

# LEVEL 5 BUSINESS, ENTERPRISE AND INNOVATION

## LEARNING WORKBOOK

### – ANSWERS –

Defining the key words (page 1)

	<i>First definition</i>	<i>Second definition</i>
Business	<i>Students' own answers</i>	A commercial activity
Enterprise	<i>Students' own answers</i>	A business
Innovation	<i>Students' own answers</i>	A new method, idea, product

Examples of business, good and service (page 2)

For example:

<i>Business</i>	<i>Good</i>	<i>Service</i>
The Warehouse	Tyres	Pet grooming

Need not, want not (page 3)

1. For example:

	<i>Needs</i>	<i>Wants</i>
A baby	Baby formula	Toy
A child	Food	Bicycle
A teenager	Shelter	iPhone™
Someone in their late 20s	Warm house	Car
An adult with a young family	Job security	Boat
An elderly person	Medical care	Beach house

2. *Students' own ideas; could include ideas such as a person in Auckland might have different needs from someone living in the deep south, e.g. clothes for the person in the south need to be warmer than for the person living in Auckland.*

Industries and sectors (page 6)

1. For example:

<i>Key term</i>	<i>Definition and example</i>
Primary industry	Section of an economy making direct use of natural resources, e.g. dairy farming
Secondary industry	This industry manufactures raw goods into useable products, e.g. Sealord seafood factory
Tertiary industry	The section of the economy comprising the service industry, e.g. McDonald's restaurant
Public sector	The part of the economy concerned with providing government services, e.g. Department of Justice
Private sector	The part of a country's economic system that is run by individuals and companies, e.g. a local fish and chip shop

2. *Could include ideas such as* we have a lot of land for farming; we have access to natural resources such as seafood that other countries might not have access to; New Zealand has a temperate climate.
3. *Could include ideas such as* the United Kingdom has a large population and not much land that is suitable for farming.
4. *Could include ideas such as* large population; cheap labour; many factories in China.
5. *Could include ideas such as* population size; how much land there is and what the land is used for; what natural resources are available.
6. Benefits: Allows trade between countries, especially if other countries do not offer the same thing. Risks: If demand for products from one industry becomes less or the industry becomes difficult to maintain, profits will fall, which may cause workers in that industry to lose their jobs.
7. *For example:*  
 Public – District Health Board, Department of Internal Affairs, National Library, City Council, IRD, Army, Police  
 Private – The Warehouse, Google, Mobil, Countdown, law firms
8. *Students may have a range of answers here but they need to justify their position by giving reasons.*

### Making it real (page 11)

1. Key term	Definition and example
Sole trader	A person who is the exclusive owner of a business, e.g. a local handyman
Partnership	A business entity in which two or more co-owners contribute resources and share in profits and losses, e.g. a hair salon
Company	A company is made up of one or more shareholders who each have a financial stake in the business, e.g. an accounting firm
Franchise	For a franchise, the owner of a business (the franchisor) grants a licence to another person or business (the franchisee), e.g. Starbucks

2. The company directors are responsible for any debt owing. They may need to use their personal funds to pay for debts the company itself cannot repay.
3. The company directors are separate from the business and their personal financial assets are not compromised if anything goes wrong in the business.

### Filling a gap (page 12)

*Students' own ideas*

### Unique selling point (page 14)

*Students' own ideas*

### Target market (page 15)

*Students' own ideas*

### Getting information (page 16)

*For example:*

1. Telephone book, Facebook pages, newspaper articles, Statistics NZ website
2. Family, neighbours, online survey

### A survey (page 18)

*Students' own questions*

### Secondary research (page 19)

*Students' own answers*

Your idea (page 20)

Students' own answers

Names (page 20)

<i>Business name</i>	<i>Type of business</i>
Sew What?	Sewing, mending
Jurassic Pork	Butcher
The Godfather	Fish shop
Curl up and Dye	Hairdresser
Vinyl Resting Place	Second-hand record shop
Surelock Holmes	Locksmith
Lawn and Order	Lawnmowing service
Florist Gump	Florist

Businesses in your community (page 21)

2. Students' own answers; could include ideas about humour, wit, ease of remembering, puns, slogans

Promoting your business (page 22)

2. For example, bright colours, easy-to-read font
3. For example, too much text/writing, colours hard to see, too many pictures

Definitions (page 25)

1. 

<i>Key term</i>	<i>Definition</i>
Globalisation	The process by which businesses or other organisations develop international influence or start operating on an international scale
Quota	A limited quantity of a particular product, which, under official controls can be produced, exported, or imported
Tariff	A tax or duty to be paid on a particular class of imports or exports
Multinational business	A business including or involving several countries or individuals of several nationalities
Exchange rate	The value of one currency for the purpose of conversion to another

2. For example: Subway, McDonald's, Apple.
3. For example: Internet technology, faster speed for making phone calls, shorter travel times, extensive media coverage
4. Students' own answers – check with your teacher.

HamiltonJet (page 27)

1.
  - a. Sir William Hamilton
  - b. 1954
  - c. There was a need for a boat that could travel quickly in shallow water where boats with propellers could not travel.
2. Pilot boats, search-and-rescue craft, fast ferries, fishing vessels, military vessels, patrol vessels, recreational craft (any three)

3. a. **USA office:**

14680 NE North Woodinville Way  
Suite 100  
Woodinville WA 98072

**UK office:**

Unit 26, The Birches Industrial Estate  
East Grinstead, West Sussex  
United Kingdom RH19 1XZ

**Singapore office:**

Toh Tuck Link #04-01  
Singapore 596222

**Global headquarters:**

Gate 4 Lunns Rd  
Christchurch

b.



What is the New Zealand brand? (page 29)

1. Ideas such as clean and green, natural unspoilt beauty, environmentally friendly, links to our movie industry
2. Ideas could include silver fern, koru, All Blacks

The 'clean' image of New Zealand (page 30)

1. China is Fonterra's biggest customer.
2. Botulism is food poisoning caused by a bacterium that grows in incorrectly sterilised tinned meats and other preserved foods.
3. Whey protein products
4. Suspended imports, increased border inspections, intended to carry out extra testing
5. a. It gives an indication of the price farmers can expect to be paid.  
b. The dairy industry is one of our biggest earners and economic issues in this area affect the whole economy.
6. Damage to the reputation of the New Zealand dairy industry, challenge our clean green image
7. Yes – both depend on the clean green image as part of the brand.
8. Newspaper articles, such as from the *New Zealand Herald*; TVNZ or TV3 archives; online articles; blogs

Could you be an entrepreneur? (page 34)

Students' own responses

Practical skills? (page 35)

1. Skills	Reason the skill is important for a businessperson
Planning	To track how the business is going from month to month; some business might have different needs at different times of the year
Financial	To understand how their business is performing and understand the end-of-year accounts
Administrative	Must have good systems in place to track the paperwork
Marketing	To be able to promote and sell their ideas to investors and the general public
People	It will help them to work with people, e.g. staff, to get the people to do what is needed
Communication	To express their ideas and sell their products

2. Students' own responses

Case study – Coco Chanel (page 37)

1. Students' own responses

- Sexism occurs when people are discriminated against because of their gender.
- An icon is a person (or item) that is revered or idolised.

Digging deeper (page 39)

1. Students' own responses

- Tomorrow's Foundation focuses on improving the lives of children from underprivileged backgrounds. The aim is for children to be able to complete their education and gain suitable employment.
- Ideas could include that they both worked in fashion, both women successfully opened more than one store in which to sell their lines, both women created a style that was unique.

Sir Ray Avery (page 40)

In 2010 he was named Kiwibank New Zealander of the Year.	8
He moved to New Zealand in 1973 and became a citizen nine months later.	4
He founded an international organisation, Medicine Mondiale, in 2003. The aim of this organisation is to provide health equipment that is accessible to even the poorest developing nations around the world.	7
Ray Avery was born in 1947 in Kent, England. He spent much of his childhood in orphanages and foster homes.	1
He was educated at Wye College in Kent. After graduating he worked as an analyst in labs in England.	3
In 2011 he was made a Knight Grand Companion of the New Zealand Order of Merit.	9
In 1978 he helped establish the Department of Clinical Pharmacology at the University of Auckland School of Medicine.	5
He developed his love of science at the age of 12 while living rough in London. Ray would go to public libraries to keep warm and while there he would read books.	2
While working at the University of Auckland, Ray met Fred Hollows. Ray then worked as a technical director for the Fred Hollows Foundation. Ray was instrumental in the development of low-cost lenses, which he invented and for which he then gave the technology to the Foundation.	6

- The aim of the Foundation is to restore the sight of people in developing countries and also to help those who have gone blind unnecessarily.
  - Ray Avery became the Technical Director and was instrumental in lowering the cost of lens technology, making it more affordable to complete the procedures.
  - With every dollar raised more people have access to the technology. Large profits are not being made.

3. and 4. *Students' own responses*

Mix and match (page 42)

1.

Sir Peter Leitch	Mad Butcher founder
Mark Zuckerberg	Facebook founder
Arianna Huffington	Print media
Karen Walker	Fashion designer
Richard Branson	Virgin Airlines
Bill Gates	Founder of Microsoft
Elizabeth Arden	Make-up pioneer
Ruth Handler	Barbie creator
Venus Williams	Sports entrepreneur
AJ Hackett	Bungy jumping founder

Stephen Tindall	The Warehouse founder
Matthew Boulton	Industrial entrepreneur
Donald Trump	Real estate
Simon Fuller	Reality television
Tony Hawke	Skateboard designer
Oprah Winfrey	Entertainment
Walt Disney	Animation
Sir Michael Hill	Jewellery chain
Henry Ford	Automotive entrepreneur
Steve Jobs	Apple founder

2. *Students' own responses*

Important questions (page 44)

3. Ideas could include that you need to be able to verify where you got the information from; to check the trustworthiness of the information; to make sure you get information from different places; to be able to go back to refer to the information.

A paperclip is just a paperclip (page 48)

*Students' own responses*

Challenge your thinking (page 49)

*Students' own responses*