



# higher education & training

Department:  
Higher Education and Training  
**REPUBLIC OF SOUTH AFRICA**

N450(E)(N21)H  
**NOVEMBER EXAMINATION**  
**NATIONAL CERTIFICATE**

**ENTREPRENEURSHIP AND BUSINESS MANAGEMENT N6**  
**(First Paper)**

(4090336)

**21 November 2014 (X-Paper)**  
**09:00–09:30**

**CLOSED-BOOK EXAMINATION**

**This question paper consists of 4 pages.**

**DEPARTMENT OF HIGHER EDUCATION AND TRAINING  
REPUBLIC OF SOUTH AFRICA  
NATIONAL CERTIFICATE  
ENTREPRENEURSHIP AND BUSINESS MANAGEMENT N6  
(First Paper)  
TIME: ½ HOUR  
MARKS: 50**

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**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. Write neatly and legibly.
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**QUESTION 1**

- 1.1 Indicate whether the following statements are TRUE or FALSE. Choose the answer and write only 'true' or 'false' next to the question number (1.1.1–1.1.8) in the ANSWER BOOK.
- 1.1.1 A merger takes place when a large company buys out a smaller one.
- 1.1.2 When using a focus strategy, the company chooses one market segment where buyers have specific needs or requirements.
- 1.1.3 Intrapreneurs are employees who apply their entrepreneurial skills in an existing business.
- 1.1.4 When using the block competitor's offensive strategy, a company would broaden its product line to fill niches in the market.
- 1.1.5 Internal growth in a company occurs by becoming franchisors.
- 1.1.6 Your business is ready for growth when it purchases good quality products and sells them at reasonable prices.
- 1.1.7 A SWOT analysis refers to an analysis of the strengths, weaknesses, opportunities and threats.
- 1.1.8 Guerrilla offensives is a competitive strategy where you go on a full-on attack to throw the competition off balance. (8 × 1) (8)
- 1.2 Give FOUR reasons why employees resist change. (4 × 1) (4)
- 1.3 Name EIGHT economic indicators to take into consideration when expanding a business to another country. (8 × 1) (8)
- 1.4 Name EIGHT requirements for long-term objectives. (8 × 1) (8)
- 1.5 State FOUR advantages of becoming a consultant. (4 × 1) (4)
- 1.6 List FOUR techniques that can be used in the decision-making process. (4 × 1) (4)
- 1.7 The economic success of a country is closely linked to the number of small businesses in that country.
- Give FOUR reasons why you think there has been an increase in the number of small businesses in South Africa. (4 × 1) (4)

- 1.8 Choose a word/ an item from COLUMN B that matches a description in COLUMN A. Write only the letter (A–J) next to the question number (1.8.1–1.8.10) in the ANSWER BOOK.

COLUMN A		COLUMN B
1.8.1	When two companies of equal size combine	A infrastructure
1.8.2	Manufacturer – retailer franchise	B end-run offensives
1.8.3	Two or more companies from different countries combine resources	C goodwill
1.8.4	Represent the total market value of all current and long-term assets minus liabilities	D local agent
1.8.5	Competitive strategy where a company moves first into a new area	E values
1.8.6	Refers to the intangible assets of the company	F book value
1.8.7	A country's schools, railway, highways, airports and communications systems	G merger
1.8.8	Help determine what we think is right, appropriate, important or desirable	H Caltex
1.8.9	Producing and marketing abroad with a local partner	I tangible net worth
1.8.10	What business is worth from accounting point of view	J joint venture

(10 × 1)

(10)  
[50]**TOTAL:****50**