

**Enterprise – Higher Level**

LCHL 2002: Q4 (60 marks):

*(a) Describe your understanding of the term entrepreneurship. (10m)*

The answer must contain the idea of **taking the initiative** to set up a business venture, with the inherent **risk of failure**.

The potential reward is **profit**.

**4 marks** for the basic idea plus **6 marks** for elaboration.

*(b) Identify the personal characteristics associated with entrepreneurial business people. (20m)*

**5 characteristics** required at **4 marks** each.

Each characteristic must be named (2 marks) and explained/outlined (2 marks).

For example:

- Confident, e.g. must believe they are likely to succeed.
- Determined, e.g. not willing to give up when problems arise.
- Creative, e.g. able to find different ways of doing things
- Unafraid of reasonable risks, e.g. willing to take risks where there is a reasonable chance of success.
- Proactive, e.g. taking action on opportunities when they are seen or anticipated.

*(c) Illustrate how entrepreneurial skills might be used to enhance either (i) the local community, or (ii) a Government Department. (30m)*

**3 entrepreneurial skills** required at **10 marks** each. Must illustrate how the skills might be used in the chosen setting (community or Government department).

2 marks for naming a skill, plus 4 marks **each** for **two** points illustrating the use of the skill.

**A SAMPLE ANSWER:**

E.g.: In the local community – organising a Tidy Streets campaign.

- Skills: 1) ability to plan – setting out aims, and how to achieve them, e.g. drawing up a timetable, identifying leaders in each street, organizing and advertising a meeting etc.
- 2) ability to manage people – e.g. convincing people to get involved, chairing meetings etc.
- 3) ability to make decisions – e.g. deciding when to hold meetings, how to get people involved etc.