



Ministry of Education
and Sports

HOME-STUDY LEARNING

SENIOR
4

ENTREPRENEURSHIP

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This material has been developed as a home-study intervention for schools during the lockdown caused by the COVID-19 pandemic to support continuity of learning.

Therefore, this material is restricted from being reproduced for any commercial gains.

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FOREWORD

Following the outbreak of the COVID-19 pandemic, government of Uganda closed all schools and other educational institutions to minimize the spread of the coronavirus. This has affected more than 36,314 primary schools, 3129 secondary schools, 430,778 teachers and 12,777,390 learners.

The COVID-19 outbreak and subsequent closure of all has had drastically impacted on learning especially curriculum coverage, loss of interest in education and learner readiness in case schools open. This could result in massive rates of learner dropouts due to unwanted pregnancies and lack of school fees among others.

To mitigate the impact of the pandemic on the education system in Uganda, the Ministry of Education and Sports (MoES) constituted a Sector Response Taskforce (SRT) to strengthen the sector's preparedness and response measures. The SRT and National Curriculum Development Centre developed print home-study materials, radio and television scripts for some selected subjects for all learners from Pre-Primary to Advanced Level. The materials will enhance continued learning and learning for progression during this period of the lockdown, and will still be relevant when schools resume.

The materials focused on critical competences in all subjects in the curricula to enable the learners to achieve without the teachers' guidance. Therefore effort should be made for all learners to access and use these materials during the lockdown. Similarly, teachers are advised to get these materials in order to plan appropriately for further learning when schools resume, while parents/guardians need to ensure that their children access copies of these materials and use them appropriately. I recognise the effort of National Curriculum Development Centre in responding to this emergency through appropriate guidance and the timely development of these home study materials. I recommend them for use by all learners during the lockdown.



Alex Kakooza

Permanent Secretary
Ministry of Education and Sports

ACKNOWLEDGEMENTS

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The Centre appreciates the contribution from all those who guided the development of these materials to make sure they are of quality; Development partners - SESIL, Save the Children and UNICEF; all the Panel members of the various subjects; sister institutions - UNEB and DES for their valuable contributions.

NCDC takes the responsibility for any shortcomings that might be identified in this publication and welcomes suggestions for improvement. The comments and suggestions may be communicated to NCDC through P.O. Box 7002 Kampala or email admin@ncdc.go.ug or by visiting our website at <http://ncdc.go.ug/node/13>.



Grace K. Baguma
Director,
National Curriculum Development Centre

ABOUT THIS BOOKLET

Dear learner, you are welcome to this home-study package. This content focuses on critical competences in the syllabus.

The content is organised into lesson units. Each unit has lesson activities, summary notes and assessment activities. Some lessons have projects that you need to carry out at home during this period. You are free to use other reference materials to get more information for specific topics.

Seek guidance from people at home who are knowledgeable to clarify in case of a challenge. The knowledge you can acquire from this content can be supplemented with other learning options that may be offered on radio, television, newspaper learning programmes. More learning materials can also be accessed by visiting our website at www.ncdc.go.ug or ncdc-go-ug.digital/. You can access the website using an internet enabled computer or mobile phone.

We encourage you to present your work to your class teacher when schools resume so that your teacher is able to know what you learned during the time you have been away from school. This will form part of your assessment. Your teacher will also assess the assignments you will have done and do corrections where you might not have done it right.

The content has been developed with full awareness of the home learning environment without direct supervision of the teacher. The methods, examples and activities used in the materials have been carefully selected to facilitate continuity of learning.

You are therefore in charge of your own learning. You need to give yourself favourable time for learning. This material can as well be used beyond the home-study situation. Keep it for reference anytime.

Develop your learning timetable to cater for continuity of learning and other responsibilities given to you at home.

Enjoy learning

Term 1

LESSON 1: Insurance in Business

Learning Outcome

By the end of this lesson, you should be able to describe the role of insurance services in business.

Introduction

In Senior One, you learnt about risks in business and how they can be managed. One of the ways how an entrepreneur can manage risks in the business is risk transfer. This is when the burden of taking responsibility of a risk is shifted to another party. For example, you can insure your business against fire, accident, or theft with an insurance company.

Meaning of Insurance

Insurance is a service offered by insurance companies to protect people and businesses against risks which may result in losses. Examples of such risks in business include fire, theft, machine breakdown, damage of goods in transit, accidents and many others.

Insurance works on the theory of pooling risks that are faced by individuals, businesses and institutions. This means that every person or entrepreneur exposed to a risk pays a small amount of money to an insurance company to insure against the risk. All these collections of money go to a pool. The insurance company compensates those who actually suffer the insured losses out of the pool.

The money paid for **insurance coverage** is known as a **premium**.

Basic Terms Used in Insurance

In order to understand insurance, you need to know the following terms used in trade:

Insurer: This is the insurance company that accepts to manage the pool and compensate the insured in case of loss.

Insured: This is a person or organization seeking to be covered against a risk or to be protected in the event of the insured risk happening.

Risk: This is an event against which the insured takes out a policy with an insurance company; for example fire, theft, accident, etc. Risks are classified into insurable risks and non- insurable risks.

- **Insurable risks** are those that can be legally insured and their extent of loss can easily be calculated with fair accuracy, in form of premium and compensation; e.g. fire, accident, theft and bad debts.
- **Non-insurable risks** are risks that cannot be legally insured and whose extent of loss can't easily be calculated, as they are beyond human control, for example earthquakes, climatic changes, wars, etc.

Premium is an amount paid by the insured to the insurer as a consideration for the insurance cover provided by the insurer.

Surrender value is the amount of money paid back to the insured when he decides to cancel out his insurance contract before a specified period.

Insurance policy is a document drawn up by the insurance company, setting out terms and conditions of the contract between the insurer and insured. It acts as evidence for the contract between the insurer and the insured.

Sum insured is the value of property insured as stated by the owner at the time of applying for insurance. The amount paid as premium depends on the sum insured. The higher the sum insured, the higher the premium and the lower the sum insured, the lower the premium.

Assurance refers to covers against an event that is bound to happen; the uncertainty being the time soon or later; e.g. death.

Loss is the happening of events against which insurance is taken, for instance if one insures one's business against fire and it's burnt down, then the loss of the business has happened.

Read the story below and answer the questions that follow:

Magoba owns a lorry that is hired to transport goods in Masaka city. Magoba had heard on radio that insurance companies can compensate people who suffer loss if they insure their property. So Magoba insured his lorry against accidents, with the National Insurance Corporation. The cost value of the lorry was Shs 20,000,000 but when he went to the insurance company to fill the forms, he stated that the value of the lorry was Shs 16,000,000. After filling the forms and signing them, he was instructed to pay 2% as the annual premium to the insurance company to cover the risk.

Activity

- a) Who is the insured?
- b) Who is the insurer?
- c) What is the sum insured?
- d) Calculate the annual premium Mr. Magoba should pay to the insurance company.

Principles of Insurance

Insurance is built on a number of principles which explain clearly the terms and conditions that govern the relationship between the insurer and the insured. These include the following:

- i) Principle of utmost good faith
- ii) Principle of indemnity
- iii) Principle of insurable interest
- iv) Principle of proximate cause
- v) Principle of subrogation

Utmost good faith.: This principle states that the insured should disclose all the relevant material facts openly and honestly to the insurer, concerning the property /business being insured or life assured, so as to help the insurance company suitably calculate the premium.

Indemnity: The principle states that insurance doesn't benefit a person but is only meant to restore the insured to his or her original position he or she was in before the insured risk happened.

Principle of insurable interest: It states that a person should have financial interest in the property being insured so as to seek compensation in the event of loss. You can only insure against a risk that can cause you direct loss. If the risk does not cause you direct financial loss, you have no insurable interest in the risk and so you cannot insure it.

For example, you cannot insure a friend's business because you have no insurable interest in it. If the business is destroyed, you do not stand to lose anything.

Proximate cause: This principle states that the cause of a loss has to be exactly or closely related to the risk insured against. If the cause of the loss is different from the risk insured against, there is no compensation. For instance, if Mrs Okello insured her car against fire but the car is instead stolen, there is no compensation.

Subrogation: This principle states that after the insurer has compensated the insured against a loss, the insurer has the right to take over whatever has remained of the destroyed property.

Types of Insurance Policies in Business

As an entrepreneur, you will be engaged in many business activities that will expose you and your business to different risks. Insurance companies that offer different types of insurance to help your business recover from loss suffered are explained as follows:

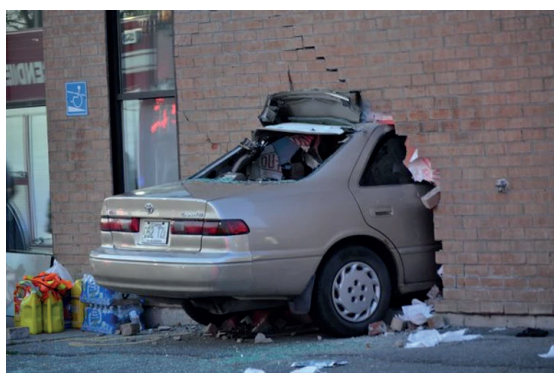
Life Insurance (Personal Insurance)

This is the insurance of human life against death, accident or sickness. Only that life in which one has an insurable interest can be insured. For example, the father can insure his own life, life of the wife and children. It is always referred to as **life assurance** to confirm that the event insured against must take place because death must occur.



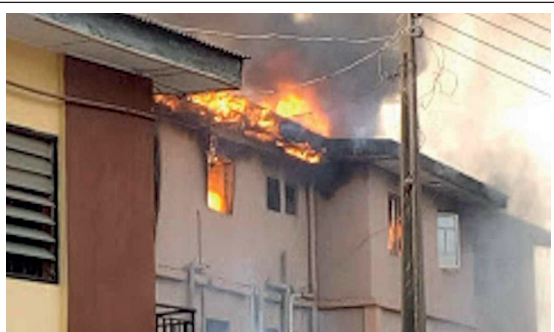
A taxi involved in an accident

Motor accident insurance policy: This is where an entrepreneur insures his or her property against loss caused by theft, accident or fire.



A saloon vehicle knocks a building

Third party policy: This policy is compulsory for all vehicles in Uganda. It is called third party because it will compensate any other person who may be hurt by the insured vehicle as a result of the accident and any other property damaged.



A business premise gutted by fire

Fire Insurance Policy. This is an insurance policy taken to protect business or property against loss resulting from fire outbreaks.



A thief breaking into a house

Theft and burglary insurance policy: An entrepreneur can insure his or her business merchandise or property against theft or burglary. This means that in the event of loss resulting from theft or burglary, the insurance company compensates the insured.

Money/Cash in Transit: This is an insurance policy that protects or covers an insured's money/cash against loss while in transit. For example, if the money is stolen on its way to the bank, then the insurer compensates the insured.

Goods in Transit Insurance Policy: This policy covers an entrepreneur against loss or damage to specific goods while in transit.



An airplane crash

Aviation insurance policy: This is an insurance cover undertaken against loss resulting from personal accident and cargo damage due to aircraft crashes.



A cargo ship sinking in waters

Marine Insurance Policy: Entrepreneurs who use water transport for their goods can take out marine cargo insurance. This covers loss or damage of goods transported by water vessels, in case the ship gets an accident or is destroyed by a storm.

Activity:

1. List four risks that the people and property in your school are exposed to.
2. What insurance policy would you advise your head teacher to take in order to minimize the effect of such risks?

Importance of Insurance

Business would have been very difficult if entrepreneurs were not able to guard against loss caused by insurable risks. Insurance companies help people and businesses to continue operating even if a loss occurs. Below are some of the benefits of insurance to both individuals and businesses:

- Insurance companies compensate people or businesses that suffer loss as a result of the insured risk.
- Insurance companies also give businesspeople confidence to undertake ventures which are very risky, since they expect compensation.
- They promote investment, especially from accumulated funds which are often invested in construction of commercial buildings, securities like bonds, participate in stock exchange market, to mention but a few.
- Act as a means of saving, such as endowment policy whose premium can be used for

school fees and health.

- Insurance companies lend out money to selected businesses from accumulated funds, hence promoting economic growth.
- They provide employment opportunities to people who work with them as brokers, clerks, secretaries and agents, among others. This increases people's earnings, thereby improving their standard of living.
- Act as collateral security. Life insurance and other policies are taken out act as collateral security in case the insured wants to borrow money for investment.
- They offer educational services through conducting campaigns on healthcare, safety, accidents and other dangers to human life. This has given people assurance of life.

Activity:

1. Why do you think insurance activities are not very common in your community?
2. How would you help people in your community to use the services of insurance companies?

Term 2

LESSON 1: Business Laws and Taxes in Uganda

Learning Outcome

By the end of this lesson, you should be able to describe the factors influencing tax compliance in Uganda.

Introduction

A tax is supposed to be paid by any responsible citizen who has a source of income. Taxes are the major source of income for the government. It can, therefore, be able to build infrastructure like roads, health centres and communication facilities.

A tax is a compulsory charge by the government on a person or a business in order to finance its activities.

Principles of Taxation

For taxation to be successful in the country, certain values which are referred to as Principles of taxation have to be borne in mind. They include the following:

- **Simplicity**
The tax must be simple enough to be understood by both the taxpayers and the collectors. Complicated taxes lead to delays, avoidance and high costs of collection in terms of time and resources.
- **Equity/ fairness**
This means that tax should be levied fairly so that distribution of tax burden is equitable.
- **Convenience**
This means that the period and season in which tax dues are collected should be convenient to the taxpayer. For example, tax is deducted from an employee's employment income by the employer at the point of paying the salary.
- **Certainty**
Tax should be certain in terms of time, place, manner of payment and the amount to be paid. Unpredictable tax discourages investment and reduces work effort.
- **Economical**
The cost of collection and administration of tax must be much lower than the total tax collected. Usually, the collection cost should not exceed 5% of the yield of tax.
- **Ability to pay**
The taxpayer should be able to pay the tax assessed on them without much difficulty. The payment of tax should not hinder the operations of business entities or affect an individual's standard of living.
- **Elasticity**
A tax should change directly with the change in income. If the income increases, the tax imposed on that income should also increase, and vice-versa.
- **Flexibility**
The tax system should be able to accommodate changes in the socio-economic environment of a country. For example, during this period of the COVID-19 pandemic, when most of the sectors have been affected by the lockdown and not earning, taxes

should change to favour the taxpayer.

Direct Taxes

This is a tax charged on the income, property of individuals and business entities.

Types of Direct Taxes

- i) **Income tax.** This is a tax on profits or income earned by individuals. It can either be personal income tax, which is charged on the income of individuals or corporation tax, which is charged on companies.
- ii) **Wealth tax.** This tax is charged on accumulated wealth, capital or savings of individuals or businesses.
- iii) **Capital gains tax.** This is a tax on profits received from the sale of fixed assets.
- iv) **Death duty.** This is a tax imposed on the estates of a deceased person.
- v) **Inheritance duty.** This is a tax paid by a beneficiary from the estates of a deceased.

Role of Taxes

Taxes are the major source of revenue for the government. When government collects taxes, it's able to finance most of its activities.

The major roles of taxes include the following:

- Taxes enable the government to provide social services to the public. You have seen many social services in your community which are built from the taxes collected. Examples include healthcare and education services.
- Taxes can be used to reduce income inequalities in society, especially where the rich are taxed while the poor are subsidized.
- Taxes on imports can be used to protect domestic industries from competition of dumped cheap commodities from other countries. Here imports are charged more, which leads to an increase in their prices. Taxes can be used to restrict the consumption of certain commodities to substantial amounts; for example taxes on alcoholic drinks and cigarettes. This will later reduce on their consumption.
- Taxes provide a method through which society charges those who use its facilities like roads, toilets, etc.
- Taxation can be used to check on inflation by reducing the people's purchasing power.
- Taxation can be used to recover the community wealth which individuals have obtained not as a result of efforts of other persons or the community; death duty is charged for this purpose.

Tax Compliance

Meaning of Tax Compliance

Most people have a negative attitude towards taxation. They end up avoiding payment of taxes. You need to understand that payment of taxes is very important because it's the major source of government revenue. This revenue is used in the building of infrastructure. Therefore, tax compliance is the degree to which the taxpaying community meets their tax obligations as set out in the appropriate legal and regulatory provision.

Factors Influencing Tax Compliance

- a) The extent to which a tax system is fair. An unfair tax system discourages tax compliance, while a fair tax system encourages tax compliance.
- b) The extent to which the tax laws are simple and easy to understand. Complicated tax laws and long administrative processes raise compliance costs.
- c) Whether laws and rules are applied consistently and fairly. Inconsistent application of the rules leads to noncompliance and more often this is caused by influence peddling and corruption.
- d) The extent to which the tax burden is spread to all potential taxpayers. If the taxpayers do not feel that the burden is well distributed, it will make tax compliance difficult.
- e) High tax rates make taxation costly and force taxpayers to avoid payment of tax; low tax rates will encourage compliance.
- f) The quality of tax administration is also very important. If tax collectors exhibit professionalism, integrity and customer care people will have confidence in the system and therefore be tax compliant.

Business Laws in Uganda

Businesses in your country need to be regulated. People set up businesses to make profit. You as a consumer need to be protected from some of the shrewd businessmen who may want to make maximum profits regardless of the quality of products offered. Business laws are, therefore, put in place to protect you the consumer. The business laws in Uganda include the following:

- a) Company Law. This is a law which governs the formation of companies in your country. It governs the registration and activities of the companies.
- b) Public Health Law. Under the public health law, the ministry of health is expected to check on the standard of hygiene of public places like bars, restaurants and hotels. In case such areas do not meet the set standards, they may be forced to close their businesses.
- c) Food and Drugs Law. Under the food and drugs law, the health ministry ensures that expired drugs and spoilt food are not sold to the public.
- d) Consumer Protection Law. Under this law, the public is protected from exploitation by ensuring that expired drugs and bad foods are not sold to the public.
- e) Weights and Measures. Under this law, the government ensures that entrepreneurs use correct weighing scales and measurements when selling goods to ensure that you as a customer is not cheated.
- f) Environmental Law. Through (NEMA) National Environment Authority, Government ensures that entrepreneur activities do not lead to environmental degradation.
- g) Trade License Act. This is a law which requires all businesses to register before the begin. Local authorities are responsible for collection of license fees.

Business Ethics

Introduction

While transacting business, it is important that an entrepreneur protects the interests of the customers. In this topic, therefore, we shall discuss how entrepreneurs can practise business ethics to customers, employees, government and how entrepreneurs benefit by practising business ethics.

Business Ethics

Business ethics are ways in which businesses should conduct themselves towards their customers, employees, society, government and other businesses.

Different professions have the code of conduct they should follow when performing their work. Even businesses have ethics that should be observed when carrying out business.

Parties to Business Ethics

The parties to business ethics include:

- The clients or customers, who deal with the business in terms of buying the business products or supplying it with products;
- Employees, who are employed by the business and handle the business day-to-day operations.
- Government of the country or authority in which the business activities take place.
- Businesses, which compete with the entrepreneur's business.
- The society within which the business is located and operates.

Business Ethics towards Government

Businesses operate in an environment controlled by both central and local governments. Therefore, good relationships should exist between the two parties to ensure that the business operates well.

Acceptable business ethics include the following:

- Complying with the business laws like registration, licensing, labour, occupational hygiene,
- Payment of the taxes as required by law is a must for all entrepreneurs that are liable. Payments should be made on time and in full.
- The entrepreneur should also meet production standards in terms of quality and weight. Dishonest behaviours of tampering with weighing scales should be avoided, as they cheat the customers and lead to loss of business.
- The business should also comply with occupational hygiene and environmental regulations.

Ethics towards Customers

Business Ethics to be practised by a business when dealing with its customers include the following:

- **Honesty:**
The entrepreneur should be honest to his/her customers. This includes honesty in terms of the price that is charged for the quality and quantity of the goods and the delivery of products purchased to his/her customers.

- **Courtesy:**
This is being polite, patient and sincere when dealing with customers. For example, an entrepreneur should not sell underweight or expired goods to his/her customers. An entrepreneur should be seen as providing a good service and not only interested in getting money from the customer.
- **Geniality:**
This means that the entrepreneur should be kind, cheerful, and try to balance his/her temper when dealing with customers. An entrepreneur should never bark, shout at or abuse the customer.
- **Responsibility:**
This means that the entrepreneur should try to meet his/ her obligations as agreed on. For instance, he/she should fulfil contractual obligations on agreed time, deliver on time, and fulfil his/her part of the deal.
- **Respect for beliefs, culture and sex:**
When doing business, one should mind about issues like tribe and religion when stocking goods.

Ethics to Employees

An entrepreneur should treat his/her employees in an ethical manner and to do this, he/she can do either of the following:

- **Giving a fair pay:**
The pay should be fair to the employees in terms of what the business can afford and in relation to the value of the work they are doing, as well as the value or income it is bringing to the business.
- **Provision of clear and fair terms of employment:**
The employees should be given appointment letters stating whether they are employed on permanent, temporary, or on contract basis. The salary or wage should be specified as well as duties and responsibilities.
- **Provision of good working conditions:**
Employees spend their most useful time at their workplace. The workplace should, therefore, assure them of a healthy life during and after their stay at the business. Workers should be provided with protective working clothes, gloves and goggles, where applicable.
- **Job security:**
The employees should look to the future with certainty in respect to their employment. If they are on contract, they should know about the renewal possibilities to enable them prepare themselves accordingly.
- **Politeness:**
Entrepreneurs should treat the employees politely in all situations. This should hold even in situations when the employees are in the wrong
- **Respect:**
The entrepreneur should respect employees for the contribution they make to the business. For instance, the entrepreneur should not publicly abuse employees.

Business Ethics towards Society

Ethics expected of a business when dealing with society in which it is located or from which it draws its market or sources of its inputs include the following:

- Conserving the environment, for instance, not releasing emissions or effluents which pollute or destroy the society's natural environment e.g. air, water, swamps, etc.
- Not endangering people's health and lives through its operations, e.g. emitting poisonous or obnoxious gases, loud noises or explosions, etc.
- A business should have strict considerations for society's norms. For example, an entrepreneur should do business in what is acceptable to the culture or religious beliefs of that society. For example, he/she should not be selling offending goods (like pork) in a Muslim community, selling alcoholic drinks near schools, etc.
- A business is also expected to get involved and contribute to society's needs; for example, contributing to community health services appeals, community development self-help activities like construction of roads and bridges, etc.
- Sharing in society's needs e.g. helping the poor, sick, disabled or displaced persons.
- A business is also expected to provide employment opportunities to the members of the community, before foreigners.
- A business should come to the society's help in case of emergency situations.

Benefits of Business Ethics

- i) Business ethics improve efficiency.
- ii) If workers are paid on time, are provided good working conditions, and allowances are given on time, they will become more efficient.
- iii) Widens market. An ethical business will attract more customers.
- iv) Government involvement in business. Government supports businesses which practise good ethics. Support may be in form of tax exemption and provision of loans.
- v) Can easily get partners. A business that practises good business ethics has a good image. Therefore, it can easily get more investors.
- vi) Protection of the environment. By practising business ethics in the process of its operations, for example acquiring raw materials and disposal of waste, the business is able to protect the environment.
- vii) Less problems with the law. A business which practises business ethics will rarely get problems with the law.

Term 3

LESSON 2: Business Communication Skills

Learning Outcome

By the end of this lesson, you should be able to communicate effectively using the different forms of communication when carrying out business.

a) Effective Communication in Business

Effective communication takes place when the message is understood by the receiver in the same way the sender intended.

Importance of Communication

Effective communication is important for a business because of the following reasons:

- It enables an entrepreneur to pass on important information all the time to his/her staff, the customers, government and the public in general. This is particularly important where the entrepreneur wants either of these parties to act or behave in a specific way and can only do it if they have had the necessary information.
- Communication helps an entrepreneur to recruit and select workers for the business.
- When an advertisement is placed in the media, interested people can send in their application letters, for the organisation to send information to those who need it.
- It helps the entrepreneur to implement his/her policies by giving instructions to his workers and their supervisors.
- Communication helps the entrepreneur to negotiate the prices with customers so as to get the best bargain in its dealings.
- Communication helps in keeping good relationships with old customers and creating new ones.
- Communications helps the entrepreneur to make decisions which are helpful to the organization.
- Communication helps the public to get information about the business.

This improves the image of the business organization among the public.

Communication helps the government and other regulatory organizations to monitor, guide or direct business operations.

Essentials of Effective Communication

- **Complete:** The message should include all facts the receiver needs to know about the subject matter which is being communicated. The sender should try to answer all questions the receiver may ask or the communication being sent out should seek to answer in the first instance.
- **Concise:** The sender should give the message in the fewest words possible that enhance its completeness. A message should not be too wordy, otherwise it will confuse the receiver.
- **Courteous:** The sender should be as sincere as possible when giving the message and should avoid hurting the receiving party; but should not depart or shy away from

addressing the issues under concern.

- **Correctness:** The message should be as correct as possible.
- **Considerate:** The sender should have the receiver in mind when sending a message. Positive words are better than using negative words / sentences.
- **Concrete:** The message should be concrete by being specific and not vague or too general.
- **Clear:** The message should be as clear as possible. The sender should choose language that is familiar to the receiver.
- **Good timing:** The message should be conveyed or communicated at a time when the receiver is able to listen to it.

Forms of Communication

This refers to the methods or ways by which the entrepreneur can communicate his or her message. The methods of communication include:

a) Oral communication



Figure 5



Figure 6

You can communicate orally or by word of mouth, either face to face or by telephone. Because the parties involved deal with each other directly, by discussing and agreeing, this method of communication tends to reduce chances of communication breakdown. Figure 5 and 6 show some of the examples of oral communication.

b) Written communication

You can also communicate by sending written messages. This involves sending written letters, memorandums, circulars, reports, notices, bulletins, journals or minutes

c) Visual communication

You can communicate by presenting information by use of diagrams and pictures without necessarily using words. Examples include organizational charts, photographs, posters, graphs and pie charts which may mean different situations.



Figure 7 shows signs for visual communication.

Channels of Communication

There are different ways through which businesses can communicate to the public. These include the following:

- **The press.** Here the media of communication include newspapers and magazines.
- **Radio and Television.** Under these media, business people are able to communicate to the public through television and radio adverts.
- **Internet.** This is a modern channel of communication which is very common these days. This is the worldwide area network of computers communicating across continents.
- **Letters.** This is a method of communication which involves writing letters.

Business Letters

A business letter is one of the common forms of written communication used to send information from the business organisation to an individual or another business organization on specific areas of interest between the business and the addressee.

Contents of a Business Letter

When writing a business letter, you should include the following;

- a) **The letter head.** Business organisations predesign and print papers showing their name, address, telephone, email, vision and mission.
- b) **Reference.** This is used to assist in identification of the subject matter and to whom the letter is being written.
- c) **Date.** All letters should have a date.
- d) **Inside address.** This shows the name and address of the organisation the letter is being addressed to.
- e) **Salutation.** This is the greeting used to commence the letter.
- f) **Subject Heading.** This gives a brief indication of the contents in the letter.

- ## Memorandum

Contents of a memo:

- **From:** to show where the memo is coming from.
- **To:** to show who the memo is addressed to.
- **Date:** when the memo was written.
- **Reference:** it should be referenced depending on the convenience of the business organisation as in the business letter.
- **Subject heading:** to show the main idea in the memo
- **The body:** showing the details of the content of the memo in paragraphs.
- Unlike the business letter, it has no salutation or complimentary close.

MR LUBENGA JOHN KATRIN NURSERY SCH
MANAGER LUBOWA ROAD
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P.O.BOX 2KNS@GMAIL.COM
KAMPALA 23/5/2020

RE: WRITING BOOKS

Your sincerely,

MSKOTI MARY

ACTIVITY

-
- | Response | Percentage |
|------------------|------------|
| Doing a good job | 70% |



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