



## Small Medium and Micro Enterprises: SMME4

### Self - Evaluation: Exam Preparatory: 1

#### INSTRUCTIONS AND INFORMATION

1. This assessment task consists of **ONE QUESTION**
2. Answer all the questions in the spaces provided
3. Write in Blue or Black pen only

#### QUESTION 1

1. Various options are given as possible answers to the following questions. Choose the correct answer and by encircling only the letter (A–D) next to the question number (1.1.1-1.1.10)

- 1.1.1 An entrepreneur is someone who starts his/ her business in order to...

- A Be dependent
- B Make a profit
- C Get rich quick
- D Be educated

(2)

- 1.1.2 Which one of the following statements reflects the characteristics of a successful entrepreneur?

- A Never waste time on dreams
- B Run away when times are tough
- C Ability to identify opportunities
- D Does not build relationship with customers

(2)

- 1.1.3 A screening technique that may be used to select a business idea is ...

- A Brainstorming
- B Market research
- C Quality
- D SWOT analysis

(2)

- 1.1.4 An example of manufacturing business is ...
- A Shoprite
  - B Tuck shop
  - C Salon
  - D Dress making
- (2)
- 1.1.5 ... is one of the factors to consider when screening the business idea.
- A Interview
  - B Funding
  - C Number of jobs to be created
  - D Executive summary
- (2)
- 1.1.6 A form of ownership that is owned by 1-50 shareholders ...
- A Sole trader
  - B Partnership
  - C Private company
  - D Public company
- (2)
- 1.1.7 Which of the following forms part of a business plan components?
- A Job creation
  - B Entrepreneur
  - C Marketing plan
  - D UIF
- (2)
- 1.1.8 One of the things that an entrepreneur should do when starting a business is ...
- A Registering with the medical scheme
  - B Installing a telephone line
  - C Opening a bank account
  - D Driving an expensive car
- (2)

1.1.9 1.1.1 The risk involved in running a business is ...

- A competition
- B natural disasters
- C monitoring the business
- D Gantt chart

(2)

1.1.10 ... can change the business environment negatively.

- A Honesty
- B Theft
- C Friends
- D Body language

(2)

**Total Mark : (20)**

1.2 Indicate whether the following statements are TRUE or FALSE. Choose the answer and write only 'true' or 'false' next to the question number (1.2.1 - 1.2.10).

1.2.1 A business idea can be generated through brainstorming.

\_\_\_\_\_

(1)

1.2.2 UIF is not one of the legal requirements when starting a business.

\_\_\_\_\_

(1)

1.2.3 Sponsoring the community events is a social development for an entrepreneur.

\_\_\_\_\_

(1)

1.2.4 A financial plan is a process of gathering information about people's needs.

\_\_\_\_\_

(1)

1.2.5 A business plan helps the entrepreneur to attract possible investors.

\_\_\_\_\_

(1)

1.2.6 Manufacturing business does not convert raw materials into finished goods.

\_\_\_\_\_

(1)

1.2.7 The money collected by the business for VAT is paid to SARS.

\_\_\_\_\_

(1)

1.2.8 Ethical behavior does not have an effect on the running of the business.

\_\_\_\_\_

(1)

1.2.9 Downsizing is a way in which a business can adapt to a changing environment.

\_\_\_\_\_

(1)

1.2.10 An entrepreneur should not conduct a SWOT analysis to ensure the smooth running of the business.

\_\_\_\_\_

(1)

**Total Mark : (10)**

- 1.3 Choose the item from **COLUMN B** that matches a description in **COLUMN A**. Write only the **Alphabet** next to the statement in **COLUMN A**.

COLUMN A		COLUMN B		
1.3.1	Marketing mix____	<b>A</b>	Human resource management	(1)
1.3.2	Example of business ethics _____	<b>B</b>	SWOT Analysis	(1)
1.3.3	System required running a business_____	<b>C</b>	Gantt chart	(1)
1.3.4	An activity chart that develops a schedule of activities with time- frames and responsible people.____	<b>D</b>	5Ps	(1)
1.3.5	Deals with recruitment and selection of staff._____	<b>E</b>	Monitoring	(1)
		<b>F</b>	Honesty	
<b>Total Marks :</b>				<b>(5)</b>

- 1.4 Complete the following sentences by filling in the missing word/s. Write only the word next to the question number (1.4.1 – 1.4.5)

NYDA, Reporting system, Business plan, Health and Safety, Marketing research, Code of conduct.

- 1.4.1 A system required to run and maintain a business is called...

\_\_\_\_\_ (1)

1.4.2 ... is an enabling programme for entrepreneurs.  
\_\_\_\_\_ (1)

1.4.3 Rules that guide business ethics in a workplace are called ...  
\_\_\_\_\_ (1)

1.4.4 Hygienic and safe working conditions address the ... legal requirement.  
\_\_\_\_\_ (1)

1.4.5 The document that the entrepreneur can use to access funds is called ...  
\_\_\_\_\_ (1)

**Total Mark : (5)**

**GRAND TOTAL [40]**

Compiled By:

1. Mashapa M
2. Mpofu Fana
3. Ngwenya Mapule
4. Sehlapelo Gladys