

FORM TP 2017201



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MAY/JUNE 2017

CARIBBEAN EXAMINATIONS COUNCIL

CARIBBEAN ADVANCED PROFICIENCY EXAMINATION®

ENTREPRENEURSHIP

ENTREPRENEURIAL PRACTICE

UNIT 2 – Paper 02

2 hours 45 minutes

READ THE FOLLOWING INSTRUCTIONS CAREFULLY.

1. This paper consists of SIX mini-case scenarios, TWO from EACH module. Answer ALL questions.
2. Write your answers in the spaces provided in this booklet.
3. Do NOT write in the margins.
4. If you need to rewrite any answer and there is not enough space to do so on the original page, you must use the extra lined page(s) provided at the back of this booklet. **Remember to draw a line through your original answer.**
5. **If you use the extra page(s) you MUST write the question number clearly in the box provided at the top of the extra page(s) and, where relevant, include the question part beside the answer.**

DO NOT TURN THIS PAGE UNTIL YOU ARE TOLD TO DO SO.

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(c) Apart from sole trading, list FOUR types of ventures.

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[4 marks]

Total 15 marks



Case 2: Self-Reliance for Collective Security

Fatima established a venture which supports the development of enterprises for community groups. She was concerned that grants given to community groups were steadily decreasing. This meant that these groups would have to establish a social enterprise (SE), so that they could have an independent income source to finance their programmes. Fatima does not yet have a name for the SE. Without this income source, the programmes might have to be discontinued. While the primary aim of a social enterprise is not to generate profit for its owners, creating value is extremely important, reflecting the triple-bottom line approach.

2. (a) State TWO other forms of nongovernmental organizations that are not mentioned in the case.

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[2 marks]

- (b) Outline TWO reasons why Fatima’s social enterprise might be unable to get funding from grant sources.

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[4 marks]

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MODULE 2: NEW VENTURE PLANNING AND CREATION

Case 3: Market Research

Kendra, an entrepreneur who was born in New York of American and Trinidadian parentage, went to visit her family in Trinidad. While in Trinidad, she was exposed to vegan 'doubles', a popular snack for Trinidadian and other Caribbean people. She considered 'doubles' to be a very healthy and filling snack that could be prepared for non-vegans as well as vegans. She decided that she would develop a 'doubles' venture in New York, to meet growing demand for healthy, vegan food. She knew, however, that although it was a good idea, there was no guarantee that the venture would be successful. She decided to conduct market research.

3. (a) Define the term 'marketing feasibility'.

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[2 marks]

- (b) List FOUR elements that Kendra must include when conducting a proper market research.

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Case 4: Pack for Success – Business Modelling

Yusef, a mechanic decided that he wanted to establish and expand his own garage business instead of working at one. He knew that in order to do this he would need to prepare a plan. He spoke to his friend, an entrepreneurship professor at the university about the matter. The professor advised Yusef that before writing a business plan, he should conduct a needs assessment, feasibility analysis and develop a business model. He further advised that the business model was crucial to making the decision because if the business model was ineffective, the business plan would be useless.

4. (a) List the first THREE key questions that Yusef should ask when developing his business model.

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- (c) Explain ONE business model within the time, scope, size and ambitions of the venture that Yusef could adopt.

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[3 marks]

Total 15 marks

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MODULE 3: MANAGING, GROWING AND HARVESTING THE VENTURE

Case 5: Love Life – E-commerce

Kalash, a doctor who specializes in herbal medicine in Saint Lucia, was thinking about how he could broaden his customer base in the neighbouring islands of the Eastern Caribbean. Upon discussing his thoughts with his colleague in St Vincent, he realized that launching an e-commerce arm of his service might be effective. He knew that this would mean research before launching, and more time spent at work.

5. (a) Outline THREE benefits that this venture could derive from e-commerce.

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- (b) Establishing a lasting relationship with customers and data mining are two elements to consider before embarking on e-commerce. Explain the importance of EACH element to this venture.

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[6 marks]

- (c) List THREE other elements that Kalash should consider before launching into e-commerce.

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[3 marks]

Total 15 marks

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Case 6: Life or Death

Nadine decided that she wanted to expand her early childhood education business, as it appeared that it was slowing down and would not survive. In order to do this, she needed to get more capital and resources to invest. When she approached the bank, she was asked to state the value of her business and the stage of the business in its life cycle. She was unable to respond and thus unable to convince the bankers of the viability of the business. She has decided to re-examine her strategy for securing capital and other resources to enable expansion of the business.

6. (a) Explain the current stage of the business.

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[3 marks]

- (b) List the other FOUR stages of the venture life cycle.

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