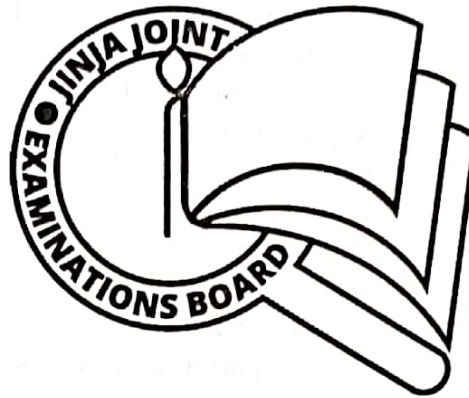


P230/3  
ENTREPRENEURSHIP  
EDUCATION  
Paper 3  
AUGUST, 2022  
3 hours



JINJA JOINT EXAMINATIONS BOARD

*Uganda Advanced Certificate of Education*

MOCK EXAMINATIONS – AUGUST, 2022

ENTREPRENEURSHIP

EDUCATION

Paper 3

3 hours

**INSTRUCTIONS:**

- a) This paper consists of **three** sections A, B, and C.
- b) Answer **four** questions only. All questions carry equal marks.
- c) Section A is **compulsory**. Answer any **three** questions from sections B, and C, choosing at least **one** question from each section.

**SECTION A : CASE STUDY**

Answer all parts of this question.

1. Read the case study below and answer the questions that follow:

Malaika who is proud of attaining success and is personally liable for her failure, identified market gaps in her trading centre and established a four roomed departmental store. She uses one room for general merchandise retail shop, the other for a restaurant, the third one for a saloon and the fourth as a boutique. She worked on personal strengths for success and took time to build a stable business empire so as to generate constant income in future. She relates with people who are successful in business, identifies new products to add in the businesses and has belief in her works. She does not let any obstacle block her way since she is self-motivated.

She ensures that the environmental factors are in favour of her business and she regularly conducts an assessment of the market to establish her market share. She operates as per the business plan she made and follows it as a monitoring tool. Analyses the cash inflows and outflows regularly and does this by preparing cash books and financial statements as well as a cash flow statement.

By the end of the last financial year, her financial statements revealed an annual net profit of shs. 30,000,000 and turnover of shs 90,000,000.

Fixed Assets were valued at shs. 60,000,000 while working capital amounted to shs 20,000,000.

**Questions.**

- a. What characteristics of an innovator does malaika possess? (05 marks)
- b. Describe the environmental factors that affect the business in its operations. (04 marks)
- c. Explain the factors malaika considered when conducting market assessment. (06 marks)
- d. What steps did Malaika follow when preparing a business plan? (06 marks)
- e. Help Malaika to compute and interpret
  - (i) Net profit ratio (02 marks)
  - (ii) Return on capital employed. (02 marks)

**SECTION B**  
**SCHOOL BUSINESS CLUBS**

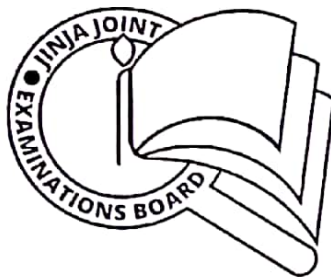
2. With reference to one business project carried out by your school business club
- (a) Give general description of the business project. (04 marks)
  - (b) State the production activities of your project. (06 marks)
  - (c) What competitive advantages does your business have over similar business? (05 marks)
  - (d) Explain how quality of the products has been ensured in the project. (05 marks)
  - (e) Describe the tools you used for monitoring performance of your project. (05 marks)

3. In relation to any business project owned by your entrepreneurship club.
- (a) Describe the nature of business project you were in. (04 marks)
  - (b) Outline the factors that influenced the size of your enterprise. (05 marks)
  - (c) Give the social responsibility of your business to the community around. (05 marks)
  - (d) Explain how financial management has been important in your project. (06 marks)
  - (e) What elements of human resource management did you implement in the project? (05 marks)

### SECTION C: FIELD ATTACHMENT/ FIELD TRIP

4. For any business field attachment carried out:
- (a) Give the general description of the business you were attached to. (04 marks)
  - (b) State any 3 objectives of the field attachment carried out. (03 marks)
  - (c) Outline four challenges you faced while working in the business. (04 marks)
  - (d)(i). Identify any three market gaps in the business environment of the business you were attached to. (03 marks)
  - (ii) Advise the business owner(s) on how to fill the gaps identified in (d)(i) above. (03 marks)
  - (e) What are the likely causes of employee indiscipline to guard against in the business? (8 marks)
5. For anyone business field trip you made as an individual or as a group.
- (a) (i) Describe the business you visited. (04 marks)
  - (ii) Draw a layout of the business. (03 marks)
  - (b) What factors determine stock levels in the enterprise? (05 marks)
  - (c) State the financial challenges faced by the business. (3 marks)
  - (d) How does the entrepreneur minimize losses in the business? (05 marks)
  - (e) Describe techniques of negotiating with customers employed by the enterprise to make marketing of products successful? (05 marks)





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**MOCK EXAMINATIONS 2022**  
**ENTREPRENEURSHIP EDUCATION**  
**P230/3**

1.a) The characteristics Malaika possesses as an innovator are:-

- Identified market gaps in her trading centre.
- Relates with people who are successful in business.
- Creative is established a four roomed departmental store.
- Inner directed as she believes in her workers.
- Extra ordinarily persistent as she does not let any basted block her way
- Passionate about what she does as she is self motivated and identifies new products to add in the business.
- Trend sputters she established a four roomed departmental store.
- Self discipline as she is proud of attaining success and personally liable for her failure.
- Controlling vision as she has taken time to build a stable business empire as to generate constant income in future.
- Any 5x1 = 05 marks

b) Environmental factors that affect the business in its operations are:-

- Reasonable return on investments.
- Presence of facilities/Assets to use during business operations.
- Presence of adequate working capital.
- Presence of market/Demand for business products/services/limited competition.
- Presence of role models/mentors with whom she shares ideas.
- Acceptability of the businesses by the community.
- Legality of the businesses.
- Availability of required manpower etc.
- Any 4 x 1 = 04 marks.

c) Factors Malaika considered when conducting market assessment are :-

- ~ Target market/ customers .
- ~ Level of income of the target market population.
- ~ level of competition/Number of competitors .
- ~ level of demand
- ~ Needs of customers.
- ~ Market trends.
- ~ Pricing of products

~ Cost involved

~ Etc

**Any 6 x 1 = 06 marks**

(2)

d) Steps Malaika followed when preparing a business plan are :-

- ❖ Identification of a business opportunity.
- ❖ Carrying out /conducting a market survey for the selected type of business.
- ❖ Gathering relevant data concerning different aspects/items of the business and establishing their costs e.g. cost of labour.
- ❖ Drafting a business plan.
- ❖ Discussing the draft plan with experts.
- ❖ Making/writing a final copy of the business plan.
- ❖ Preparing an action plans.

**Any 6 x 1 = 06 marks.**

e) Net profit ratio.

Net profit x 100

Turnover

$$= \frac{30,000,000 \times 100}{90,000,000}$$

= shs 33%

ii) Return on capital employed.

Net Profit x 100

Capital employed

But capital employed fixed Assets

Working capital

$$= 60,000,000 + 20,000,000$$

= shs 80,000,000

Return on capital employed

$$= \frac{30,000,000 \times 100}{80,000,000}$$

= shs 37.5%

= 38%

(3)

2) General description of the business project carried out should show :-

- ~ Name and address of the business.
- ~ Products offered.
- ~ Purpose of the business ie vision, mission, goals and objectives.
- ~ Target market/customers.
- ~ Date of commencement.
- ~ Physical location.
- ~ Sources of capital
- ~ Short analysis
- ~ Uniqueness of the business
- ~ Description of business assets.
- ~ Nature/Type /legal form of business.

**Any 4 x 1 = 04 marks**

**NB i) should be prepared.**

ii) No award of ½ marks

b) Production activities of the project may include:-

- Packaging of products.
- Branding of products
- Carrying out market research.
- Acquiring the required inputs/Raw material
- Storing of the products
- Distribution of the products
- Actual production activities
- Quality control
- Selling and marketing the products

- Carrying out market research
- Repairing and maintaining tools and equipment

**Any 6 x 1 = 06 mark ( NB Evidence is a MUST )**

**(4)**

**C) Competitive advantages of a business over similar business may include:-**

- ~ Fair/ Appropriate prices
- ~ Prevision of better quality goods/services.
- ~ Provision of a variety of products.
- ~ Proper/ Attractive packaging of business products .
- ~ Attractive branding .
- ~ Carrying out personal selling .
- ~ Providing credit facilities.
- ~ Offering/providing discounts/providing after sales services.
- ~ Using appropriate distribution channel.
- ~ Employing skilled labour.
- ~ Using appropriate technology.

**Any 5 x 1 = 05 marks**

**NB Evidence is a MUST**

**d) How quality of business products is ensured may include:-**

- Use of high quality raw materials.
- Use of appropriate technology.
- Ensuring appropriate packaging of products.
- Proper storage of the products.
- Maintaining proper hygiene of the work station.
- Frequent/regular inspection of the production process.
- Training of club members.
- Following technical specification regarding production process.

- Carrying out continuous research/ e t c.

**Any 5 x 1 = 05 marks**

**NB Evidence is a MUST**

5)

e) Tools used for monitoring performance of the project may include:-

- Operational budget.
- Sales targets.
- Production targets.
- Books of Accounts
- Departmental reports.
- Work order forms
- Balance sheet.
- Cash flow plan.
- Stock records
- E t c

**Any 5 x 1 = 05 marks**

3) Description of the business should show:-

- Name and address of the business.
- Physical location.
- Products offered.
- Target market/customers.
- Uniqueness of the business
- Sources of capital
- Date of establishment.
- Nature /type/legal form of the business.
- Purpose of the business i.e. vision, mission, goal and objectives.
- SWOT analysis of the business.
- Description of fixed Assets



**Any 4 x 1 = 04 marks**

**NB Should be prepared**

(6)

b) Factors that influenced the size of the business may include:-

- Level of demand/ size of the market.
- Amount of capital.
- Aims of the owners / entrepreneurs.
- Nature of goods.
- Level of profits.
- Volume of sales.
- Size of premises /space occupied
- Cost of production.
- Technology used
- Entrepreneurial skills possessed
- Government policies on taxation and subsidization

**Any 5 x 1 = 05 marks**

**Evidence is a MUST**

c) Social responsibilities of the business to the community around may include:-

- Provision of goods to society.
  - ~ Provision of market for community resources.
  - ~ Creation of employment opportunities.
  - ~ Provision of revenue to community through payment of taxes.
  - ~ Use of the would be idle resources.
  - ~ Improving the natural environment in which they operate.
  - ~ Sponsoring of development programmes in the community.
  - ~ Donating to the needy members of the community.

**Any 5 x 1 = 05 marks**

**Evidence is a MUST**

d) How financial management has been important in the project may include:-

- ❖ Determination of profits / lessees for the business
- ❖ Provided information on credit transaction.

(7)

- ❖ Acted as a tool of control.
- ❖ Determination of financial position of the enterprise.
- ❖ Used as a basis for planning.
- ❖ Helped when applying for loans/financial assistance.
- ❖ Acted as evidence of business transactions/future reference etc.

**Any 6 x 1 = 06 marks**

**Evidence is a MUST.**

e). Elements of human resource management that were implemented in the project may

Include:-

- ❖ Recruitment of workers .
- ❖ Employee placement /Assigning club members to different tasks .
- ❖ Training of club members.
- ❖ Motivation of club members / employees.
- ❖ Remuneration/ payment of employees/club members.
- ❖ Communication with club members/employees etc.

**Any 5 x 1 = 05 marks**

**Evidence is a MUST.**

**4) Description of the business should show :-**

- Name and address of the business.
- Physical location.
- Products offered.
- Target market/customers.
- Uniqueness of the business
- Sources of capital
- Date of establishment.
- Nature /type/legal form of the business.
- Purpose of the business i.e. vision, mission, goal and objectives.
- SWOT analysis of the business.

- Description of fixed Assets

Any 4 x 1 = 04 marks

NB Should be prepared

(8)

b) Objectives of the field attachment carried out include:-

- ~ To enable myself learn development and apply new skills that are appropriate or applicable to the real or actual business in which I will be working in.
- ~ To enable me apply the knowledge and skills acquired in the classroom to the real business environment.
- ~ To help me develop and apply appropriate interpersonal skills in the real business setting.
- ~ To help me develop and refine communication skills and business ethos required for working in a business.
- ~ To enable me select whether to go for self-employment or paid employment.
- ~ To enable students.
- ~ To enable me identify role models and mentors to help in achieving my vision.
- ~ To instill confidence in me so as to easily fit in the real environment of work or the real business environment.

Any 3 x 1 = 03 marks

c) Challenges faced while working in the business may include:-

- ✚ Inadequate finance
- ✚ Sexual harassment
- ✚ Not allowed to use some equipment
- ✚ Excessive work load
- ✚ Handling /dealing with customers.
- ✚ Unfavorable weather conditions.
- ✚ Inadequate skills to manage tasks assigned.
- ✚ Obtaining food and drinks
- ✚ Travelling long distances

- ✚ Following business work rules and regulations.
- ✚ Long working hours.
- ✚ Inadequate protective gadgets
- ✚ Injuries/accidents

(9)

d) Market gaps in the business environment attached too may include:-

- Under production
- Production of low quality productions.
- Production of limited variety of products.
- Inadequate / inappropriate distribution of business products.
- Poor customer care/ relations. Etc

**Any 3 x 1 = 03 marks**

ii) Advise to the business owners on how to fill the gaps identified in (d) i) above May Include:-

- ~ Increasing on the level of output to meet the demand.
- ~ Improving on the quality of goods produced.
- ~ Expanding the product line/further diversification of business products.
- ~ Use of appropriate distribution channels for timely delivery of products into the market.
- ~ Offering better customer care services to the customers.
- ~ Training the sales persons about proper handling of customers etc.

**Any 3 x 1 = 03 marks**

e). Likely causes of employee indiscipline to guard against in the business include:-

- Un fair treatment of employees eg discrimination of employees by top management.
- Sexual harassment by bosses.
- Bad example shown by top management e.g late coming, absenteeism etc.
- Excessive authority /dictatorship on part of management.
- Inconsistence in promoting discipline.
- Nonpayment of workers' salaries.
- Lack of empathy for working problems.
- Delayed payments without any clear reasons given to workers.
- Low pay given to workers.

- Non involvement of employees in decision making.
- Insufficient work rules and failure to publish them.

**Any 8 x 1 = 08 marks**  
(10)

**5) Description of the business.**

- ~ Name and address of the business.
- ~ Products offered.
- ~ Purpose of the business ie vision, mission, goals and objectives.
- ~ Target market/customers.
- ~ Date of commencement.
- ~ Physical location.
- ~ Sources of capital
- ~ Short analysis
- ~ Uniqueness of the business
- ~ Description of business assets.
- ~ Nature/Type /legal form of business.

**Any 4 x 1 = 04 marks**

**NB i) should be prepared.**

ii) Drawn layout should show:-

- ❖ Entry /Exit gates
- ❖ Security checks point.
- ❖ Parking yard
- ❖ Reception/administration block.
- ❖ Production room.
- ❖ Inspection room
- ❖ Repair workshop
- ❖ Store for raw materials and finished goods.
- ❖ Employee facilities e.g canteen, bathrooms, toilets etc.
- ❖ Weighing, grading, packing, branding rooms
- ❖ Water source.
- ❖ Power / Generator room



- ❖ Waste disposal place/point etc

**Any 6 x ½ = 03 marks**

(11)

b) Factors that determine stock levels in the enterprise include:-

- ~ Lead time
- ~ Nature of stock i.e. durable or perishable goods.
- ~ Availability of storage space
- ~ Level of demand for stock
- ~ Amount of working capital
- ~ Stock holding costs
- ~ Terms of purchase offered by suppliers eg discounts, after sales services etc.
- ~ Rate of stock use by the business
- ~ Availability of stock/ quantity of stock to be bought.

**Any 5 x 1 = 05 marks**

**NB Evidence is necessary.**

**C) Financial challenges faced by the business may include :-**

- ❖ Failure to pay workers' salaries in time.
- ❖ Low pay for workers.
- ❖ Failure to pay creditors in time
- ❖ Reducing fringe benefits to workers
- ❖ Failure to increase salaries
- ❖ Inadequate sources of cash inflows
- ❖ Failure to upgrade technology

**Any 3 x 1 = 03 marks**

d) How the entrepreneur minimizes losses in the business include:-

- ❖ Insuring the business
- ❖ Undertaking continuous research to identify causes of losses.
- ❖ Ensuring proper accountability
- ❖ Strengthening security

- ❖ Employing trustworthy staff.
- ❖ Ensuring close supervision and monitoring of workers
- ❖ Promoting division of labour to word role confusion.

(12)

- ❖ Ensuring proper prosing of commodores
- ❖ Laying redundant staff
- ❖ Controlling roles/diseases and pests that affect products
- ❖ Installing fire extinguishers and trading the staff to use them etc

**Any 5 x 1 = 05 marks**

**Techniques of negotiating with customers employed by the enterprise to make marketing Of business products successful.**

- i) Communicating frequently with the customers using appropriate media e.g sending short text messages.
- ii) Offering customer rewards like gifts to the loyal customers.
- iii) Holding special events that involve customers like organizing exhibitions.
- iv) Ensuring that the negotiation is a two way communication with the customers e.g giving them prompt feedback to their inquiries.
- v) Improving customer service of the business e.g by employing well trained & dedicated workers to handle customers' complaints.
- vi) Launching multi-cultural programmes in the marketing activities like by advertising using various languages.
- vii) Visiting individual customers like in their places of work/homes etc.
- viii) Extending social responsibility to the customers like distributing free products.
- ix) Keeping all the promises/agreements/contracts made with the various customers.
- x) Keeping emotions under control when negotiating with the customers.
- xi) Being flexible when negotiating with the customers.
- xii) Asking relevant questions and being a good listener during negotiations with each customer.
- xiii) Negotiating for a win-win outcome with each customer.
- xiv) Using the negotiating style of the customer to achieve positive results.
- xv) Preparing a list of alternative options/solutions to be used during negotiations with a customer.

**Any 4 x 2 = 8 marks**