

1.1 Enterprise

Name: _____ Class: _____ Date: _____ **Total: 29 marks**

KEY WORDS business plan 商业计划书 • entrepreneur 企业家 • enterprise 创业
• adding value 增值 • finance 融资

Objective

Build the skills to answer exam questions on **enterprise** 创业 — business activity, **adding value** 增值, the **entrepreneur** 企业家, and the **business plan** 商业计划书 — and to write to the four command words this topic is tested with: **Define, Explain, Analyse, Evaluate.**

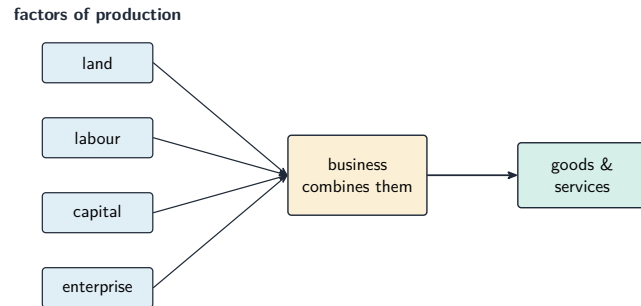
You must be able to:

- define enterprise terms and calculate **value added** 增值
- explain the role and qualities of an entrepreneur and the purpose of a business plan
- analyse benefits and evaluate a judgement to a supported conclusion

1 Worked examples

■ The key ideas of enterprise

A business combines the four **factors of production** 生产要素 — **land, labour, capital and enterprise** 土地、劳动力、资本、创业精神 — to turn scarce resources into goods and services, and to **add value**.

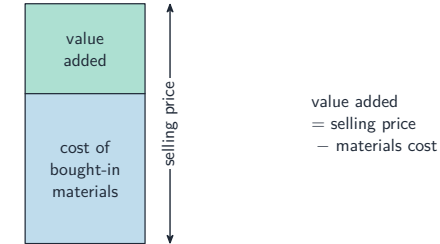


Business activity combines the four factors of production

- **Adding value** 增值 = selling price – cost of bought-in materials. A baker buys

materials for \$0.40 and sells a loaf for \$1.50 → value added = \$1.50 – \$0.40 = \$1.10.

- An **entrepreneur** 企业家 takes the risk to set up a business; an **intrapreneur** 内部创业者 acts like one *inside* a larger firm.



Adding value: selling price minus the cost of bought-in materials

■ How to answer the four command words

Business answers are marked on four **assessment objectives** 评估目标 (AOs):

- **AO1 Knowledge** 知识 — define the term correctly.
- **AO2 Application** 应用 — link it to the business in the question.
- **AO3 Analysis** 分析 — build a reasoning chain (*so... which means... leading to...*).
- **AO4 Evaluation** 评价 — make a two-sided, supported judgement (*it depends on...*).

Answer shapes (longer answers are marked by **level of response**, not point-by-point):

- **Explain one benefit [3]:** name the benefit (AO1), then develop *why* it helps **this** business (AO2).
- **Analyse two benefits [8]:** for each — identify (AO1) + apply (AO2) + a developed reasoning chain (AO3).
- **Evaluate [12]:** AO1 + AO2 + AO3, then weigh **both sides** and decide *in context* (AO4).

2 Practice

2.1 Define the term *adding value*.

[2]

2.2 A firm buys materials for \$6 per unit and sells each unit for \$15. Calculate the value added per unit. [2]

2.3 Identify two characteristics of a successful entrepreneur. [2]

3 Exam-style questions

3.1 Explain one benefit to a business of writing a business plan. [3]

3.2 Analyse two qualities that help an entrepreneur to succeed when starting a new business. [8]

3.3 'A good business plan is the most important reason a new business succeeds.' Evaluate this view. [12]
