education

Department:
Education
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATES (VOCATIONAL)

SUBJECT GUIDELINES

ENTREPRENEURSHIP

NQF LEVEL 2

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INTRODUCTION

A. What is Entrepreneurship?

Entrepreneurship is an important developmental subject for all students, who will enter and compete in the economic environment. Students are encouraged to look beyond the parameters commonly associated with enterprise and to shift their paradigms of thought to spot gaps in the market that can be filled through careful research and planning.

Students are introduced to common features of all new and existing ventures. All businesses have a product or service that requires components of financial planning, marketing, staffing, technical expertise, material purchasing and environmental impact assessment. Entrepreneurship introduces all these aspects to students.

B. Why is Entrepreneurship important in the Management programme?

Entrepreneurship encourages economic activity in the country. Currently, there are not enough jobs to support the employment market; students who have completed formalised training can provide self-employment. However, many entrepreneurial ventures fail due to poor planning and organisation. Entrepreneurship, a subject in the Management programme, enables students to integrate and use management skills to plan, organise and develop along structured lines a new venture in any competitive market.

C. The link between Entrepreneurship Learning Outcomes and the Critical and Developmental Outcomes

The Entrepreneurship Learning Outcomes require experiential knowledge, skills and attributes of business and management. Students need technical skills and personal traits and characteristics suited to free enterprise. Through Entrepreneurship, students will acquire the ability to prepare a business plan, support themselves financially and present themselves with confidence and independence in competitive environments.

- Collect, analyse and organise information relating to the functions of successful entrepreneurs.
- Collect, organise, analyse and critically evaluate the role and interests of stakeholders so that appropriate techniques are selected to obtain a positive response from stakeholders.
- Demonstrate an understanding of the world as a set of interrelated systems by recognising that the factors influencing the business operations of the entrepreneur do not exist in isolation and that wider economic, supplier and community issues can affect operations.
- Demonstrate an understanding of the world as a set of interrelated systems by recognising that factors influencing the business operations of the entrepreneur do not exist in isolation and that wider economic issues can influence the quality delivery of the business.
- Participate as responsible citizens in the life of local, national and global communities by ensuring that the business operations of the entrepreneur are managed proactively and that all safety regulations, risk factors and legal issues are considered.
- Participate as responsible citizens in the life of local, national and global communities by ensuring that business operations of the entrepreneur are managed proactively in the context of economic, socio-political and community trends and developments.
- Organise and manage oneself and one's activities responsibly and effectively to ensure business operations of the entrepreneur are managed proactively.
- Organise and manage oneself and one's activities to deliver quality services to all stakeholders.
- Communicate effectively using visual, written and verbal communication modes to manage operation plans for a business.
- Work effectively with others as a member of a team, group, organisation or community to determine the business plan for a new venture.
- Identify and solve problems using critical and creative thinking processes to compile a viable business plan for a new venture.

D. Factors that contribute to achieving the Entrepreneurship Learning Outcomes

A student should have:

- particular interests that can be explored and developed to create an opportunity for self-employment;
- exposure to particular experiences;
- predisposition to certain capabilities such as communication or creative flair;
- the ability to take calculated risks;
- analytic ability and initiative;
- people-centeredness; and
- keen powers of observation.

ENTREPRENEURSHIP – LEVEL 2

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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 student meets all the assessment requirements.

Students with special education needs (LSEN) must be catered for in a way that eliminates barriers to learning.

2 SUBJECT LEVEL FOCUS

By the end of the year, students will be able to compile an elementary business plan for a small business venture.

3 ASSESSMENT REQUIREMENTS

3.1 Internal assessment (50 percent)

3.1.1 Theoretical component

The theoretical component forms 40 percent of the internal assessment mark.

Internal assessment of the theoretical component in Entrepreneurship Level 2 takes the form of observation, class questions, group work, informal group competitions with rewards, individual discussions with students, class, topic and semester tests and internal examinations. Lecturers can observe students when marking exercises from the previous day and asking class questions.

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

3.1.2 Practical component

The practical component forms 60 percent of the internal assessment mark.

Practical components include applications and exercises. All practical components must be indicated in a Portfolio of Evidence (PoE).

Internal assessment of the practical component in Entrepreneurship Level 2 takes the form of assignments, practical exercises, case studies and practical examinations in a simulated business environment.

Students may complete practical exercises daily. Assignments and case studies can be completed at the end of a topic. Practical examinations 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 learners
  C. Visits undertaken by students based on a structured assignment task
  D. Research
  E. Task performance in a “Structured Environment”.

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

For the purposes of assessment, “Structured Environment’ refers to a simulated workplace or workshop environment. It is advised that a practicum room is available on each campus for practical assessment.

- **Evidence in practical assessments**

All evidence pertaining to evaluation of practical work must be reflected in the students’ Portfolio of Evidence (PoE). The tools and instruments constructed and used to conduct these assessments must be clear from the evidence contained in the Portfolio of Evidence (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 (40 percent) and the practical component (60 percent) of the internal continuous assessment (ICASS).

3.1.4 Moderation of internal assessment mark

Internal assessment is subjected to internal and external moderation procedures as set out 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(s) set and moderated externally. A practical component will also be assessed.

External assessment details and procedures are set out in the *Assessment Guidelines: Entrepreneurship* (Level 2).

4 WEIGHTED VALUES OF TOPICS

TOPICS	WEIGHTED VALUE
1. The Entrepreneur	20
2. Customer Relations and Marketing	15
3. Basic Finances	15
4. Manage Time and Work Processes	10
5. A Business Plan	40
TOTAL	**100**

5 CALCULATION OF FINAL MARK

Internal assessment mark: 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, reporting, moderation and verification purposes.

6 PASS REQUIREMENTS

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

7 SUBJECT AND LEARNING OUTCOMES

On completion of Entrepreneurship Level 2, the student should have covered the following topics:

Topic 1: The Entrepreneur
Topic 2: Customer Relations and Marketing
Topic 3: Basic Finances
Topic 4: Manage Time and Work Processes
Topic 5: A Business Plan

7.1 Topic 1: The Entrepreneur

Subject Outcome 1: Identify and discuss characteristics of an entrepreneur.

Learning Outcomes

The student should be able to:

- Define entrepreneurship in terms of technical, business and managerial requirements.
- Identify the characteristics required of an entrepreneur to meet the technical, business and managerial requirements.

- List how these characteristics are typical of a successful entrepreneur.
- Discuss, using examples, the characteristics (including the ability to take calculated risks, take the initiative and ensure sustainability) that are typical of a successful entrepreneur explaining the importance of each.
- Differentiate between the skills, personality traits and values of an entrepreneur.
- Explain, with examples, how these personality traits and characteristics complement the technical, business and managerial requirements to establish a new venture.

Subject Outcome 2: Identify the advantages and disadvantages of entrepreneurship.

Learning Outcomes

The student should be able to:

- Describe the business environment, grouping similar jobs in departments.
- Explain how departments support one another and are influenced by the external environment.
- Describe the economic environment, emphasising the need and importance of entrepreneurship.
- Discuss, with examples, entrepreneurial and employment opportunities.
- Identify the merits of entrepreneurship and list the advantages of becoming an entrepreneur.
- List reasons why entrepreneurs fail or succeed.
- Discuss, with examples, reasons why entrepreneurs fail or succeed.

Subject Outcome 3: Discuss a SWOT (Strength; Weaknesses; Opportunities; Threats) analysis.

Learning Outcomes

The student should be able to:

- Prepare an individual entrepreneurial profile, which includes, but is not limited to, credit worthiness and entrepreneurial skills and abilities.
- Using this information, prepare a SWOT analysis.
- Develop a personal growth programme to attend to identified skills weaknesses.
- Define and give generic examples of evaluation tools that can be used to measure strengths and weaknesses.
- Identify measurement and evaluation tools used to maximise strengths and reduce weaknesses.
- Identify entrepreneurial opportunities in own entrepreneurial profile and personal growth plan, according to skills plans and programmes.

Subject Outcome 4: Identify entrepreneurial opportunities.

Learning Outcomes

The student should be able to:

- Define the process of idea generation by innovation and creativity, e.g. using variations on existing products, brainstorming and identifying gaps in the market.

  (Topic 2 SO1 LO1+2 - Idea generation can also include identifying and ranking the basic needs common to all people in order of importance. The basic needs of people are compared for different socio-economic groups).
- Explain the process of protecting ideas referring to secrecy, patents, trademarks and copyrights.
- Identify and describe entrepreneurial opportunities in relation to own context.
- Identify entrepreneurial opportunities in relation to the talents, interests and profile of the student.
- Match opportunity and own talents and interests to a proposed business venture.
- Identify possible problems and limitations of identified opportunities.
- Identify ways to overcome possible problems and limitations.

  (SO6 AS3 – Discuss the possibilities of the new product or service and identify attitudes, values and other factors that could prevent people from buying the product or service of the new venture.)
- Use the information gathered to identify entrepreneurial opportunities and the SWOT analysis to decide whether the business is viable.

7.2 Topic 2: Customer Relations and Marketing

Subject Outcome 1: Identify potential clients for a new venture.

Learning Outcomes

The student should be able to:

- Identify basic needs common to all people and rank in order of importance.
  (See Topic 1 SO4 LO1)
- Compare the basic needs of people in different socio-economic groups.
- Discuss the possibilities of introducing a new product or service to an existing market.
- Explain, using examples, the concept of benefits of product or service.
- Identify factors that may motivate people to buy the product or service of a new venture.
- Identify attitudes, values and other factors that could prevent people from buying a product or service of a new venture.

Subject Outcome 2: Survey opinions on the need for the products or service of a new venture.

Learning Outcomes

The student should be able to:

- Define a questionnaire.
- Using generic examples explain the different components of a questionnaire. This explanation includes, but is not limited to, types of questions, space for full answers, choice of answers, suggestions and feedback.
- Compile a questionnaire to find out why people would or would not buy the product or service.
- Identify at least three people, (e.g. friends, family, business owners, community leaders) as a sample to be surveyed for marketing information.
- Interview the people in the sample using the prepared questionnaire.
- Estimate the likelihood of the product or service being successful in that community.
- Present the information obtained and support information using a bar graph.

Subject Outcome 3: Determine and implement suitable ways to promote the products or service of a new venture.

Learning Outcomes

The student should be able to:

- Define promotion, using examples of different advertising strategies.
- Prepare a list of suitable ways to promote the product or service of the new venture.
- Provide suitable examples of the promotion of the product or service of the new venture.
- Explain how the promotion will be implemented.

Subject Outcome 4: Discuss customer relations to ensure customer satisfaction.

Learning Outcomes

The student should be able to:

- Discuss customer relations practices, e.g. after-sales service and customer surveys to determine levels of customer satisfaction.
- Explain, using examples, the process for recording customer information.
- Determine best approaches for use of customer records in marketing and selling business products or services.
- Describe how customer relation practices ensure customer satisfaction.

Subject Outcome 5: Explain basic principles of negotiation to secure new business.

Learning Outcomes

The student should be able to:

- Identify applications to stimulate customer interest in the features of product or services.
- Identify ways to maintain customer satisfaction by responding objectively to customer queries relating to goods or services.
- Discuss the process for recording evidence of sales performance.

- Explain how to achieve professional excellence against targets by using records of sales performance.
- Prepare information to respond to further customer needs and update customer records.

7.3 Topic 3: Basic Finances

Subject Outcome 1: Outline basic financial terminology.

Learning Outcomes

The student should be able to:

- Define the terminology associated with the finances of a new venture.

  Range: Terminology includes, but is not limited to, costing of product or service, start-up costs, variable costs, fixed costs, pricing calculations of product or service, mark-up, profit, breakeven, total costs, sales forecast and cash flow.
- Explain the principles and procedures to compile cost price of a product or service.

  Range: Principles and procedures for compiling cost price include, but are not limited to, start-up costs, variable costs, fixed costs and total costs.
- Assess the costs of a product from a given example.
- Calculate the total cost of products from given examples.

Subject Outcome 2: Outline processes and principles for the pricing of a product or service.

Learning Outcomes

The student should be able to:

- Explain pricing principles and processes to price a product or service.

  Range: The principles and processes include, but are not limited to, total cost, break-even, profit margin, competitive advantage and sales forecast.
- Assess the pricing of products or services in a given example.
- Calculate the selling price of products or services in given examples.

Subject Outcome 3: Outline process and principles of financial management, recordkeeping and stock control.

Learning Outcomes

The student should be able to:

- Analyse a given example of what is meant by the cash flow of a business and how it affects the business over a period.
- Explain and discuss recordkeeping in a small business and the requirements to manage a business successfully.
- Discuss some banking facilities that an entrepreneur could use.
- Explain how stock is managed and controlled.

7.4 Topic 4: Manage Time and Work Processes

Subject Outcome 1: Create, use and maintain a task list.

Learning Outcomes

The student should be able to:

- Define a task list.
- Explain, using examples, the value of using and maintaining a task list in terms of a specific work context.
- Identify steps or stages in a familiar set of tasks.
- Develop a task list for an entrepreneurial plan to document and record information required and identify items to be flagged for further action.
- Receive and capture, online or manually, additional information.
- Report completed tasks to the appropriate authority and check off the task list.
- Include a task list in a given action plan to ensure that outstanding requirements are completed in time.

Subject Outcome 2: Use and maintain a diary.

Learning Outcomes

The student should be able to:

- Explain and discuss the purpose of using a personal diary and an organisational dairy system (including, but not limited to, a personal diary, desk diary and year planner), either manually or electronically, in the context of a self-management tool, e.g. PC and cellphone to make a task list or record appointment date and time.
- Use diary entries to support an action plan.

Subject Outcome 3: Prioritise tasks.

Learning Outcomes

The student should be able to:

- Explain the concept of prioritising tasks, using examples that include timeframes and deadlines.
  (Topic 4 SO1 LO2 – tasks are identified.)
- Sort and prioritise identified tasks, according to type, importance and deadlines.
- Identify an activity to do with the product or service identified by the student that requires the timing and recording of each step.
- Identify the time needed for each step and time needed to complete the task
- Using a generic schedule, record time needed to complete tasks and identify achievable deadlines.

Subject Outcome 4: Plan and follow a work schedule.

Learning Outcomes

The student should be able to:

- Identify regular daily, weekly and monthly activities.
- Record and schedule (manually or electronically) activities using a dairy.
- Define the term roster as a tool to identify duties and the responsible person for each duty.
- Explain, using examples, how this tool can be used to develop a work schedule, which includes all the dates, timeframes and deadlines that an entrepreneur would need.
- Draw up a roster up to ensure that all the activities for the identified tasks can be completed on time.
- Define the term internal client.
- Explain, using examples, how internal clients are interrelated in the work process.
- Using generic templates, prepare examples of documentation to inform internal clients of the aspects of the work schedule that affect them.
- Explain, giving examples, the need for adjustments to schedules.
- Prepare a short-term activity that allows a schedule to be followed and adjusted, if necessary, to allow for unexpected interruptions.
  (See Topic 4 SO5 – LO 1,2 and 3)

Subject Outcome 5: Compile entrepreneurial goals.

Learning Outcomes

The student should be able to:

- Define goals and a plan of action and give generic examples.
- Explain the concept of timeframes by including the criteria needed for short, medium or long-term plans.
- Identify all aspects of entrepreneurial opportunities to plan short, medium and long-term goals.
- Compile and develop short-term goals for self in entrepreneurial context in a personal growth plan in a new venture creation.
- Discuss these short-term goals.
- Develop a plan of action for developing technical, business, managerial and personal skills in relation to an entrepreneurial opportunity.
- Compile a plan to show each stage of development and detail how each stage of the plan will be implemented.
- Include a task list in the action plan to ensure that outstanding requirements are completed on time.
- Support the action plan using diary entries.
- Differentiate between mentors and coaches.

- Identify mentors and coaches to assist in implementing the identified plan and pursue entrepreneurial opportunities.
- Identify resources to be used to implement the action plan (link to Topic 3 SO 1-4)

7.5 Topic 5: A Business Plan

Subject Outcome 1: Explain and discuss the purpose of a business plan.

Learning Outcomes

The student should be able to:

- Describe the purpose of a business plan.
- Explain the need for a business plan, e.g. to procure finance or monitor development.

Subject Outcome 2: Understand the different components of a business plan.

Learning Outcomes

The student should be able to:

- List the different components of a business plan using examples and a generic template.
- Explain the different components of a business plan. Differentiate between the internal and the external environment. (Internal market includes the departmentalisation of the organisation. External environment includes political, economical, social, technical and legal contexts.
- Explain the impact of the external environment on business plan components.
- Assess components of a given business plan, e.g. assess component-by-component.
- Collect and organise information relating to the individual selected business idea on the given template.

8 RESOURCE NEEDS FOR THE TEACHING OF ENTRPRENEUSHIP – LEVEL 2

8.1 Physical resources

- A computer training venue, with the software programmes (e.g. MS Word, MS Excel, MS PowerPoint)
- Printers and Internet access
- A theory training venue with adequate ventilation and seating

8.2 Human resources

The lecturer should ideally be a qualified educator (M+3) with at least two years teaching experience. He or she should have computer skills with at least one level higher than the level of delivery. Project management expertise, entrepreneurial skills and industry experience or shadowing in industry would be an advantage for educators.

8.3 Other resources

Consumables:

- Diskettes
- Stationery
- Lever arch files
- Daily newspapers
- Learning materials and resources

8.4 Equipment

- Computers and printers (as per physical resources)
- In-out trays
- Commercial stapler and commercial punch
- “Gant” System would be an advantage but a manual template can be used.
- Financial computerised programme would be an advantage.