higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

N470**(E)**(N25)H

ENTREPRENEURSHIP AND BUSINESS MANAGEMENT N6

(First Paper)

(4090336)

25 November 2016 (X-Paper)
09:00–09:30

CLOSED BOOK EXAMINATION

This question paper consists of 4 pages and an answer sheet of 3 pages.

GENERAL STUDIES

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DEPARTMENT OF HIGHER EDUCATION AND TRAINING
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE
ENTREPRENEURSHIP AND BUSINESS MANAGEMENT N6
(First Paper)
TIME: ½ HOUR
MARKS: 50

INSTRUCTIONS AND INFORMATION

1. Answer ALL the questions.
2. Read ALL the questions carefully.
3. Number answers according to the numbering system used in this question paper.
4. Write neatly and legibly.

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SECTION A

QUESTION 1

Choose an term from COLUMN B that matches a description in COLUMN A. Write only the letter (A–F) next to the question number (1.1–1.6) on the attached ANSWER SHEET.

	COLUMN A		COLUMN B
1.1	This strategy is followed when a company selects a specific market segment where buyers have a specific preference.	A	low-cost strategy
1.2	A company can broaden its product line to fill niches in the market.	B	differentiation strategy
1.3	This approach is used to warn challengers that steps will be taken against attacks.	C	focus strategy
1.4	Companies will try to keep their costs lower to gain a cost advantage.	D	block competitors' offensive
1.5	Use accounting techniques to obscure the real financial status of the business.	E	threat of retaliation
1.6	When using this strategy, the business has created value that can be reflected in a higher selling price for the product or service.	F	hide true profitability

(6 × 2) **[12]**

QUESTION 2

Indicate whether the following statements are TRUE or FALSE. Choose the answer and write only 'true' or 'false' next to the question number (2.1–2.10) on the attached ANSWER SHEET.

2.1 Book value represents what the owner will get for his business, if it would be sold on an auction on the open market.

2.2 The franchisor is the owner of the franchise.

2.3 A contractor takes responsibility for a specific job and has control over the contract.

2.4 A business that successfully adopts a low-cost strategy can quote higher prices than its competitors.

2.5 Developing a vision and a mission is part of the strategic planning of a business.

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2.6 An increase in sales is an indication that a business is ready for growth.

2.7 Driving forces are forces which create incentives or pressures for change.

2.8 End-run offensives are a strategy used to protect competitive advantages.

2.9 An intrapreneur has no need to start his/her own business but wishes to use his/her skills in an existing business.

2.10 A good mission statement helps a business prepare for the future.

(10 × 1) **[10]**

QUESTION 3

3.1 Name any FOUR requirements for good long-term objectives.

3.2 Name the FOUR steps in the environmental scanning process.

3.3 Name any FOUR techniques that can be used to generate ideas on how to solve a problem.

3.4 Name any FOUR competitive forces (Porter) identified in completing a competitive analysis.

3.5 Name any FOUR strategies to secure a competitive advantage.

(5 x 4) **[20]**

QUESTION 4

Briefly define the following terms:

4.1 Part-time entrepreneurs

4.2 Replacement value

4.3 Target market

4.4 Aesthetics

(4 × 2) **[8]**

TOTAL SECTION A: 50

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ANSWER BOOK **EXAMINATION NUMBER:**

QUESTION 1

1.1 _____

1.2 _____

1.3 _____

1.4 _____

1.5 _____

1.6 _____

(6 × 2) **[12]**

QUESTION 2

2.1 _____

2.2 _____

2.3 _____

2.4 _____

2.5 _____

2.6 _____

2.7 _____

2.8 _____

2.9 _____

2.10 _____

(10 × 1) **[10]**

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EXAMINATION NUMBER:

QUESTION 3

3.1

3.2

3.3

3.4

3.5

(5 x 4) **[20]**

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EXAMINATION NUMBER:

QUESTION 4

4.1

4.2

4.3

4.4

(4 × 2) **[8]**

TOTAL SECTION A: 50

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