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**SOUTH AFRICAN QUALIFICATIONS AUTHORITY (SAQA)**

In accordance with regulation 24(c) of the National Standards Bodies Regulations of 28 March 1998, the Standards Generating Body (SGB) for

Financial Services

Registered by NSB 03, Business, Commerce and Management Studies, publishes the following unit standards for public comment.

This notice contains the titles, fields, sub-fields, NQF levels, credits, and purposes of the qualifications, and the titles and specific outcomes of the unit standards upon which qualifications are based. The full qualifications and unit standards can be accessed via the SAQA web-site at www.saga.co.za. Copies may also be obtained from the Directorate of Standards Setting and Development at the SAQA offices, 659 Pienaar street, Brooklyn, Pretoria.

Comment on the unit standards should reach SAQA at the address ***below and no later than 18 January 2002***. All correspondence should be marked **Standards Setting – SGB for Financial Services** and addressed to

The Director: Standard Setting and Development
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SOUTH AFRICAN QUALIFICATIONS AUTHORITY

**National Certificate in New Venture Creation (Entrepreneurship) NQF level 4****Field:** Business, Commerce and Finance – NSB 03**Sub-field:** Generic Management**Level:** 4**Credit:** 148**Issue date:****Review date:****Rationale of the qualification**

The design and establishment of an entrepreneurship qualification must aim to:

- (a) Develop appropriate skills and knowledge required for enterprise development
- (b) Address the economic/ administrative and behavioural (psycho-social) barriers that contribute to failures in starting and sustaining the enterprise.

South Africa has a plethora of small business training programmes and many small business structures and policies. However, there have been no appreciable related improvements in job creation or economic competitiveness to date. In fact, the government is on record for admitting that, despite the huge investment in support structures and training, there is little appreciable positive impact evident in the SMME sector. Entrepreneurship failure can mainly be assigned to the absence of much needed skills to become truly entrepreneurial'.

In South Africa, higher education has come under the spotlight for its potential role in the development of entrepreneurs. A major challenge it faces is the aligning of curricula and objectives with the needs of society and the marketplace - and the production of learners who will be able to contribute to wealth creation for the nation.

There is a need for a unifying framework for the development of entrepreneurs. It is in this context that this qualification is proposed.

Purpose:

In order to give effect to the above vision and framework, the qualification will have as its core purpose, *qualifying learners to be competent in consistently using a variety of technical, business managerial and personal skills and strategies in the creation and sustenance of added value in any product, process or system in any context. The successful learner will have developed a sound foundation for the application of these skills to explore a diverse range of entrepreneurial opportunities.*

The conceptual framework of this entrepreneurial qualification is, in general, to create a union between an actor element (e.g. individual, team or organisation) and a project or process element (e.g. product, service or system) with added value as a core outcome. Within this context the qualification is grounded in the provocation of behavioural change. An added perspective is that these programmes will lead towards a more entrepreneurial society in a wide range of political legislative and social policies and practices.

Three qualifications are envisaged:

- ❖ National Certificate Venture Creation (Small/micro) NQF 2
- ❖ National Certificate Venture Creation II (NQF 4)
- ❖ National Certificate Venture Creation (NQF 5)

Research has indicated that in order to qualify for a Venture Creation Qualification, learners will need to demonstrate competence in the following :

1. **Acquisition of an Entrepreneurial Profile which includes, amongst others, an initiative orientation.**
[The ability to use their understanding of the characteristics of successful entrepreneurs to develop these characteristics within themselves while having an appreciation of the importance of an innovation orientation to business success; and the knowledge of specific techniques for releasing creativity in the development of a viable business opportunity. (an innovation orientation)]
2. **Acquisition of information gathering skills relevant to Venture Creation viz Exploratory Market Research, Competitors Analysis, Industry Analysis, Consumer Research.**
3. **Ability to mobilise resources to start a new venture.**
[The ability to formulate, deploy, review and implement business policy, practice and strategy into plans and action.]
4. **Ability to manage and use resources and information effectively and efficiently (Manage Operational Activities).**
5. **Ability to structure and appropriately manage the market access component of their venture.**
[The ability to determine the market requirements and enhance expectations of customers and markets]
6. **Ability to initiate and sustain quality and continuous improvement within the new venture.**
[The ability to inspire, support and promote a culture of performance excellence]
7. **Ability to identify, manage, review and improve business processes. (Business Improvement).**
8. **Ability to release the full potential of people.**

Access to the Qualification

Venture Creation I : is open to all learners who display competence in any one of the official languages at NQF level 1 or above.

Venture Creation II: it is expected that learners will have gained some life and / or work experience and will display competence in any one of the official languages at NQF level 3 or above.

Venture Creation III: it is expected that Learners will have gained some own business experience/technical skills / at least 5 years work experience and display competence in any one of the official languages at NQF level 4 or above.

Career pathing ; progression from venture Creation I through to Venture Creation III will reflect the transition of micro/ very small business ventures into more formal growth entities. Venture Creation III will allow for post matric learners to utilise their formal technical/educational skills for self employment purposes.

Learning assumed to be in place

Venture Creation I :Functional Literacy and numeracy at NQF 1 or equivalent.

Venture Creation I :Functional Literacy and numeracy at NQF 3 or equivalent.

Venture Creation I :Functional Literacy and numeracy at NQF 4 or equivalent.

Exit Level Outcomes

1. The ability to build basic personal and interpersonal skills which will serve as a foundation for all further business learning.

Specific outcomes :The qualified learner will be able to:

- Recognise the importance of teamwork in a business and demonstrate his / her ability to effectively work with others in a team.
- Understand the effects of group dynamics in order to recognise these in his future business.
- Identify the various behaviors that can interfere with team effectiveness and take preventative action to overcome similar problems in his/her future business.
- Recognise that teamwork can be enhanced by employing motivational strategies, and implement these appropriately in his / her future business.

2. The ability to use their understanding of the characteristics of successful entrepreneurs to develop these characteristics within themselves.

Specific outcomes: The qualified learner will be able to:

- examine and analyse own value system in an ethical business context in order to be aware of, and adhere to, both common and legislative law in his / her future business venture
- use understanding of the characteristics of successful entrepreneurs to develop these characteristics within themselves.
- appreciate the importance of an innovation orientation to business success and know the specific techniques for releasing creativity in the development of a viable business opportunity.
- be able to establish a base line of self-knowledge in respect of personality, interests, and aptitudes; and use this as a foundation for the development of appropriate business ideas.

3 The ability to apply sound basic business concepts to build his / her own viable business venture.

Specific outcomes: The qualified learner will be able to

- communicate effectively, both verbally and in writing, with all internal and external stakeholders.
- use basic numeracy skills in a range of commonly used business calculations.
- apply basic IT skills in effective administration of his / her own small business.
- Identify the economic realities of South Africa and exploit the opportunities that exist for ENTREPRENEURSHIP engagement.

4. The ability to apply a range of business skills in establishing and sustaining his/her business venture.

Specific outcomes: The qualified learner will be able to:

- identify the criteria for creating an effective business plan and implement this successfully
- effectively apply and implement the appropriate data gathering techniques in identifying marketing opportunities.
- identify the various forms of ownership available and select an appropriate vehicle for his/her new venture
- Formulate and implement a marketing plan for his/her proposed business, reflecting the ability to analyse and evaluate market research, in order to successfully penetrate the identified market
- formulate and implement a financial plan for his/her proposed business reflecting the ability to apply the principles of costing and pricing in his/her own business venture and an understanding of how effective financial management can contribute to the success, profitability and efficiency of their business
- formulate and implement an HR plan for his/her proposed business, reflecting the ability to implement appropriate organisational structure for the new venture
- identify financing options available and access the finance required for the establishment of the business.
- implement an action plan in order to execute the establishment his/her own business

5. The ability to use the resources at their disposal for business growth by aligning both internal and external environments in responding to market conditions

Specific outcomes: The qualified learner will be able to:

- identify support structures and create good working relationships, using these sources of support, to maximise his/her chances of success.
- implement effective negotiation tactics to secure a favourable outcome in the bargaining process.
- analyse his / her marketing objectives by ensuring that the correct strategy is being pursued; and know how and where the business's strengths need to be developed.
- take decisions concerning the future of his / her business with greater awareness of their implications be familiar with the elements of the exporting and tendering processes which he / she could apply in the future growth of the business.

Associated Assessment Criteria

The assessment criteria of the qualification are embodied in the unit standards. The depth of technical expertise that will be assessed across the various specialist contexts are clearly articulated in the relevant specific outcomes, assessment criteria and range statements within these unit standards.

Integrated Assessment

A summative integrated assessment framework is proposed as follows:

1. **Acquisition of an Entrepreneurial Profile which includes, amongst other, an innovation orientation.** (*Interdependence with : Know Yourself,, Innovation Orientation for Entrepreneurs, Entrepreneurial Profile, setting personal Goals.*)
2. **Acquisition of data gathering and information processing skills relevant to Venture Creation** viz Exploratory Market Research, Competitors Analysis, Industry Analysis, Consumer Research. (*Interdependence with Business idea selection, Marketing for a new venture, understanding the economy, IT, Numeracy, .*)
3. **Ability to mobilise resources to start a new venture.** (*Interdependence with Strategic Planning, Financing a new business, Marketing for a new venture, Business Communication determining profitability for a new venture, Working in Teams, Negotiating in a Business.*)
4. **Ability to manage an efficient and effective new business entity.** (*Interdependence with managing HR , Financial Management for a new enterprise, Business Performance Management, Working in a team.*)
5. **Ability to structure and appropriately manage the market access component of their venture.** (*Interdependence with a Strategic Planning, Negotiation in business, Marketing, Business Ethics,.*)
6. **Ability to initiate and sustain continuous improvement within the new venture.** (*Interdependence with Working in a Team, , Business performance management, Business Ethics, Quality management.*)
7. **Ability to implement a plan for business improvement .** (*Interdependence with,, Strategic Planning, , Quality Management., Business Performance Management)*

The identification and solving of problems, team work, entrepreneurial development of self and others, organising self, planning and managing processes within small business, implication of actions and reactions in the world as a set of related systems must be assessed during any combination of practical, foundational and reflexive competencies assessment methods and tools to determine the whole person development and integration of applied knowledge and skills.

- Assessors and moderators should develop and conduct their own integrated assessment by making use of a range of formative and summative assessment methods. Assessors should assess and give credit for the evidence of learning that has already been acquired through formal, informal and non-formal learning and work experience.

Unit standards associated with the qualification must be used to assess specific and critical cross-field outcomes. During integrated assessments the assessor should make use of formative and summative assessment methods and should assess combinations of practical, applied, foundational and reflective competencies.

Recognition of prior learning

This qualification may be achieved in part through the recognition of prior learning, which includes formal, informal and non-formal learning and work experience.

Moderation Options

- Anyone assessing a learner or moderating the assessment of a learner against this Qualification must be registered as an assessor with the relevant ETQA.
- Any institution offering learning that will enable the achievement of this Qualification must be accredited as a provider with the relevant ETQA.
- Assessment and moderation of assessment will be overseen by the relevant ETQA according to the ETQAs policies and guidelines for assessment and moderation; in terms of agreements reached around assessment and moderation between ETQAs (including professional bodies); and in terms of the moderation guideline detailed immediately below.
- Moderation must include both internal and external moderation of assessments at exit points of the qualification, unless ETQA policies specify otherwise. Moderation should also encompass achievement of the competence described both in individual unit standards, exit level outcomes as well as the integrated competence described in the qualification.

Anyone wishing to be assessed against this Qualification may apply to be assessed by any assessment agency, assessor or provider institution that is accredited by the relevant ETQA.

Criteria for registration of assessors

Assessors need experience in the following areas:

- Interpersonal skills, subject matter and assessment.

The assessor needs to be competent in the planning and conducting of assessment of learning outcomes and in the design and development of assessments as described in the unit standards Plan and conduct assessment of learning outcomes NQF level 4. Subject matter experience must be well developed within the field of business development and small business management. The assessor must have completed, at least, :

- A business qualification at NQF level 5 or above with a minimum of 2 years own business experience or,
- a minimum of 5 years personal experience of business start-up and management

Assessors need to be registered with the relevant Education and Training Quality Assurance Body.

International comparability

This qualification has been benchmarked against international standards and qualifications, specifically those of New Zealand, Australia and Scotland. International and South African support for the proposed conceptual framework and content is evidenced in the work of :

Amos, T.L. & Maas, G. (2001) *Developing entrepreneurial students: A proposal of the what and how*. University of Rhodes. Paper submitted at the 11th global IntEnt-Conference, 2nd to 4th July 2001, Kruger National Park, South Africa.

Begley, T.M. & Boyd, D.P. (1987). *A comparison of entrepreneurs and managers of small business firms*. Journal of Management, 13, pp. 99-108

Davies, TA; Fagan, K. (1995). *The Graduate Enterprise Programmes*. Durban, South Africa. Siyakhana Holdings

Davies, TA; (2001). *Venture Creation : An Innovative Learnership Model for the Self-Employed*. (Technikon Natal, Paper submitted to the IVEATA Conference, 11th – 15th November 2001, Tanzania)

Gartner, W.B. & Vesper, K.H. (1994). *Experiments in Entrepreneurship Education: Successes and Failures*. Journal of Business Venturing. New York.

Gibba, A. (1992). *The enterprise culture and education – understanding enterprise education and its links with small business, entrepreneurship and wider educational goals*. International Small Business Journal. pp. 24

Gorman, G.; Hanlon, D.; King, W. (April / June 1997). *Some Research Perspectives on Entrepreneurship Education and Education for Small Business Management: A Ten-Year Literature Review*. International Small Business Journal, pp. 22

Solomon, G.T.; Winslow, E.K. & Tarabishy, A. (1997). *Entrepreneurial Education in the United States An Empirical Review of the Past Twenty Years*.

Terblanche, N.S.; Keyter, L. (1997). *Creative Entrepreneurship*. Pretoria, South Africa. Kagiso Tertiary

Van Vuuren, J.J. & Antonites, A.J. (2nd to 4th July 2001). *Recent developments regarding content of entrepreneurship training programs*. Department of Business Management, University of Pretoria. Paper submitted at the 11th global IntEnt-Conference, Kruger National Park, South Africa.

Watson, C.H. (2nd to 4th July 2001). *Topics for Entrepreneurship Education: Viewpoints of Practitioners in the Gauteng Province of South Africa*. Technikon Pretoria. Paper submitted at the 11th global IntEnt-Conference, Kruger National Park, South Africa.

Articulation possibilities

National Diploma in Small Business Management

Certificate in Business Management

Venture Creation III –

Appropriate Business Management Skills programmes

UNIT STANDARD TITLE MATRIX - VENTURE CREATION II

NAME	NQF LEVEL	CREDITS
	4	
Fundamental Skills		
Information Technology for Small Business	1	
Mathematical Literacy and Numeracy	3	
Communication Studies and Language. A total of 5 of these 20 credits will be utilised to embed the sector requirements of basic business communication, financial terminology; communication in the workplace, written, verbal and interpersonal communication etc.	3	36
Core :		
Behavioural		
Understanding an Entrepreneurial Profile	3	4
Ethics and Social Responsibility	2	1
Setting Personal Goals	3	4
Know Yourself	3	4
Working in Teams	3	4
Time Management	3	4
Innovation Orientation for Entrepreneurs	3	4
Small Business Start-Up		
Understanding the Economy	3	5
Business Idea Selection	4	8
Effective Business Planning	4	10
Determining Profitability in a New Venture	4	5
Mobilising Resources	3	4
Financing a New Business	3	6
Negotiating in Business	4	7
Operating a legal business	2	4
Marketing for a New Venture	4	10
Business Management		
Financial Management for a New Enterprise	6	5
Managing Human Resources	6	5
Keep Financial Records	6	4
Quality Management	6	5
Business Performance Management	6	5
Business Improvement		
Thinking Strategically	4	4
TOTAL		148