**NEW VENTURE CREATIONMODULE #:** SP-210401

**NQF LEVEL:** 2

**CREDITS:** 32

**NOTIONAL HOURS:** 320

**summative assessment**

ASSESSMENT PROCESS FLOW

Assessment Plan agreed by candidate & completed by the assessor before the actual assessment

Knowledge Questionnaire conducted as per the Assessment Plan

Observation conducted as per the Assessment Plan

Portfolio of Evidence compiled as per the Assessment Plan

A detailed Assessor Report compiled & forwarded for Moderation

Record of Learning Updated

Appeal form completed by the candidate in the event of dispute

Feedback Report Completed by Assessor & individual feedback given to the candidate

Assessment Results Moderated

Action Plan Completed by Assessor

All records & evidence filed

Completed Assessor Report / Moderator Report / Record of Learning

Approval & Certification obtained

Certificate of Competencies issued to successful candidates

Register candidates on the Learner Record Database

Portfolio of Evidence submitted as per the Assessment Plan

**QCTO**

**ASSESSMENT**

**CAND**

**I**

**DATE**

INTRODUCTION

Congratulations on completing the program.

As part of your training you are required to keep a Guide of all practical exposure you receive during the learning process.

### Responsibilities of the learner include:

* One hundred percent commitment to the learning process. Learners are encouraged to study any additional source of information relevant to this learning process.
* Doing all assignments contained in this workbook as well any tasks and assignments received from your Facilitator or supervisor to whom you have been assigned.
* Although the Facilitator is responsible to sign off all sections completed, it is the learner’s responsibility to ensure that all paperwork is completed and handed in for filing on his/her record of learning. It should be clearly stated to learners that a 100% complete record of learning, as prescribed by this Guide, is their sole responsibility. Any document missing from the record may result in your not being declared competent.
* Discuss any problems that you may have with your Facilitator.

ACKNOWLEDGEMENT OF RECEIPT

I \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Learner) acknowledge receipt of my on Practical Skills

Guide on this the \_\_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_ 20 \_\_\_\_\_\_

The process of on-the-job training has been explained to me.

Signature of Learner \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name of Facilitator: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

INSTRUCTIONS TO THE FACILITATOR

This is a very responsible assignment because you have been tasked with the responsibility of rounding off the learner’s practical exposure.

You must ensure that you are familiar with all aspects of the work covered in this Guide because you must keep a daily account of the learner’s performance.

* Study the Guide and acquaint yourself with its content and format
* Remember this Guide is the learner’s full record of learning and workplace exposure.
* All activities which the learner participates in must be recorded, and all documents produced in relation to this learnership must form part of the record of learning
* Get all the learners together and explain its purpose to them and also what is required of them
* Remember the Facilitator is the creator of learning and exposure opportunities. You should therefore not confine the learner’s exposure to this Guide alone
* Continuously guide them in doing the assignments and arranging the planned exposure with the relevant departments
* File all duplicate records of learning on a file for each learner
* This Guide need not be followed chronologically, but please note that the learner is required to work through the entire Guide by the end of the learning period

**NEW VENTURE CREATION**

Your facilitator will arrange a work area for you to demonstrate your knowledge and enhance your skills in New Venture Creation. The facilitator shall provide you with given work instructions, checklists, work area, safety and quality procedures, standard operating procedures for the following activities.

Complete the following activities in the presence of your facilitator/instructor who must observe the activity and complete the attached observation evaluation form.

**1. Discuss some of the underpinning traits held by entrepreneurs.**

Anyone can become a successful entrepreneur. However, there are a few key personality traits that all (or almost all) successful entrepreneurs have in common.

**1. Robust Work Ethic**

Successful entrepreneurs know a thing or two about work ethic. Most of the time, they’ll be the first to arrive at the office and the last to leave. If there’s unfinished business, they’ll show up at the office on weekends and holidays and work until the job is complete. These are the people who always have work on their mind, even if they’re enjoying personal time.

**2. Deep Passion**

Work ethic and passion go hand in hand. It takes work ethic to keep the business strong, and it takes passion to feel motivated enough to maintain a good worth ethic.

I believe passion is easily the most significant personality trait any successful entrepreneur has, and for obvious reasons. They’re successful because they choose to do what they love.

Did you ever feel so passionate about a school project that you ended up getting an A? That feeling of success is priceless, and it’s how entrepreneurs feel when they see great outcomes from the effort they put into their work.

**3. Creativity**

Companies that thrive are often built from the wild creativity of their creators. With aggressive competition these days, entrepreneurs are forced to come up with original ideas that differentiate their companies from others.

Creativity can mean thinking of unique business ideas. It can also come into play when finding a relationship between two unrelated things to solve a problem. Creative entrepreneurs consider the possibility that the traditional solution isn’t good enough.

**4. Motivated Self-Starters**

A self-starter doesn’t settle for a draining 9-to-5 job. A self-starter doesn’t give up at the first sign of struggle. A self-starter doesn’t hold things off until it’s too late.

A self-starter is someone who does what needs to be done without being asked or encouraged to do so. They take the initiative on their own projects and lead themselves. They recognize that when things get hard, it’s a challenge that helps them grow as an entrepreneur and make the business stronger.

Entrepreneurs have to be self-starters to help their businesses scale rapidly in today’s cutthroat business world.

**5. Easygoing Attitude**

Change of plans? Do you need to redo an entire project? A successful entrepreneur will shake off any inconveniencies and start from scratch without getting into a huge rut. In fact, many entrepreneurs will tell you that their businesses turned out much differently from what they had originally envisioned. They’ll also likely tell you that they wouldn’t want their business to have turned out any other way.

Being easygoing is all about going with the flow, taking new opportunities as they come, not getting stuck in a certain mindset and being receptive to changes and even criticism. Successful entrepreneurs can take a bad situation and spin it around to their advantage.

**6. Eager to Learn**

No one knows everything. A new business doesn’t often have staff in every department due to lack of funding. It takes time and resources to build a team. That means entrepreneurs need to learn everything from accounting to marketing from the get-go.

This kind of experience is what makes accomplished entrepreneurs so well rounded. They’ve seen it, been through it and learned it all before.

Whether you hope to become an entrepreneur, are fairly new in the game or are now a seasoned entrepreneur, you can become successful. Although adopting these personality traits will help you in the long run, it’s likely you already possess them if you’re following the entrepreneurial path.

2. What factors influence the discovery or creation of opportunities?

There are five factors that influence identification of opportunities. These are:  
a.  Entrepreneurial Alertness

b. Prior Knowledge  
c.  Discovery versus Purposeful Search  
d.  Networking versus Solo Entrepreneur

e.  Creativity

**a.   Entrepreneurial Alertness Factor**  
This is a predisposition to observe and be responsive to information about objects, incidents, and patterns of behavior in the environment, with special sensitivity to maker and user problems, unmet needs and interests, and novel combinations of resources.  This is  usually  preceded by  a position  of enthusiastic  awareness of information. Entrepreneurs constantly search about for opportunities that have been overlooked before then but unfortunately not all that have entrepreneurial alertness become successful entrepreneurs. Opportunity identification is only an indispensable stage of a process in initiating a new successful business.

There are two types of alertness. These are the potentially worthwhile goal s that have remained unnoticed and the unnoticed but potentially valuable resources. The alert entrepreneur is said to be alert to the receipt of information rather than already being in possession of it. Entrepreneurial alertness is of major importance in opportunity identification. Alertness for a venture is built upon the three ideas of personality traits, social networks and prior knowledge.

People’s self-perception of creativity, high intelligence and a supportive family environment that encourages creative thinking contributes highly to execution of entrepreneurial plans. The  optimism acquired from these builds up a self confidence attitude and eventually success in recognizing entrepreneurial opportunities when it comes. It is the belief by many people that they are very good experts in decision making, thereby detect opportunities and take risks.

**b.    Prior Knowledge Factor**  
People tend to discover opportunities from the information that is related to the information they already know. Prior knowledge and experience are the primary source of searching for opportunities. Entrepreneurs narrowed their search to areas where they had specific prior knowledge. Prior knowledge triggers identification of the value of new information. There are two main areas of prior knowledge relevant to the identification process. The first one is the knowledge that is of special fascinating interest to the entrepreneur. The second area is the knowledge accumulated over the years and eventually got familiar with customer problems and issues involved. The fascinating interest compels the entrepreneur to intensify his or her competences that eventually result in an insightful knowledge of the subject matter.

**c.    Discovery versus Purposeful Search Factor**  
Some entrepreneurs absolutely believe that opportunity identification has to be through a purposeful search for opportunities while others believe that opportunity is something that had been readily available and overlooked but now discovered accidentally. Businesses established on accidentally discovered venture ideas and which had not been subjected to prescribed screening achieved break-even sales faster than those businesses that had undergone purposeful searches.

**d.    Networking versus Solo Entrepreneurship Factor**  
Entrepreneurs’ network is vital in opportunity identification.  The main contribution of network to identifying potential venture opportunities is from information gathered from social exchange of ideas. The common sources for such opportunity are from friends, relatives, businessmen, lawyers, bankers, participation in professional seminars,   workshops   and   conferences,   newspapers,   books,   periodicals   and manuals. It is the belief that an individual’s strong-tie network within the family and friends set up are fragile information sources compared with weak ties  that are casual acquaintances. People with widespread networks discover more  pungent opportunities than those businessmen who do not have social networks.

There are three categories of opportunity recognition attitudes from social networks. These are the solo, the network and the informal categories. The solo entrepreneur category has a very creative, opportunistic and distinctive alertness attitude. They develop business ideas on their own with the belief that new opportunities which is claimed to be theirs alone, come naturally. Network entrepreneurs obtain their ideas from their social networks. With them, enduring opportunities are not related to each other   while   entrepreneurial   ideas   emanate   only   from   accidental   routes. Entrepreneurs with informal attitudes get their ideas when relaxed.

**e.    Creativity Factor**  
There is a link between creativity and entrepreneurship and are sometimes refer to be same. The nature of creativity is about innovation leading to the creation of new ventures while entrepreneurship itself is a form of creativity or can even be referred to as business creativity and in most cases new businesses are creatively original and functional. Most successful entrepreneurs identify opportunities that others do not see due to the special creativity attribute they possess. These creative attributes has a lot to do in business decision making and therefore very significant in opportunity- identification process. To entrepreneurs, the more innovative the idea the better the idea This makes creativity a fundamental component in the entrepreneurial process. Hence creative entrepreneurship is described as the accomplishment of original useful ideas to start a new business to product and service delivery level.

**3. Explain why it is important to understand diversity in entrepreneurship.**

**Understanding diversity in entrepreneurship is important to:**

* + **Better understand the heterogeneity in entrepreneurship**
  + **To understand what the motivations and challenges for entrepreneurs are**
  + **To help identify and break down the barriers for entrepreneurs**

**4. What are the differences between start-up entrepreneurship and corporate entrepreneurship?**

Differences between start-up and corporate entrepreneurship:

Start-up entrepreneurship – takes the risk; owns the concept or innovative idea; owns all or much of the business; potential rewards are theoretically unlimited; one misstep can mean failure; vulnerable to outside influence; independence of the entrepreneur, although the successful entrepreneur is typically backed by a strong team; flexibility in changing course, experimenting, or tying new directions; speed of decision making; little security; no safety net; few people to talk to; limited scale and scope initially; severe resource limitations.

Corporate entrepreneurship – assumes the risks, other than career-related risk; owns the concept, and typically the intellectual rights surrounding the concept; may have no equity in the company, or a very small percentage; clear limits are placed on the financial rewards; more room for errors; company can absorb failure; more insulated from outside influence; interdependence of the champion with many others; may have to share credit with any number of people; rules, procedures and bureaucracy hinder the entrepreneur’s ability to manoeuvre; longer approval cycles; job security; dependable benefit package; extensive network for bouncing around ideas; potential for sizeable scale and scope fairly quickly.

**5. What is International New Venture; describe different types of International New Ventures with illustrated examples**

Entrepreneurs who can identify and act on international market opportunities and be able to manage effectively different resources from multiple countries can drive their INVs to success. There are four types of INVs:

1. Export/import start-ups
2. Multinational trader
3. Geographically focused start-ups
4. Global start-ups

(i) the export and import start-ups concentrate on limited countries for trading where the entrepreneur is knowledgeable; (ii) the multinational traders operate in a number of countries and continually scan for new opportunities where “their networks are established or where they can quickly be set up”; (iii) geographically focused start-ups possess their advantages by offering their services as “the specialised needs” of a particular geographic region via the use of foreign resources. The last type of INVs is (iv) the global start-up, which is the most radical manifestation of the INVs. This type develops its competitive advantage from various organisational activities where their locations are globally dispersed.

**6. How to build international entrepreneurial capabilities for starting an international venture?**

Building international entrepreneurial capabilities:

-Articulating a global purpose.

-International market opportunity identification: connect the dots

-Institutional bridging: preference and capacity for cross-cultural collaboration

-Strategic alliances building

-Supply chain creation