**ENTREPRENEURSHIP PAPER 3**

1. a) Behaviuoral characteristics associated with strong need for achievement with Muchafa has included the following

* Formulation of concrete goals
* Goals set are moderate
* Developed strong internal involvement
* Took personal responsibility for the outcome
* Analysed the environment to create opportunities
* Sought advice from experts
* Learnt from feedback. (any 4x1=4mks)

b) Factors that affected Mr. Muchafa’s choice of business idea include;

* Persons skills possessed
* Personal interest
* Personal commitments
* Market considerations
* Amount of personal capital he can raise. (any 3x1 = 03mks)

c) Basic steps Mr. Muchafa followed when taking up the insurance policy include;

* Taking quotations i.e terms and conditions of different insurance companies
* Choosing the insurance company and policy
* Checking the budget and determining how much money to spend on the insurance policy
* Filling the proposal form
* Evaluating information provided in the proposal form and assessing the value of asset
* Calculating the premium and making payment.
* Signing of the proposal form
* Issuing and securing the cover note
* Issuing and securing the insurance policy. (any 4x1=04mks)

d) How Mr. Muchafa ensures better time management.

* Delegates duties
* Selects priorities
* Uses computers to reduce paper work
* Reads useful materials in his free time
* Keeps diaries for noting down activities to be performed
* Makes decisions quickly
* Avoids unnecessary interruption. (any 5x1=05mks)

e) Benefits enjoyed by modern building and construction centre by selling goods on cash basis are;

* Provides Mr. Muchafa with cash for meeting immediate cash requirements
* Reduces long procedures of documentation hence time wastage associated with credit sales
* Helps to solve cash deficits in the business
* Avoids administrative expenses associated
* Helps to reduce losses that may arise out of debt and unpaid debts
* Helps to enable sales to new and unknown buyers without fixed places of residence. (Any 4x1=4mks)

f) Lessons anyone can learn from the case study include any of the following;

* Start and operate a business for which you have the required skills, interest and resources needed.
* It is necessary to diversify business activities
* An entrepreneur always has strong need for achievement
* Always set concrete moderate goals
* A business must be insured
* An entrepreneur must manage time.
* A business should take advantage of any discounts
* Always give clear instructions e.g to sales personnel.
* Always motivate the staff. (any 5x1 = 05mks)

2. a) Description of the business project should include the following

* Business name and address
* Business location
* Purpose i.e vision, mission, goal, objectives
* Good services offered
* Date of establishment
* Sources of funding
* Description of assets
* Target customers
* Uniqueness
* Nature/legal form
* SWOT analysis

b) Entrepreneurial competencies for engaging in the business project should include;

* Knowledge
* Skills
* Traits (any 2x1 = 02mks)

c) Project members based assessment of risks on the following factors;

* Experience of abilities of management
* Viability of the idea
* Flexibility of the business
* Availability of the market
* Honesty and pricing policies
* Level of consistency of cashflow. (any 6x1 = 06mks)

d) Procedures followed when preparing the business plan for the project

* Selecting the business opportunity to undertake
* Conducting a market survey for the selected type of business
* Collecting the relevant data concerning different aspects of the business
* Drafting a business plan
* Discussing the draft business plan with experienced people in similar business
* Making a final business plan
* Finalising the business planning process by preparing an action plan for implementing the planned activities. (any 6x1 = 06mks)

e) The major factors which influenced the production decisions include

* Legal requirements
* Facilities and organisation
* Acceptance by the community
* Sales potential
* Transportation
* Costs of production
* Supply sources
* Money requirements
* Labour requirements. (any 6x1 = 06mks)

3. a) Description of the business includes;

* Business name of address
* Business location
* Purpose i.e vision, mission, goal, objectives
* Goods/services offered
* Nature/legal form of business
* Date of establishment
* Sources of funding
* Description of assets
* Target customers
* Uniqueness
* SWOT analysis. (any 5x1 = 05mks)

b) Guidelines followed for creating a business brand include the following;

* Determine what the business is
* Determine what the business does
* Positioning the business
* Managing the brand. (any 4x1 = 04mks)

b) Characteristics of the entrepreneurship environment that influenced the entrepreneurial attitudes and opportunity, identification of project members include

* Resource scarcity
* Opportunity orientation
* Flexibility
* Uncertainty (any 4x1 = 04mks)

d) Challenges faced by club members when marketing output include;

* Limited market demand
* Insufficient marketing skills
* Transport difficulties
* High rate of advertising and promotions
* High taxes e.g ground rent
* Bad weather
* Scarcity of packaging materials
* Limited supply of utilities needed
* Theft/burglary/robbery
* Bad debts
* Poor customer care (any 6x1 = 06mks)

e) Financial management activities carried out by the business include;

* Mobilizing funds/raising funds
* Preparation of budgets
* Preparation of financial plan
* Maintaining books of accounts statements
* Financial decision making-investing in fixed assets and working capital
* Distribution and retention of profits
* Auditing and inspection of financial records
* Estimation of project establishment and running costs. (any 6x1 = 06mks)

4. a) Description of the business includes;

* Business name and address
* Business location
* Purpose i.e vision, mission, goal, objectives
* Goods and services offered
* Date of establishment
* Nature and legal form
* Description of assets
* Sources of funding
* Target market
* Uniqueness
* SWOT analysis (any 4x1 = 04mks)

b) Development of vision and mission statements should include;

* Business name and address (01mk)
* Vision statement (02mks)
* Mission statement (02mks)

c) Operational methods the business considers when analyzing competition include;

* Quality of output
* Hours of operation
* Skills of the personnel
* After sales services e.g servicing, warranties, guarantees
* Packaging
* Methods of selling and distribution channels
* Business location
* Advertising and formation
* Reputation of the business
* Inventory levels. (any 6x1 = 06mks)

d) Elements that influence quality standards in the enterprises visited include any of the following;

* Cleanliness in the work station
* Quality of market research
* Packaging methods used
* Quality of technical assessment and resourcing
* Level of training of workers
* Limits of deviations from set standards
* Level of technical specifications regarding quality and quantity
* Degree of monitoring and supervision
* Level of technology used
* Nature of storage facilities used
* Quality of inputs
* Level of motivation of employees. (any 6x1 = 06mks)

1. Benefits of investing in shares include

* Dividends are given to shareholders
* Capital gains are enjoyed
* Shares/share certificates are used as collateral security
* Shares can be inherited/easily transferred
* Voting sights are acquired by the shareholders
* Easy access to liquidity by selling shares
* Helps the entrepreneur to spread out risks. (any 5x1 = 05mks)

5. a) Description of the nature of the business includes any of the following;

* Business name and address
* Business location
* Purpose ie. Vision. Mission, goals, objectives
* Goods and services offered
* Date of establishment
* Sources of funding
* Target customers
* Nature/legal form
* Description of assets
* Uniqueness
* SWOT analysis (any 4x1 = 04mks)

1. How the business develop the theory of change

* Start with the end goal and work backwards i.e
* Vision – end goal of the business
* Impact-long term results of the activities
* Outcomes – direct results of the activities
* Activities – what to do exactly
* Inputs – what to use to achieve the vision (any 4x1 = 04mks)

c) Categories of inventory possessed by the business include;

* Raw materials
* Work in progress
* Finished goods
* Office supplies e.g stationery, tools and equipments, etc
* Spare parts
* Unused machines (any 5x1 = 05mks)

d) Factors the business considers when selecting the channel of distribution

* Nature of business and its distribution policy
* Cost effectiveness of the channel
* Nature of the products
* Reliability of the channel
* Availability of storage facilities
* Nature of market/location of customers
* Level of competition
* Volume of sales
* Value of the products
* Availability of own transport (any 6x1 = 06mks)

1. Measures undertaken to promote good employees retations include;

* Treating workers with respect and dignity
* Providing good leadership
* Showing empathy – employee development
* Ensuring proper motivation
* Handling grievances fairly and tactifully
* Providing good working conditions
* Proper communication. (any 6x1 = 06mks)