



NATIONAL CERTIFICATE (VOCATIONAL)

SUBJECT GUIDELINES

NEW VENTURE CREATION

NQF Level 3

September 2007

NEW VENTURE CREATION – LEVEL 3

CONTENTS

1 DURATION AND TUITION TIME

2 SUBJECT LEVEL FOCUS

3 ASSESSMENT REQUIREMENTS

3.1 Internal assessment

3.2 External assessment

4 WEIGHTED VALUES OF TOPICS

5 CALCULATION OF FINAL MARK

6 PASS REQUIREMENTS

7 SUBJECT AND LEARNING OUTCOMES

7.1 Identify internal and external stakeholders

7.2 The structure of a selected workplace or organisation

7.3 Basic Human Relations principles in a new venture

7.4 Implement an action plan for business operations

8 RESOURCE NEEDS FOR THE TEACHING OF NEW VENTURE CREATION LEVEL 3

8.1 Physical resources

8.2 Human resources

8.3 Other resources

INTRODUCTION

A. What is New Venture Creation?

New Venture Creation develops students' entrepreneurial knowledge and skills. It will provide information to students about what to focus on when starting a new venture. Students will work in a small to medium enterprise (SME) environment where the acquisition of competence will add value and marketability to the student's qualification when seeking a job. A student declared competent in this subject can also use his or her knowledge to opt for self-employment as a possible employment option.

B. Why is New Venture Creation important in a vocational programme?

New Venture Creation promotes students' understanding of the effective functioning and management of a business venture. Students can use this knowledge should they want to start a new business venture. The subject covers a wide range of topics (finances, marketing, insurance, pricing, etc.) to further a student's knowledge of business to prepare the student for efficient entry into the world of business and to develop potential entrepreneurship.

New Venture Creation links with subjects such as Financial Management and Economic Environment and in the process, builds progressively on the topics of these two subjects.

C. The link between the New Venture Creation Learning Outcomes and the Critical and Developmental Outcomes

Students will be able to collect, analyse, organise and critically evaluate information when identifying business activities, when calculating the cost and pricing of products or services, when determining the risks involved in starting a new venture, when differentiating marketing of products and services and when determining the start-up costs of a new venture. In the process, students will learn to organise and manage themselves and their activities.

Students will be able to identify and solve problems during the decision-making process to determine the liability of a new venture.

Students will effectively use science and technology when searching the Internet for information on professional bodies and associations, new venture options and best financial options when determining funding and start-up costs.

Students will be able to demonstrate a better understanding of the world and to contribute to the community as responsible citizens by analysing all aspects in relation to a new venture creation.

D. Factors that contribute to achieving the New Venture Creation Learning Outcomes

Students interested in business ventures will enjoy the subject, as it covers all functions of a business and especially a new business venture. Students with a zest for life and creative flair will do well in this learning situation. Analysing and problem-solving skills are crucial for a student participating in New Venture Creation. It would be to the students' advantage if they have financial and/or accounting skills and backgrounds.

1 DURATION AND TUITION TIME

This is a one year instructional programme comprising 200 teaching and learning hours. The subject may be offered on a part-time basis provided the candidate meets all the assessment requirements.

Course preparation should consider students with special education needs.

2 SUBJECT LEVEL FOCUS

Explain business operations for a new business venture.

Range: Business operations include stakeholders, business sections, human resources, action plan.

3 ASSESSMENT REQUIREMENTS

3.1 Internal assessment (50 percent)

3.1.1 Theoretical Component

The theoretical component will form 40 percent of internal assessment.

Internal assessment of the theoretical component of New Venture Creation NQF Level 3 will take the form of observation, class questions, group work (informal group competitions with rewards), group and individual discussions with students, class tests, topic tests, semester tests, internal examinations. Daily observation can be done of the previous day's lesson by making use of class questions, group or individual discussions and class tests

Assignments, case studies and tests can be done at the end of a topic. Tests and internal examinations must form part of internal assessment.

3.1.2 Practical Component

Practical components include applications. The practical component will form 60 percent of internal assessment.

All practical components must be indicated in a Portfolio of Evidence (PoE).

Internal assessment of the practical component of New Venture Creation NQF Level 3 will take the form of assignments, practical exercises, case studies, practical examination in a simulated business environment.

Students can complete practical exercises done and assessed on a daily basis. Assignments, research and case studies can be done at the end of a topic. A practical examination can form part of internal practical assessment.

- **Some examples of practical assessments include, but are not limited to:**

- A Presentations (lectures, demonstrations, group discussions and activities, practical work, observation, role play, independent activity, synthesis and evaluation)
- B Exhibitions by students
- C Visits undertaken by students based on a structured assignment tasks
- D Research
- E Task performance in a simulated/structured environment

- **Definition of the term “Structured Environment”**

“Structured environment” for the purposes of assessment refers to an actual or simulated workplace, or workshop environment. A practicum room would be advisable on each campus for students to do practical assessment

- **Evidence in practical/application assessments**

All evidence pertaining to evaluation of practical work must be reflected in the students' Portfolio of Evidence. The tools and instruments constructed and used for the purpose of conducting such assessments must be clear from evidence contained in the PoE.

3.1.3 Processing of Internal assessment mark for the year

A year mark out of 100 is calculated by adding the marks of the theoretical component and the practical component of the internal continuous assessment.

3.1.4 Moderation of internal assessment mark

Internal assessment is subjected to both internal and external moderation procedures as contained in the *National Examinations Policy for FET College Programmes*.

3.2 External assessment (50 percent)

A national examination is conducted annually in October or November by means of a paper set, marked and moderated externally

Details in respect of external assessment are contained in the *Assessment Guidelines: New Venture Creation (Level 3)*.

4 WEIGHTED VALUES OF TOPICS

TOPICS	WEIGHTED VALUE
1. Identify internal and external stakeholders	18
2. The structure of a selected workplace or organisation	46
3. Basic HR principles in a new venture	18
4. Implement an action plan for business operations	18
TOTAL	100

5 CALCULATION OF FINAL MARK

Internal assessment: Student's mark/100 x 50 = a mark out of 50 (a)

Examination mark: Student's mark/100 x 50 = a mark out of 50 (b)

Final mark: (a) + (b) = a mark out of 100

All marks are systematically processed and accurately recorded to be available as hard copy evidence for, amongst others, purposes of moderation and verification, as well as purposes of reporting.

6 PASS REQUIREMENTS

The student must obtain fifty (50) percent in ICASS and fifty (50) percent in the examination.

7 SUBJECT AND LEARNING OUTCOMES

On completion of New Venture Creation Level 3 the student should have covered the following:

- Topic 1: Identify internal and external stakeholders
- Topic 2: The structure of a selected workplace or organisation
- Topic 3: Apply basic HR principles in a new venture
- Topic 4: Implement an action plan for business operations

7.1 Topic 1: Identify internal and external stakeholders

7.1.1 Subject Outcome 1: Identify internal and external stakeholders.

Learning Outcome:

The student should be able to:

- Identify and list stakeholders
- Categorise stakeholders into internal and external groups
- Explain the difference between internal and external stakeholders
- Clarify requirements for stakeholders

7.1.2 Subject Outcome 2: Describe stakeholders' relationship with the organisation.

Learning Outcome:

The student should be able to:

- Describe relationships
- Differentiate relationships from one another
- Explain and describe importance of relationships
- Explain the impact of stakeholders on the organisation

7.1.3 Subject Outcome 3: Describe the stakeholders' relationship to each other.

Learning Outcome:

The student should be able to:

- Identify relationships
- Identify relationships that have impact on each other
- Describe the importance and implications of inter-relationships
- Explain how to implement strategies to improve stakeholder relationships according to organisational relationships

7.2 Topic 2: The structure of a selected workplace or organisation

7.2.1 Subject Outcome 1: Identify and explain the core business activities of an organisation or workplace.

Learning outcome:

The student should be able to:

- Explain the concept of core business, with examples
- Name core business activities, referring to a selected organisation
- Describe and compare the relationships between different core activities of an organisation in terms of importance and value added to the organisation
- Describe the logical steps in the work process of a selected work unit / team

7.2.2 Subject Outcome 2: Explain the role of a selected department or section in an organisation and its contribution to the effectiveness of the organisation.

Learning Outcome:

The student should be able to:

- Explain the main function of a selected department/section within a department in relation to core business or support
- Explain the role of another department or section that interacts with the selected section/department
- Indicate how the efficiency of the departments or sections impact on each other
- Identify the most senior person in the selected department/section and provide title of that person
- Identify and explain the line from senior person in the selected department/section to the Board of Directors
- Explain the line from the student to the senior person in the selected department/section
- Explain when it is appropriate to refer a matter to a higher authority
- Describe and provide examples of the effect on the organisation if the selected department/section does not function effectively
- Identify and provide examples of the value that the selected department/section adds to the organisation.

7.2.3 Subject Outcome 3: Identify and explain the support functions within a selected organisation.

Learning Outcome:

The student should be able to:

- Explain the concept of a support function, with examples
- Name specific support functions
- Indicate departments or people responsible for each function in a selected business
- Explain the relationship between work teams and the support units or personnel
- Indicate how a manager can utilize the assistance of personnel responsible for the support functions

7.2.4 Subject Outcome 4: Investigate and explain the role of a selected team and its contribution to the effectiveness of an organisation.

Learning Outcome:

The student should be able to:

- Explain the main function of a selected team in relation to core business
- Explain the role of any other team that interacts with the selected team
- Indicate how the efficiency of the teams have an impact on each other

7.2.5 Subject Outcome 5: Investigate the different types of work done in the organisation.

Learning Outcome:

The student should be able to:

- Identify the different roles in organisation
- Write an outline of the kind of work done by three people in the organisation
- Categorise the work done in an organisation according to its purpose
- Discuss the importance of each category of work done with reference to the efficiency of the organisation
- Identify the work in the organisation as part of related systems, each with a role and value.

7.3 Topic 3: Basic Human Relations principles in a new venture

7.3.1 Subject Outcome 1: Identify and plan for the human resources needs of a new venture.

Learning Outcome:

The student should be able to:

- Explain and demonstrate how to:
 - Undertake a basic skills survey to determine skills requirements
 - Determine the human resource capacity requirements
 - Determine the cost implications for employing staff as determined
 - Make a decision regarding employment possibilities
 - Compile a basic profile of each person to be employed for interviewing purposes
- in a new venture.

7.3.2 Subject Outcome 2: Address the human resources needs of a new venture.

Learning Outcome:

The student should be able to:

- Explain how to select and recruit new staff according to a basic recruitment and selection plan
- Explain procedures of drawing up employment contracts according to Labour At
- Explain importance of employment contracts being in place in the new venture
- Explain content of employment contract according to Labour Act
- Explain and demonstrate how to compile job descriptions for each position according to needs of new venture
- Explain the importance of job descriptions being in place for each position in the new venture
- Explain how to inform new recruits/employees of their duties
- Explain methods and procedures to manage employees on an ongoing basis
- Explain and demonstrate how to review performances regularly to ensure that overall job criteria and development needs are being addressed

7.3.3 Subject Outcome 3: Identify and compile basic employment policies and procedures.

Learning Outcome:

The student should be able to:

- Explain how to establish:
 - Disciplinary procedures
 - Grievance procedures
 - Explain implementation of recruitment and retrenchment procedures
 - Explain how to compile and implement basic development plans to further develop skills of employees
 - Understand the role of employees, trade unions and employers in the workplace
- in relation to applicable labour legislation.

7.3.4 Subject Outcome 4: Comply with relevant human resources legislation.

Learning outcome:

The student should be able to:

- Identify, explain, interpret and apply legislation that applies to employment in own new venture.

Range: Legislation includes but is not limited to skills development legislation, employment conditions, labour relations legislation, employment equity legislation, skills levies act.

- Explain and demonstrate how to implement policies to ensure equity in new venture
- Explain and demonstrate how to communicate plans related to legislative matters to staff and relevant stakeholders.

7.4 Topic 4: Implement an action plan for business operations

7.4.1 Subject Outcome 1: Design an action plan for a new venture.

Learning Outcome:

The student should be able to:

- List, prioritise and explain reasons for priorities of actions to be taken to establish a business
- Schedule time frames for prioritised actions
- Determine deadlines for scheduled actions

for establishing a new venture.

7.4.2 Subject Outcome 2: Set up business premises and operational systems.

Learning Outcome:

The student should be able to explain how to:

- Compare options of leasing premises, listing the advantages and disadvantages of each option
- Determine suitable premises and location for a particular business venture
- Put operating systems into place for a particular business venture
- Establish a professional image for a particular business venture
- Adhere to legal issues and safety regulations for the premises in terms of relevant legislation
- Determine and organise office supplies, communications and other basic requirements according to the policy and procedure determined for a particular business

7.4.3 Subject Outcome 3: Business financial systems are arranged.

Learning outcome:

The student should be able to explain how to:

- Identify the various bank systems and types of bank accounts for a small business
- Choose the most suitable bank system and bank account for specific venture
- Establish a code of conduct for the business, including ethical procedures, fair treatment for internal and external clients
- Investigate, establish and apply financial systems to eliminate fraud and to ensure sufficient control of money, cash flow and the budget, screening procedures for debtors, creditors, to eliminate bad debts.

7.4.4 Subject Outcome 4: Identify the risks associated with the specific business.

Learning Outcome:

The student should be able to:

- Identify and evaluate risks associated with internal finances, safety and security, stock and other business assets
- Explain how to establish financial security systems, emergency procedures and reduce risks to ensure the safety of all people in the business and security of equipment.
- Investigate insurance needs for a specific venture
- Choose the most suitable insurance for a specific venture.

8 RESOURCE NEEDS FOR THE TEACHING OF NEW VENTURE CREATION LEVEL 3

8.1 Physical resources

The following teaching aids should be made available, if possible:

- **Practicum room:**
 - A simulated office environment, provided with the basic office furniture and equipment.
 - Necessary electronic equipment, e.g. adding machine, cash register, calculators, filing cabinet, computer, printer
 - The latest developments in electronic equipment must be available
 - The computer must have internet connection to enable the facilitator to demonstrate website browsing for research purposes.
- **Technology & Research Centre:**
 - Availability of computers and printers for students to complete assignments/case studies and do research
 - Access to internet for students
 - Research software, e.g. Encarta, etc.
 - Subject related magazines (e.g. Finance & Technique, etc.), daily newspapers and subject related reference books for research by students
 - Subject related DVDs/videos
 - List of stakeholders prepared to be involved in the learning process through presentations or acting as guest speakers or providing the opportunity for students to gain practical experience.
 - Applicable legislation / Acts for use by lecturers during lessons and students for research purposes
 - Stock room to store video/DVD machines, televisions, etc.
 - Security for stockroom, media centre and practicum room.
- **Class room:**
 - Computer and data projector or latest technology to electronically project data for students, must be available for facilitator
 - Flash disk for facilitator to store information
 - Computer presentation program to be used by facilitator to provide students with visual information on learning outcomes.
 - White board, black board and pull down screen
 - Desks big enough for students to work with many resources e.g. newspapers, documents, etc.

8.2 Human resources

- **Lecturer / facilitator:**
 - Applicable subject related qualification on NQF Level 5
 - Declared competence as assessors and/or moderators
 - Training in OBE
 - Full time technology and research centre manager (with knowledge of computers, website browsing, research and reference books)

8.3 Other resources

- Text Books
- Answer books, with exercises which students must complete for practical assignments
- Calculator for each student.
- Lever arch file for each student to serve as portfolio of evidence
- Lever arch file for Practical Assessment Portfolio.
- Subscription fees for internet, subject related magazines, newspapers