

INDIAN SCHOOL MUSCAT
SECOND TERM EXAMINATION-2017-18
CLASS: XI
ENTREPRENEURSHIP
MARKING SCHEME (70 marks)

1	<p>“Earlier, hair oil was available only in tins and introducing it in plastic small packs has become convenient for customers to carry and use”.</p> <p>Mention the core value of an entrepreneur referred in the above case. Ans: Innovative and Creativity</p>	1
2	<p>Define market research Ans: It is the versatile activity to gather a variety of information needed to address different decisions.</p>	1
3	<p>Daniel has a cotton textile manufacturing unit. He basically serves the customer with the same products. He does not want to take risk and easier and comfortable. Mention the strategy adopted by Daniel in his business. Ans: Stability Strategy</p>	1
4	<p>Dr. Abraham M. George: Founder of The George Foundation. It was established in January 1995 in Bangalore, India. Their mission is to work towards poverty eradication, promote environmental health, and strengthen democratic institutions and values in developing countries. Dr. Abraham M. George is totally different from Sanders, founder of KFC.</p> <p>Mention any one difference between them. Ans: Dr. Abraham is a social entrepreneur who worked towards poverty eradication KFC founder Sanders was a entrepreneur aimed at earning profit.</p>	1

5	<p>A group of persons sit together and generate a number of business ideas by innovating alternative ways of meeting the needs and solving problems. It is usually an unstructured discussion in which one idea leads to another. This is a very productive method for generating as many ideas as possible Identify the way of generating business ideas discussed in the above para. Ans: Brain Storming</p>	1
6	<p>What is an entrepreneurship? Ans: Entrepreneurship may be defined as a systematic innovation which consists of the purposeful and organised search for changes, and a systematic analysis of the opportunities that such change might offer for economic and social transformation. Or any other relevant point</p>	2
7	<p>“A consumer's attitude can be formed and changed through personal contact with influential persons such as respected friends relatives and experts. Opinion leaders are examples of people</p>	2

	<p>who are respected by their followers and who may strongly influence the attitudes and purchase behavior of followers”.</p> <p>How is this factor mentioned in the above statement used by the firms to earn profit? Give an example.</p> <p>Ans: Advertisers often use actors and actresses who look similar to or act similar to their intended audiences. People tend to like others who are similar to themselves because they believe that they share the same problems, form the same judgments and use the same criteria for evaluating products.</p>	
8	<p>Some companies expand the business into unrelated industries. For example TATA which has business in automobile, salt, consultancy services etc.</p> <p>Identify the business strategy adopted by the firm. Explain.</p> <p>Ans: Diversification (a brief explanation)</p> <p style="text-align: right;">(1+1=2)</p>	2
9	<p>It is the process that activates the entrepreneurs to exert a high level of effort for the achievement of his or her goals.</p> <p>Identify the concept and organize the process of the concept referred in an orderly sequence</p> <p>Ans: 1. Motivation (1 mark)</p> <p>Unsatisfied need \Rightarrow tension \Rightarrow drive</p> <p style="margin-left: 20px;">\uparrow</p> <p>Reduction of tension \Leftarrow Satisfaction of need \Leftarrow Search behavior</p> <p style="text-align: right;">1+1=2 MARKS</p>	2
10	<p>Hina Shah, a pioneer in the space of women entrepreneurship for more than three decades, and founder of the International Centre for Entrepreneurship and Career Development (ICECD), says, "Currently, the overall environment for women entrepreneurship in India is conducive and a series of initiatives has been taken up to encourage it. However, from a macro policy point of view, women entrepreneurship development has been a residual category.”</p> <p>Identify any two problems in the women entrepreneurship development.</p> <p>Ans:</p> <p>1. Patriarchal society: The gender bias that exists in society is predominantly due to the patriarchal attitude that has existed over a long period of time.</p> <p>2.Attitude of creditors towards women: Women entrepreneurs suffer while raising and meeting the financial needs of their business</p> <p style="text-align: right;">Any other relevant point (1 +1=2)</p>	2
11	<p>Redman, an entrepreneur know the importance of marketing research but he needs clarifications on the good aspects of marketing research. Can you help him with a few characteristics that make marketing research good research?</p> <p>Ans:</p> <p>1. Relevance</p>	3

	<p>2. clarity 3. precision 4. accuracy 5. reliability 6. authenticity (half a mark each --$\frac{1}{2} \times 6 = 3$)</p>	
12	<p>Society and family plays an important role in encouraging young minds to take up entrepreneurial venture. Explain and also mention the good values that society need to have to encourage women entrepreneurs to come forward with their new business ideas.</p> <p>Ans:</p> <ol style="list-style-type: none"> 1. The individual perception of what his/her family and friends think or opine about Entrepreneurship has a crucial role to play. 2. Besides, the view of the family, their support and the society with regard to failure is also a very important factor playing upon the young minds and framing their opinion. 3. Family's support is very essential because in most cases, the youth would need to borrow initial finances from the family and friends. 4. The family's attitude towards education and other careers in fields like medicine, engineering etc are also likely to dominate the youth's mindset towards entrepreneurship. <p>(2 marks)</p> <p>Value:</p> <ol style="list-style-type: none"> 1. Avoid gender bias while lending loan 2. provide all technical and family support 3. treat women as human being and not as a subordinate. (any one relevant value- 1 mark) 	3
13	<p>'An entrepreneur is the owner of the enterprise and an employee is in the service of the enterprise and both work in the interest of the enterprise'. Analyze the differences between them.</p> <p>Ans:</p> <p>1. Motive: ($\frac{1}{2} + \frac{1}{2}$) The motive of an entrepreneur is to start a venture by setting up of an enterprise. One undertakes the venture for his personal gratification; whereas the employee's job is to render one's service in the ongoing or new enterprise set up by someone else.</p> <p>2. Status: ($\frac{1}{2} + \frac{1}{2}$) An Entrepreneur is the owner of the enterprise, whereas an employee is the servant in the Enterprise owned by entrepreneur.</p> <p>3. Risk Bearing: ($\frac{1}{2} + \frac{1}{2}$) An entrepreneur being the owner of the enterprise assumes all risks and uncertainty involved in running the enterprise considers and thinks about one's business 24 hours, where as an employee being servant does not bear any risk, all that, can happen is one may lose one's job with or without some compensation. One thinks of one's enterprise that one is working on duty for certain hours only.</p> <p style="text-align: right;">(any other relevant points)</p>	3
14	<p>Identify the features of social entrepreneurs.</p> <p>Ans:</p> <p>1. Social Catalysts: Visionaries who create fundamental, social changes by reforming social systems and creating sustainable improvements. According to J. Gregory Dees, —though they may act locally, their actions have the potential to stimulate global improvements in their chosen arenas, whether that is education, health care, economic development, the environment, the arts, or any other social field.¶</p>	3

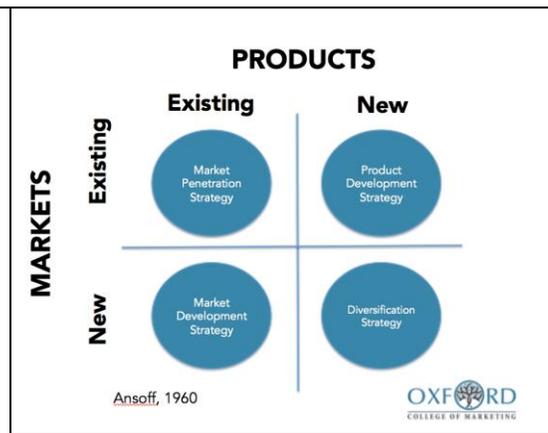
	<p>2.Socially aware: Social improvement, as opposed to the creation of profit, should be the ultimate goal of the social entrepreneurs. The success of their endeavours is measured by their social impact, not by the amount of profits generated.</p> <p>3. Opportunity-seeking: Relentless pursuit of their goals, seeing every obstacle as an opportunity to develop and fine-tune their business models.</p> <p style="text-align: right;">(any relevant points)</p> <p style="text-align: center;">(each points carries ½ for main point and ½ for explanation)</p>	
15	<p>There are a number of aspects involved in marketing a product or service .some of them are controllable and others are uncontrollable. Those which are uncontrollable, least could be done about them. What are those controllable aspects of marketing?</p> <p>Ans:</p> <ol style="list-style-type: none"> 1. The feature of the product-(product) 2. Its price –(price) 3. its selling system –(place) 4. its advertisement mode ,etc –(promotion) 	3

16	<p>“These are called as the chance of loss. It is the possibility of some adverse occurrence in businesses”.</p> <p>Identify the concept mentioned in the above statement and explain types of the concept identified in the statement.</p> <p>Ans:</p> <ol style="list-style-type: none"> 1. Business Risk (1 mark) 2.Types : a. Insurable (a brief explanation) 1 mark b. non insurable (a brief explanation) 1 mark <p>(i) Insurable Risks are related to life and property against fire, theft, riots etc. (ii) Non-insurable risks are those whose probability cannot be determined and which cannot be insured against. For example: Fluctuations in price and demand.</p>	3
17	<p>Naman and Aman are classmates in Entrepreneurship Development Institute of India (EDII) ,Ahmadabad . Naman had various ideas of ventures to be started to exploit the business opportunities in Gujarat.</p> <p>Aman told Naman to go for detailed process of evaluating all business ideas Naman had. But Naman replied that “evaluating various business ideas are a big waste of time”.</p> <p>Aman said “Amidst of rapidly changing environment, it may seem that evaluating ideas are a big waste of time. One may think that if one takes time to evaluate one’s entrepreneurial ideas on will miss the quickly closing window of opportunity. However, there are good reasons why idea evaluation is an important step in researching the ventures feasibility”.</p> <p>Mention those good reasons of evaluating business ideas before venturing into a business venture.</p> <p>Ans:</p> <p>1.To decide what is important</p>	3

	<p>Idea evaluation is important because it forces the entrepreneur to decide what is important to the entrepreneurial venture, which the entrepreneur is pursuing. Potential ideas should be evaluated against what is important to him/her.</p> <p>2. To Identify Strengths and Weaknesses of the Idea Another reason that idea evaluation is important is that all ideas are not created equal some ideas that an entrepreneur comes up with will have better chances of success than others. By evaluating the strengths and weakness of each idea, the entrepreneur is forced to identify and assess the strong and weak points because in looking at the strengths and weaknesses of each alternative one is getting information to help one to make a better decision.</p> <p>3.To make the best use of limited resources The next reason why idea evaluation is important has to do with the reality of limited resources at disposal. Most entrepreneurs have limited amount of money, time, people or other resources that will be needed to pursue their entrepreneurial ideas by evaluating their entrepreneurial ideas, they can make sure their choices make the best use of those limited resources.</p> <p>(any relevant points) (1 mark each)</p>	
18	<p>Identify the advantages of entrepreneurship.</p> <p>Ans:</p> <p>1.Excitement: Due to its high capacity for risk, there is a lot of adventure for example, Steve Jobs left his position in Apple Inc., and started Pixar, which later turned out to be a successful venture.</p> <p>2.Originality: Some feel that they can offer a new service or product that no one else has offered before, i.e., I-pod and I-pad</p> <p>3. Independence: Some wish to be their own boss and make all the important decisions themselves.</p> <p>4. Rational salary: They are not being paid what they are worth and would rather work on their own and earn the money they should be earning for their efforts.</p> <p>5.Freedom: Entrepreneurs can work on any idea which they feel will eventually turn out to be a successful venture, for instance, Richard Branson's idea of space mission.</p> <p>(any four points 1 mark each)</p>	4
19	<p>Kareem, an engineering graduate from Coimbatore began a unit to produce submersible pumps. He started the enterprise with enthusiasm, but when he faced some difficulties in the execution of plans, he lost confidence and finally gave up the business venture.</p> <p>a). Identify the barriers to entrepreneurship discussed in the case and explain any two other barriers .</p> <p>b).What value would you like to suggest to entrepreneurs like Kareem?</p> <p>Ans:</p> <p>a. Self motivation (1 mark)</p> <p>other barriers: 1. Economic (a brief explanation- 1 mark) 2.Political (a brief explanation- 1 mark)</p> <p>b. value:</p> <p>1. Never get discouraged by failures.</p> <p>2. Bounce back with confidence. (any relevant 1 point- 1 mark)</p>	4
20	<p>Competency is a set of defined behaviors that provide a structured guide enabling the identification, evaluation and development of the behaviors in an individual. Can you identify some of the entrepreneurial competencies?</p> <p>Ans:</p> <p>1.Initiative:</p>	4

	<p>One of the most fundamental competencies required for the entrepreneurs is the ability to take initiative. It is rather the first step in the enterprise. An entrepreneur has to be keen observer of the society, the commercial trends, the product types, the change dynamics and the consumer trends. Once he/she decides to take the initiative, what matters is the speed with which he/she is going to function.</p> <p>2.Creativity and Innovation: Competency in creativity and innovation are sometimes basic traits of certain individuals. He/she might not have any new ideas. He/she may use the creative ideas and innovative products and services to meet the challenges of a situation, take advantage of the utility of an idea or a product to create wealth. Example, changes in the packaging of potato chips.</p> <p>3.Leadership: An entrepreneur should also be an effective leader who should be able to guide and motivate his/her entire team. Whenever a company faces problem it is the will power and effective business acumen and communication skills which oversees the success of the corporation.</p> <p>4.Enterprise Management Competencies: The enterprise may be small or big but it demands management abilities on the part of its owner or manager. Various management functions such as production, marketing, finance etc., are crucial functions to entrepreneurs. These influence the result directly, and therefore, are necessary determinants for the sustenance of an enterprise.</p> <p style="text-align: center;">(any four relevant points- 1 mark each)</p>	
21	<p>The range of activities performed under Business can be broadly classified as a) Industry and b) Commerce. But both aspects are different from each other. Can you find the major differences between these two?</p> <p>Ans:</p> <p>Industry: It involves all economic activities involved in concerting raw materials into finished products ehich are ultimately consumed by consumers.(1 mark) 2. It includes Primary and secondary industries. (I mark)</p> <p>Commerce: 1. It is concerned with all activities which facilitate exchange of goods and services or relates to transfer of goods from one place of production to ultimate consumers. (1 mark) 2. It includes trade and commerce.(1 mark)</p>	4
22	<p>“Entrepreneurial skills can be inculcated in the young minds of our country. There are organizations that help to accelerate the growth and success of entrepreneurial companies”.</p> <p>Ans:</p> <p>a). What are those organizations called? Business Incubators (1 mark)</p> <p>b). How do such organizations help start-ups get funding? (5 marks)</p> <ul style="list-style-type: none"> • Connecting companies with angel investors (high-net-worth individual investors). • <input type="checkbox"/> Working with companies to perfect venture capital presentations and connecting them to • Venture capitalists. • Assisting companies in applying for loans. • <input type="checkbox"/> Assisting companies in accessing government agency (example NZTE, Technology 	6

	NZ) business assistance grant programmes.	
23	<p>“Economic growth depends on the rate of innovation in the economic field, which in turn depends on the number and quality of entrepreneurs in the society”. How does an entrepreneur act as an agent of progress in the society?</p> <p>Ans:</p> <p>Life-line of a nation: No country can progress without the development of entrepreneurship. Every country is trying to promote its trade so that it is able to share the benefits of development. Therefore, entrepreneurship is the yardstick to measure the level of development of a country.</p> <p>Provides innovation: Entrepreneurship provides new ideas, imagination and vision to the enterprise. An entrepreneur is an innovator as he tries to find new technology, products and markets. He increases the productivity of various resources. The entrepreneur stands at the centre of the whole process of economic development. He conceives business ideas and puts them into effect, to enhance the process of economic development.</p> <p>Change of growth/Inclusive growth: An enterprise operates in a changing environment. The entrepreneur moulds the enterprise in such a changing environment. The latter moulds not only the enterprise, but also alters the environment itself, to ensure the success of the enterprise. In order to meet the challenge of automation and the complexities of advanced technology, there is a need for the development of entrepreneurship.</p> <p>Increased profits: Profits can be increased in any enterprise, either by increasing the sales revenue or reducing cost. To increase the sales revenue is beyond the control of an enterprise. Entrepreneurship, by reducing costs, increases its profits and provides opportunities for future growth and development.</p> <p>Employment opportunities: Entrepreneurship and its activities provide the maximum employment potential. Large numbers of persons are employed in entrepreneurial activities in the country. The growths in these activities bring more and more employment opportunities.</p> <p>Social Benefits: It is not only beneficial to the business enterprise, but to the society at large. It raises the standard of living by providing good quality products and services at the lowest possible cost. It also makes the optimum use of scarce resources and promotes peace and prosperity in the society.</p> <p>(any six points with a brief explanation –1 mark each)</p>	6
24	<p>Igor Ansoff matrix is a very useful frame work for detecting new intensive growth opportunities. Explain those growth strategies with the help of his matrix.</p> <p>Ans:</p> <p>Diagram (2 marks)</p>	6



1. market penetration strategy (1 mark)
2. Product development (1 mark)
3. market development (1 mark)
4. Diversification (1 mark)

(each point need to explained briefly) (2+1+1+1+1=6)