

<b>Domain</b>	<b>ROAD CONSTRUCTION AND MAINTENANCE – SME CONTRACTOR</b>	<b>Unit ID: 723</b>
<b>Unit Title:</b>	<b>Demonstrate knowledge of starting up and running a business as part of SME in road construction operations</b>	
<b>Level: 2</b>		<b>Credits: 15</b>

### **Purpose**

This unit standard is intended for those who would intend to work as a Small Medium Enterprises (SME) contractor in road construction and maintenance. People holding credit for this unit standard are able to: Identify business opportunity, formulate a plan for a business, demonstrate knowledge of how to run a business and demonstrate knowledge of changes to business environment.

### **Special Notes**

1. Entry information:
  - Prerequisite
    - None.
  
2. Regulations and legislation relevant to this unit standard include the following:
  - Labour Act, No. 11 of 2007
  - Occupational Health and Safety Regulations No. 18, 1997
  - Companies Act 61 of 1973
  - Close Corporations Act No. 26 of 1988
  - Affirmative Action (Employment) Act No. 29 of 1998
  - Social Security Act No. 34 of 1994
  - VAT Act 2000, Act No. 10 of 2000
  - Income Tax Act No. 24 of 1981

### **Quality Assurance Requirements**

This unit standard and others within this subfield may be awarded by institutions which meet the accreditation requirements set by the Namibia Qualifications Authority and the Namibia Training Authority and which comply with the national assessment and moderation requirements. Details of specific accreditation requirements and the national assessment arrangements are available from the Namibia Qualifications Authority and the Namibia Training Authority. All approved unit standards, qualifications and national assessment arrangements are available on the Namibia Training Authority website [www.nta.com.na](http://www.nta.com.na).

## **Elements and Performance Criteria**

### **Element 1: Identify business opportunity.**

#### **Performance Criteria:**

- 1.1 Information on potential road and construction projects in the locality is sourced and interpreted to identify potential areas for small business participation.
- 1.2 Businesses currently operating in the potential areas, and their capacity, are identified and gaps and opportunities are listed.
- 1.3 Resource requirements to fill in gaps or opportunities are identified and the ease of these resources being available is assessed.
- 1.4 Business opportunities are aligned with own expertise and experience.

### **Element 2: Formulate a plan for a business.**

#### **Performance Criteria**

- 2.1 The benefits of having a plan for a business are described.
- 2.2 The purpose of the intended business is described in terms of main activities.
- 2.3 Possible business opportunities, volume and duration of possible work are listed and evidence that these opportunities will exist is described.
- 2.4 The people and physical resources required to make the intended business possible are identified and their availability is listed.
- 2.5 The amount of money to set up and run the intended business for twelve months is identified and sources of this money are listed.
- 2.6 Factors that may influence the success of the intended business are identified and countermeasures to these factors are listed.

### **Element 3: Demonstrate knowledge of how to run a business.**

#### **Range**

Systems, tools and records required to run a business include but are not limited to those required to: the management of money, management of people, management of physical resources and materials and management of information.

Risk involved in running a business may be such as under/over estimation of pricing for work, theft, material under/oversupply, lack of provision for maintenance and replacement of tools and equipment.

### **Performance Criteria**

- 3.1 The systems, tools and records required to run and maintain a business are identified.
- 3.2 The inter-relationships between the systems, tools and records are described.
- 3.3 The inter-relationships between the business and other businesses are described.
- 3.4 The risks involved in running a business are identified and possible means to minimise the risks are described.

### **Element 4: Demonstrate knowledge of changes to business environment.**

#### **Range**

Changes in business environment may be due to new work opportunities, increased competition, new technical development, dramatic change in costs and prices, availability of labour.

### **Performance Criteria**

- 4.1 The impact of changes in a business environment on a business is identified.
- 4.2 Reasons for the changes in an environment are identified.
- 4.3 Ways business can adapt to changes in the environment are described.

### **Registration Data**

<b>Subfield:</b>	Road Construction and Maintenance
<b>Date first registered:</b>	12 November 2009
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<b>Body responsible for review:</b>	Namibia Training Authority