1. Mariam was bored with her job in a clothing factory. Her main passion was fashion and she had always been good at selling since helping her father on his market stall. She encourages her parents and some friends to invest in her idea of opening a shop selling good quality ladies clothes. Mariam, as the entrepreneur behind the idea, was prepared to risk her own savings too. She had some exciting ideas for the shop layout and presentation of clothes.
2. What is meant by ‘entrepreneur’? [2]
3. Identify **two** benefits to Mariam of starting her own business. [2]
4. Identify and explain **two** characteristics that Mariam seems to have that might lead to success of her business. [4]
5. Identify and explain **two** benefits to Mariam of keeping her business small. [6]
6. ‘I think I should draw up a business plan before I start’ she said to a friend. ‘I think it would be best if you set up the business now – you don’t need a plan as the shop will be small’ her friend said. Which view do you agree with, justify your answer? [6]
7. Egyptel owns a phone network and provides phone network services to many consumers. The business does not manufacture phones and does not own retail stores selling them. Senior managers at Egyptel are considering a takeover of either a Phone manufacturer of a chain of phone shops. Egyptel employs 4000 workers and, last year, recorded sales of $300m. In contrast, the largest manufacturer of mobile phones SyriaTec, has 450 workers and recorded total sales last year of $1.2bn.
8. What is meant by ‘Takeover’? [2]
9. Identify **two** other ways a business might grow apart from takeovers. [2]
10. Identify and explain **two** reasons why external groups would be interested in measuring the size of businesses such as Egyptel. [4]
11. Identify and explain **two** possible reasons why senior managers at Egyptel want to expand the business [6]
12. How should Egyptel expand – taking over a phone manufacturer or a chain of shops selling mobile phones? Justify your answer. [6]