

Small, Medium and Micro Enterprises

Assessment Task

What are SMMEs? (Individual activity) (LO4 AS5)

Read the information below and answer the questions that follow.

SMME is an acronym which stands for small, medium and microenterprises. The National Small Business Act classifies business enterprises as follows:

- Micro – between 1 and 5 employees
- Very small – no more than 10 employees
- Small – no more than 50 employees
- Medium – no more than 100 employees
- Large – 101 + employees

Match the following business enterprises and the types of business enterprise. (Tip: There are two business enterprises for each type of business enterprise.) [10 marks]

Column A – Business enterprises	Column B – Types of business enterprise
a) Bank that employs 75 of the people in the community	Micro
b) Hairdresser with owner, three hairdressers and a washer/cleaner	Very small
c) Garden service with three work teams of five people each	Small
d) Single doctor's practice with a nurse, receptionist and accounts clerk	Medium
e) Home industry with eight bakers	Large
f) Checkers Hyper	
g) Farm with 25 labourers and farm manager	
h) Taxi business with six taxis with drivers	
i) Pick n Pay Hyper	
j) A construction business that employs four teams of twenty builders and carpenters	

Self-assessment checklist

Criteria	Yes	No
I understand how the different types of business enterprises are classified.		
I could match the business enterprises with the types of business enterprises.		
I appreciate that SMMEs are important for the economy.		
I appreciate the importance of business ethics.		