COMPONENT 4**
TWO examples	TWO examples

(4 × 2) (8)

5.2 Elsie should have the right skills and values to be a successful entrepreneur.

Differentiate between *skills* and *values* and give an example of each. (2 × 2) (4)

5.3 A business plan can be used as a road map or guideline in the running of the business.

State TWO other important purposes of a business plan. (2 × 2) (4)

5.4 State THREE external factors, and how they can impact on Elsie's business operations. (3 × 2) (6)

5.5 Why do you think entrepreneurship is an important driver of economic growth in South Africa? (4 × 1) (4)

[26]

TOTAL SECTION B: 70
GRAND TOTAL: 100

Copyright reserved