

ENTREPRENEURSHIP

8247
Paper 1

Comments on specific questions

Section A

1 Well answered by most candidates.

Expected answers:

Knowledge AOA

Is the process of developing an enterprise, through guidance and giving advice by a more experienced individual known as a mentor.

2 Some candidates managed to score marks for knowledge but failed to apply information from the case study.

Expected answers

Knowledge AOA

Characteristics

- Excellent communication skills
- Excellent listening skills
- They have vast experience / They are experts in their field
- Sets a good example

Application AOB

Development applied to case study

- Maria possesses excellent communication skills and is able to adjust her communication to the personality style of the mentee.
- Maria possesses excellent listening skills and is able to adjust her communication to the personality style of the mentee.
- Maria has been working as a business mentor for 25 years / Maria is an experienced business person
- Maria advises her mentees not to copy someone else's business plan/ Pay loan on time

3 Well answered by most candidates.

Expected answers

Knowledge AOA

Is an intentional or unintentional act of taking other people's intellectual property claiming it as one's own.

4 Some candidates failed to use examples from the case study to support the consequences of plagiarism.

Expected answers

Knowledge AOA

- Plagiarism can result in legal action/fines/other and penalties
- Person will not be trusted
- Can destroy the reputation of the person

Application AOB

- If you copy someone else's business plan, the owner can take Legal Action against you/ legal action may be taken against the farmers
- Loan applications will be rejected by Agricultural bank
- The farmer's reputation may be destroyed

5 Most candidates manage to score marks for knowledge but fail to apply the effects of bad credit history from the case study.

Expected answers

Knowledge AOA

- High interest rates on credit cards and loans

- Credit and loans applications may not be approved
- Lower amounts of loans offered

Application AOB

- Good credit leads to lower interest rates
- With a bad credit history the farmer is more likely not to be given future loans
- Agricultural bank only offers loan less than N\$230 000

- 6 Some candidates failed to identify feasibility principles from the case study to prove that farming is feasible for entrepreneurs.

Expected answers

Knowledge AOA

- Availability of funds/incentives
- Availability of raw materials/incentives
- Availability of labour
- Skills set is available

Application AOB

- Agribank offers loans to a maximum of \$230 000 to farmers
- NamFarming offers free organic fertilisers
- Labour is available because many young people (potential)farmers/families can work on the farms
- Is much easier to find workers to work on a farm because they do not need high level skills

Section B

- 7 A. Well answered by most candidates.

Expected answers

Application AOB

Answers could include:

- decline was greater than 50% in the retail, arts and entertainment personal services, food as well as hospitality industries in Namibia
- reduced numbers of tourists also affected Erongo region
- a fall in demand of 70% for the hospitality industry in Erongo
- enterprises in Erongo region mainly specialised in food production and tourism.

Note: Candidates cannot be given application for noting the amount of reduction in employment (39% or 47%) as the question is why they fell.

Analysis AOC

Answers could include:

- Industries in Erongo could not move easily to remote production
- Erongo had less employment in finance, professional services and real estate-related industries
- Because Erongo specialises in food production and tourism.
- Erongo industries rely on tourism for customers
- The rest of Namibia has a wider variety of industries than Erongo

B. Most candidates failed to demonstrate the ability to apply levels of response

Knowledge AOA

Answers could include:

- youth enterprise is a venture started/owned by an individual who is under 35 years of age
- primary industry is raw material production
- secondary industry is manufacturing
- tertiary industry is services or trading

Application AOB

Answers could include:

- Finance, professional services and real estate-related industries experienced less disruption
- Decline was greater than 50% in the retail, arts and entertainment, personal services, food and hospitality industries in Namibia
- Reduced numbers of tourists also affected Erongo region
- A fall in demand of 70% for the hospitality industry in Erongo
- Enterprises in Erongo region mainly specialise in food production and tourism

Analysis AOC

One mark per developed point of explanation related to the case study showing reason for choice.

- Sectors which declined badly would be risky/bad industry to enter
- Funding/grants to enterprises to prevent closure
- Improving technology training to encourage remote production
- Retraining for workers who want to enter finance industries
- Tourism initiatives to encourage tourists to return to Namibia

Evaluation AOD

Decision on the best enterprise to set up

Developed explanations showing reasons for choice with a two-sided argument.

Example:

There was a fall in demand of 70% for the hospitality industry in Erongo (AOB), so this tertiary sector industry (AOA) may not be a good choice for a new enterprise.

As the entrepreneur may (AOC). Therefore I recommend Finance as the best industry to enter (AOD), because there is training offered by the government for free (AOD). However, it might be difficult to come up with startup capital and one may struggle to gain customers (AOD).

- 8 Most candidates misinterpreted this question. They confused social responsibility with environmental sustainability.

Expected answers

Answer should include:

- a definition of the term socially responsible/socially responsible enterprise
- explanations of the positive/negative effects of a socially responsible enterprise on a community
- examples from an enterprise to support each answer
- a conclusion on the effect of a socially responsible enterprise on a community.

AO	Description	Marks
D	Effective evaluation of the effect of a socially responsible enterprise on the community	11-15
C	Analysis of the effect of the socially responsible enterprise on the community	6-10
B	Application of the effect of the socially responsible enterprise on the community	3-5
A	Understanding of socially responsible	1-2
O	No creditable content	0

Levels of response mark scheme

Knowledge (AOA)

- Socially responsible is to be accountable to society about how an enterprise runs/ is conducted

Application (AOB)

- Will depend upon the enterprise chosen.
Examples of socially responsible activities e.g. not polluting, recycling, fair trade, paying decent wages, offering scholarships.

Analysis (AOC)

Answers could include:

- local community saves money because it does not need to employ a worker to pick up the litter
- less litter in the environment/better impressions of the community
- less waste of community resources, so money is available for other schemes to develop the community.
- improved living standards because the environment is clean/funds available to satisfy needs and requirements
- local workers are more educated, therefore they will gain well paid jobs.
- new enterprises may be established (e.g. recycling)

Evaluation (AOD)

A justified conclusion must be made.

Answers could include:

- may do one thing that is socially responsible, but their other actions are not socially responsible
- social responsible claims may not result in action. Some enterprises may appear socially responsible, but they are not effective
- enterprises may not be able to afford to be socially responsible, such as reducing employment in the area.

POSITIVE SUGGESTIONS TO TEACHERS

- Candidates should be guided by the number of marks allocated to determine the length of answers needed.
- Teachers are advised to prepare the candidates well in advance on the levels B, C and D types of questions as candidates had difficulties in answering these type of questions compared to A level types of questions. When learners are requested to recommend or evaluate, they should apply levels of response:
 1. They should give knowledge (AOA).
 2. Application using information from the case study (AOB).
 3. Analyse by explaining the effect on the enterprise/community (AOC).
 4. Evaluate by weighing up two sides and making a decision (AOD).
- Section A questions require candidates to link their answers to the case study.

General comments

- Many candidates score full marks, for the questions in which they were only expected to define.
- Candidates misinterpreted Question 8 that carried the highest marks.
- Most candidates scored full marks for questions that required knowledge.