

BUSINESS CLUB AND NATURAL ENVIRONMENT

Effects / Impacts of the business project activities

Impact of the business project on the environment.

- ✓ Created employment opportunities e.g cleaners from the community were employed by the business
- ✓ Exploited the idle local resources e.g. idle land, idle rooms with in the school premises were occupied by the business project activities.
- ✓ Sponsoring community development programmes such as ensuring proper cleanliness, proper disposal of wastes etc
- ✓ Created market for the community members produce like onions, flour, cooking oil etc were purchased from the community shops. This has improved their income levels.
- ✓ Participating in social activities like tree planting, cleaning among others.
- ✓ Acted as a source for study purposes.
- ✓ Contributed to the government's revenue this was done through employing community members who later managed to pay government taxes.
- ✓ provides goods to the local community at a relatively affordable prices

Negative impacts

- ✓ Littering the compound with paper bags, polythene bags etc.
- ✓ Students making noise when consuming the products during break/launch time.
- ✓ Causing health hazards and possible accidents to students most especially during production work like cutting their fingers.
- ✓ Sound pollution. Students made noise while buying business products most especially S.1 and s.2 classes
- ✓ Deforestation. Trees were cut while collecting fire wood
- ✓ Air pollution

Ways through the business club maintained cleanliness of its environment.

- ✓ By sweeping the compound daily by the school cleaners who were employed by the business project
- ✓ By ensuring daily mopping of the business premises.
- ✓ By slashing the compound grass and trimming of the flowers to ensure beauty of the school.
- ✓ By painting business premises.
- ✓ By ensuring cleaning and washing of the working equipment e.g dishes, buckets etc.
- ✓ By providing appropriate sanitary facilities like towels, toilet papers etc
- ✓ By slashing around business premises.
- ✓ By fumigating around business premises on daily basis.
- ✓ By providing sanitizers to enable club members and customers cleaning themselves.
- ✓ By providing detergents like soap to club members and customers.

The business is conserving the environment in the following ways.

- ✓ By ensuring proper disposal of the wastes e.g egg shells are properly disposed
- ✓ By recycling the wastes e.g shell are later sold poultry farmers to make poultry feed.
- ✓ By planting trees e.g the business club planted some trees in the school as a way of conserving the environment
- ✓ Educating the school community about proper disposal of waste e.g students are encouraged to dump wastes in gazzated dust bins.
- ✓ Using environmental friendly packaging materials like paper bags which are less harmful to the environment.

How the business disposed off / manage waste materials;

- ✓ Dumping waste materials in waste disposal bins/covered containers.
- ✓ Burning of waste materials such as littered paper bags by customers in the pit next to girls' toilet.
- ✓ Using chemicals which decompose waste materials such helping to break wastes down into simply organic matter
- ✓ Recycling the waste materials such as plastic bottles, polythene bags among others
- ✓ Dumping waste in a single gazette area /place.
- ✓ Selling waste materials to other businesses
- ✓ Using waste materials as manure, feeds etc
- ✓ Re-using waste materials e.g containers , buckets etc
- ✓ Contracting waste management firm to carry away waste materials

RISK AND RISK MANAGEMENT IN THE BUSINESS PROJECT

Challenges faced by the business should include;

(i) The following are the challenges the business is encountering.

- ✓ Insufficient capital for expansion operations. This was due to inability of some club members to clear their membership fees as agreed by the club patron. This was challenge to raise enough capital for the business.
- ✓ Limited skills to professionally perform duties e.g some students lacked skills of making chapattis and half cakes.
- ✓ Decision making was not easy and this was due to large number of business members, so a lot of consultation was needed before implementation of a decision for a business like purchasing decision, production decision.
- ✓ High cost of raw materials and this reduced on the business working capital thus lowering on the profit sharing ratio of business partners for example the price for wheat flour was hiked from 5,000 to 7000 per packet.
- ✓ High competition with similar businesses like the school canteen and shops around the school community, this reduced on the market share of the business project thus low profits.
- ✓ Challenges of bad debtors as some students and teachers didn't want to pay their dues, this tied a lot of business capital in debts thus unable to finance production activities of the business
- ✓ Limited space for carrying out production work. We were given a small room there production was taking place.

- ✓ Challenge of supervising labourers (students) since most of them never wanted to work.
- ✓ Limited market due to increased changing in customers' taste and preference most especially senior ones and senior twos
- ✓ Limited time to participate in business project activities, this was brought by the school tight programmes, the business operated once in a week
- ✓ Sabotage /Resistance from some teachers and the school administration. Most teachers like Ms. Aisha had interest in making the same business due to abnormal profits.
- ✓ Challenge of rewarding the members/owners of the business. Since most of them were not actively participating in the production activities but they wanted to get equal share of business profits.
- ✓ Loss/theft of business products and property/funds. The financial treasurer took most of the business funds for her personal use. This was found out by our teacher Mr. Fred after auditing the project's books of accounts.
- ✓ Uncooperative members. Most business members never wanted to work as directed by the club patron, there was also division among the students and this made conflicts possible during the production process.
- ✓ Bad weather such as heavy rains and scorching sun, this stagnated the business activities thus making losses since no activities.
- ✓ High operation costs such as high cost of buying raw materials, high costs of paying labourers, high cost of transporting raw materials from the market centers.
- ✓ Unreliable utilities for instance unstable power which was on and off. This affected so much the production of some business products such as blending of juice and popcorn production.
- ✓ Accidents at work place. For example most students burnt and cut themselves when carrying out the production activities. A case in point was Nalubega Sophie who burnt herself cooking oil when deep frying chips.
- ✓ Challenge of maintaining good quality products /services.
- ✓ Use of improper /inappropriate technology or challenge of changing technology. For example juice was made using hands.

MEASURE TO OVERCOME THE ABOVE CHALLENGES BY / THROUGH

- ✓ Advertising e.g. putting posters on the notice board to sensitize the students about the business products, where to find them, their prices and how to handle them.
- ✓ Ensuring quality production, this was done through setting quality standards to be observed during production process, working from clean environment, sourcing from quality supplier and motivating workers to increase on their morale.
- ✓ Price reduction to attract more customers and out compete business rivals like school canteen like the price of chapatti cost shs 400.
- ✓ Selling mainly on cash basis to reduce cases of bad debtors and credit to only credit trustworthy customers like teachers, prefects and school administrators.
- ✓ Sourcing raw materials from cheap suppliers to increase on the profitability of the business project.

- ✓ Improving on the entrepreneurship skills such as marketing skills, managerial skills, negotiation skills (for best prices), financial management skills among others.
- ✓ Monitoring the activities of competitors (school canteen) to learn from them so as to improve on the production activities.
- ✓ Having friendly dialogue with the school management to accept practical entrepreneurship in the school on a daily basis or twice a week.
- ✓ Selling shares to increase on the business funds for example the business sold 100 shares for shillings 200 each to interested members like prefects and teaching staff.
- ✓ By looking for new markets outside the school to expand on the market size and counteract stiff competition with school canteen.
- ✓ Capitalization of the business through borrowing from the school administration shs 100,000, fundraising to increase on the business capital.
- ✓ Improving decision making through training consultations, following set guidelines most especially by the club patron.
- ✓ Conducting training and retraining of members to improve on their skills.
- ✓ Rewarding members according to the set guidelines basing on participation, share capital contribution etc
- ✓ Safeguarding business property by keeping it in secure rooms and maintaining proper records/ improved or tightened security.
- ✓ Disciplining the uncooperative members by firing them, enforcing work schedule, sensitizing them etc
- ✓ Provision of guidance and counseling about importance of practical entrepreneurship education/sensitization about the benefits of practical entrepreneurship education.
- ✓ Cost minimization by members doing the work themselves buying inputs from cheaper sources, using free school facilities etc
- ✓ Using alternative sources of utilities e.g firewood for electricity /charcoal, fetching water from the stream / well
- ✓ Use of protective gears / equipment like gloves, gumboots etc /frequent cleaning of the work station.
- ✓ Improving quality through use of skilled use of good quality raw materials etc
- ✓ Improving technology through technological transfer technological development etc like using of blending machine, popcorn machine,

WAYS OF MAINTAINING SECURITY IN THE BUSINESS

- ✓ Checking thoroughly all vehicles, motor cycles and persons entering or leaving the school at the entrance.
- ✓ Installing security lights and switching on them at night to improve on the lighting system of the school and the business club premises.
- ✓ Having in place a well maintained fence and monitoring it at all times by the club and school security personnel.
- ✓ Installing security monitoring equipment like CCTV cameras, alarm systems
- ✓ Employing well-armed and well trained security workers and giving them clear instructions relating to security.
- ✓ Placing warning notices relating to security at different points within business and outside the premises.

- ✓ Restricting permission to enter the business to business customers, workers and other permitted business parties such as the club patron.
- ✓ Installing fire extinguishers at the business work place.
- ✓ Ensuring that all club workers wear ENT club business uniforms that have name and number tags on them at all times during working time.
- ✓ Ensuring close supervision of all club workers while carrying out their duties to minimise theft.
- ✓ Safely locking all business movable assets like cash, work equipments etc.

WAYS OF ENSURING SAFETY /MINIMISING LOSS OF BUSINESS FUNDS/CASH

- ✓ Ensuring proper documentation of all cash received and paid out.
- ✓ Securing and depositing the business's cash to the school bursar immediately after receiving it. This was done by the club treasurer.
- ✓ Keeping the remaining cash at the business premises safely locked up in the money safes and also locking the doors to the cash safe rooms.
- ✓ Ensuring that only authorised personnel like the club treasurer received cash receipts and recorded all cash received in the cash receipts and other relevant books.
- ✓ Ensuring that all cash expenditures are requested for through the club president and club treasurer and then approved by an authorized like the patron.
- ✓ Prohibiting any cash drawings from the business but if allowed then restricting the amount and charging interest on the amount withdrawn. For example we charged 20% on any drawings made by members.
- ✓ Ensuring timely collection of debts within one month or as soon as they are incurred so as to avoid losing money due to bad debts like unfaithful students such as Kato and Kamoga.
- ✓ Buying business items from a nearby reliable and cheap supplier like from Gangu trading centre in order to minimize high expenditure due to high transport costs.
- ✓ Employing certified auditors to check the accounts records for error and fraud and this was done by our patron who is a public certified accountant.

PRODUCTION MANAGEMENT IN THE BUSINESS CLUB

Production process

- ✓ **Carrying out market research.** Here, business members collected information from students and teachers about the proposed products so as to get their opinions to enable future decision making
- ✓ **Developing the product idea.** This was through brain storming sessions that were held by the members to the school project
- ✓ **Translating the product idea into product design.** The school project held different meetings where discussions were held about the proposed product so as to come up with a proper product design
- ✓ **Acquiring required inputs** ie cooking oil, basins, flour, charcoal stove, among others
- ✓ **Production process** ie carrying out actual production while observing quality standards
- ✓ **Packing the products** ie in polythene bags and paper bags with the business logo

- ✓ **Branding the product** ie giving it unique name like super quality Kawoomera cakes and chapattis.
- ✓ **Storing the products.** Business members used to store the raw materials in sacks while finished goods were being stored in plastic buckets
- ✓ **Distribution of the products.** During break time, members of the school business club could hawk the product to different classes while during lunch time and after classes, the customers could buy directly from the production or selling place.
- ✓ **Making a follow up with customers** to find out how the product is performing in the market. Here, the members of the project could ask customers (teachers and students) to find out whether products met their expectations.
- ✓ **Making any improvements in the products desired.** Here, members used to conduct market assessment to find out challenges the product was facing and therefore make improvements especially in quality

FACTORS AFFECTING PRODUCTION DECISION

Facilities and organisations. Efficient production facilities like blending machines, charcoal stove, popcorn machine, and other equipments promoted production of more goods.

Sale potential. Products with high turnover such chapattis, pan cakes, chips were produced the most especially during visitation days, while products such as Pilawo had low sales only produced once a term.

Production cost. High production costs such as high transportation costs, high cost of raw materials discouraged the production more goods for our school club customers

Sales promotion and growth. Increased business market share due increased population of senior ones and senior fives encouraged more production of goods than ever before.

Money requirements. Existence of money to buy the required inputs encouraged production while absence of such limits production

Labour requirements. Existence of club members with required skills such as production management skills, financial management skills and product promotion skills encouraged production of more goods in the school.

Supply sources. Reliable suppliers promote quick production while unreliable ones discourage quick production.

Transportation. We produced more goods that are easy to transport to our customers since the club mostly hawked its products directly to students.

Acceptance by school members. Goods that were social accepted by the school were produced more for example chapattis, chips and pan cakes.

Procedures followed when purchasing inputs and equipments for the school business club.

- ✓ Identifying the business needs. These included raw materials involving wheat flour, cooking oil, salt, onions, green paper, tomatoes, and carrots, equipments like frying pan, baking stick, charcoal stove, table and charcoal.
- ✓ Identifying potential suppliers. These included shopping centre, Lwembawo trading store and Uncle Aisha shopping centre for wheat flour, cooking oil, salt and polythene bags. Salongo stall and Maama Deborah stall for onions, green paper, carrots and tomatoes. Mukasa traders and Kato traders for frying pans, Baking stick and charcoal stove.
- ✓ Contacting the suppliers. Some were visited, others were raised on phone while Kato shopping centre, Lwembawo trading store and Uncle Aisha shopping centre were given letter of inquiry.
- ✓ Selecting the best suppliers. For wheat flour, salt, cooking oil and polythene bags, Kato shopping centre was selected, since he allowed credit. For onions, green paper, carrots and tomatoes, Nalongo stall was selected since she was reliable, for frying pans, baking sticks and charcoal stove Kyalimpa traders was selected.
- ✓ Ordering for the goods. Orders were made verbally both face to face and phone. A printed purchase order was sent to Kato shopping centre
- ✓ Checking the goods as soon as they are received. The goods delivered were sent alongside the order and damages were excluded and returned.
- ✓ Checking the invoice for accuracy. Invoice was checked for errors, over charging and under charging.
- ✓ Making payments. These were made by cash and a receipt was issued after payment.

DOCUMENTS USED IN THE PURCHASING PROCESS OF THE BUSINESS CLUB.

- ✓ Letter of inquiry. This was sent by the business club to potential supplier to establish goods available, their nature, quality and quantities and prices required.
- ✓ Quotation reply to the letter of inquiry which stated the supplier's prices, type of goods, lead time, warranty (if any), payment terms and conditions.
- ✓ (Local) purchase order form. This was a document sent to the supplier requesting to be supplied with goods stipulated, their quantities and quality.
- ✓ Package sheet – named items
- ✓ Delivery note – sent to the buyer along with the goods showing goods delivered
- ✓ Payment voucher- authorize payment
- ✓ Cash sale receipt /slip – when good shave ben sold on cash basis
- ✓ Invoice – sent when goods have been sold on credit / details of goods that have been sold on credit & amount due.
- ✓ Proforma invoice

- ✓ Cheque
- ✓ Goods returned note- accompany goods returned to the supplier
- ✓ Goods received note – written by the buyer to be sent to the supplier to acknowledge the receipt of goods.
- ✓ Advice /dispatch note – sent by the supplier /seller to the buyer to acknowledge the receipt of LPO (limited Purchase Order) & when goods order will be released.
- ✓ Debit note – to correct undercharge on goods sent
- ✓ Credit note – to correct overcharge on goods
- ✓ Cash receipt- issued when cash has been received from the person/ issued by the seller to the buyer to acknowledge receipt of money or payment of goods & services.

FACTORS CONSIDERED WHEN SELECTING THE RIGHT SUPPLIER OF RAW MATERIALS

Terms and conditions of payment. We selected Maama Aisha a supplier of raw materials since she could supply us on a credit basis terms and hire purchase.

The lead time. We choose Maama Aisha a supplier of raw materials whose lead time instant delivery.

Distance from the supplier. We chose cheap supermarket because it is just 4 meters away from the school premises.

Quality of materials supplied. Kaswa wheat flour was selected because it was dust-free and lemon Flavoured.

The price at which the supplier was selling raw materials. We chose cheap supermarket because it sold to us wheat flour at cheap price just 4000 shillings per packet.

Consistency and reliability of a supplier. Cheap supermarket Gangu was selected because it was always open seven days a week and closed late at 10.00pm.

Amount of waste from the production process. Business club preferred to use raw materials that produce fewer wastes to those that produce many waste.

Quantities available for supply. Business club selected cheap supermarket Gangu because it could supply us with wheat flour in all the required quantities.

SELECTION OF RAW MATERIALS

FACTORS TO BE CONSIDERED WHEN SELECTING RAW MATERIALS FOR A MANUFACTURING FIRM

Source of raw materials. We selected Kaswa wheat flour because it was supplied by Cheap supermarket Gangu which is closer to the school premises.

Cost of raw materials. We Selected Kaswa wheat flour since it was cheaply supplied at shs.4000 only a packet.

Quality of raw materials Kaswa wheat flour was selected because it was dust-free compared to other brands.

Terms and conditions for purchase. Kaswa wheat flour was selected because it could be supplied on credit.

The lead time. Kaswa was selected because it could be instantly delivered.

Availability and reliability. Fortune cooking oil was selected because it could be available whenever it was needed in all nearby shopping centers.

Risk of damages, the business club used raw materials that was less likely to get damages such as Kaswa wheat flour.

Amount of waste, business preferred Kaswa wheat flour because it could produce less wastes compared to other brands.

Amount of raw materials to be maintained in inventory. For goods that were bought immediately we stored more raw materials to enable continuous production and for slow moving goods fewer raw materials were maintained in stock.

PRODUCTION REQUIREMENTS USED BY A SCHOOL BUSINESS PROJECT.

- ✓ Premises (production room)
- ✓ Motor vehicles for transporting raw materials and finished goods
- ✓ Fittings and furniture for usage in the project
- ✓ Raw materials and consumables like eggs, oranges, wheat flour, baking powder, blue band, milk, cooking oil, salt etc.
- ✓ Baking trays for baking the cakes
- ✓ Oven to assist in baking the cakes
- ✓ Blender for mixing ingredients like tomatoes, carrots among others.
- ✓ Dishes, source pans and other utensils to assist in mixing ingredients
- ✓ Packaging materials like boxes, paper bags, polythene bags.
- ✓ Bulbs for providing light.
- ✓ Labour to carryout production work.
- ✓ Water tank to store water for project activities

OPERATIONAL ACTIVITIES OF THE BUSINESS PROJECT

- ✓ purchasing inputs for example every Thursday, the purchasing manager was in charge of procuring/ buying the club inputs (give examples)
- ✓ Actual production, production manager served as a project worker and was in charge of baking mandazi, making chapattis among others
- ✓ installation of machinery (if any)
- ✓ Packaging of products. The business products were being packaged in polythene bags, paper bags and student's containers
- ✓ Branding of the products. The business products were given a unique and attractive brand name that is to say SUPER QUALITY SNACKS which was printed on paper bags for easy identification of business products
- ✓ Advertising and sales promotion. This carried out by the sales and marketing department which used to announce the products and their prices on every Monday assembly, discounts were also offered to large quantity buyers
- ✓ Selling and distribution of commodities. The products were being sold from the production premises near the girl's dormitory on Thursday and at times members could hawk the products to different classes and staff room in search for customers
- ✓ Storing of products. After production some unused and un finished products were kept in sack (plates, basins, frying pans), cooking oil in jerry cans while finished products in plastic buckets
- ✓ Financial management. The club treasurer maintained a cash book to record day sales and expenditures. All cash got during that day was being kept with the school bursar
- ✓ Carrying out market research. projected business members used to collect information from students and teachers by use of questionnaires and interview guided techniques to inquire about the proposed products so as to get their opinions to enable future decision making
- ✓ Organizing meeting. The business secretary used to arrange and call for meetings every once in a month where members could make informed decisions about the business project.

MARKET GAPS

- ✓ Poor quality products e.g some daddies are mixed up with oil content
- ✓ Limited varieties commodities.
- ✓ Low volume of stock
- ✓ Poor distribution channels used for example they mainly depend on the direct channel ignoring other channels.

HOW TO FILL THE GAPS

- ✓ By improving in quality through using good quality raw materials, proper storage, proper packaging etc.
- ✓ By increasing on the variety of good produced ie chapattis, samosas, chips, pan cakes among others.

- ✓ By improving on the advertising on school assemblies and school notice board.
- ✓ By expanding the market size so as to encourage large volume of production.
- ✓ By improving on the distribution channel of goods.

TOOLS FOR INVENTORY MANAGEMENT

Re-order level. . The re-order level was 4 packets wheat flour and 2 tray of eggs before we make new orders.

Lead time. Ie it took the business 2 hours to receive goods ordered.

Working capital. Our business had an average working capital of shs 500,000 to meet the daily needs of the business like raw-materials, stationary among others.

Asset register. A document used to record and establish the number of assets at the end of each term.

EXAMPLES OF INVENTORIES KEPT BY YOUR BUSINESS PROJECT.

- ✓ Raw-materials e.g. wheat-flour.
- ✓ Goods in progress like dough.
- ✓ Fished goods e.g cakes, samosas.
- ✓ Stationary materials like files, books, pens etc.
- ✓ Office equipments like calculators, computers etc.

WAYS THROUGH WHICH YOUR BUSINESS PROJECT MANAGED ITS INVENTORIES.

- ✓ Carrying out periodical stock taking. E.g. It was weekly conducted by the club stores manager.
- ✓ Carrying out periodical auditing of the business stock.eg. This was monthly conducted by the club auditor.
- ✓ Keeping proper Business records like sales records, production records etc.
- ✓ Determining reorder levels. i e. 2packets of wheat flour.
- ✓ Labeling the business assets e.g All the club charcoal stoves were labeled by the club names
- ✓ Determining the lead time. It was just one day before ordered materials were received.
- ✓ Employing skilled personnel to handle materials. E.g. trained stores manager.
- ✓ Ensuring proper storage of finished Products e.g. all materials were kept in a dust and water free room.
- ✓ Maintaining sufficient working capital. i.e. We had average of shs.400000 as working capital.
- ✓ Ensuring tight security. All stores where inventories like raw-materials were kept were secured with strong padlocks.

THE CONCEPT OF STORE MANAGEMENT

Store refers to places where stock of raw materials or goods are kept before they are sold or dispatched to business which ordered for them

TOOLS FOR EFFECTIVE STORE MANAGEMENT

Stock cards. These were used to record stock received and issued in the store like wheat flour, cooking oil etc. .

Physical and stock counting. This was conducted on a weekly basis by the stores manager.

Stock reconciliation. The business club updated and balanced all the records regarding what was in the store on the daily basis.

Stock evaluation. This was also conducted weekly after stock counting to ascertain the value of the stock counted.

PRODUCTION MACHINERY, EQUIPMENT AND FACILITIES

- ✓ **Machinery.** For example a blending machine, recording and counting machine, popcorn machine among others.
- ✓ **Equipments.** Examples of equipments include business computer, cash counter, calculators, cutleries, utensils among others
- ✓ **Tools.** ie axe, hammer, spade, knives slashers , among others

FACTORS CONSIDERED WHEN SELECTING MACHINERY, EQUIPMENT AND TOOLS

Capacity of machines and equipment ie Electric oven was selected because it could produce many cakes in shortest period possible.

The initial cost of machinery and equipment. A local charcoal stove was selected because it was cheaply sold at shs.10,000 only.

Ease of maintenance and repair. We chose a manual oven since its repairing cost was low.

Flexibility of the equipment and machinery. We chose electric blender because it could be used to produce different types of juice like apple blended juice, orange blended juice etc.

Productivity and efficiency of machinery and equipment. Electric blenders were selected because they could produce well blended juice compared to the manual ones.

The durability of the machine. An electric blender was selected because it could last for long compared to manual ones.

Guarantee given by manufacturers. Blenders manufacture red by japan we're selected since they are guaranteed unlike those ones processed from other countries like china.

Users – friendly of the machinery. Electric blenders made in Japan were selected because they were noise free when blending juice.

Power consumption of the machine. Blenders made in Japan were selected because they could consume less power compared to other brands.

Skills required to operate machine. Blenders with Japan brand were selected because they required less skills to operate.

Origin of the machine. We chose blenders made in Japan because of their better quality.

Ways of ensuring proper machine handling, use and safety in a business club.

- ✓ Switching off machines in case of any break down like the blending machine was always switched off while not in use or any break down.
- ✓ Ensuring that machines are thoroughly checked before switching them off and making sure power is off before pulling out the plug.
- ✓ By following instructional labels and guidelines on the use of machines. Ie for blending machine, plug in, take off the lid, take the blender and put fruits in the cup among others.
- ✓ Cleaning the surface of the machines with a dry cloth. No need to use corrosive detergent or solvent to clean and never to swash the machine with water.
- ✓ Using machines for work they designed for like blending machine for making juice and popcorn machine for making popcorn only
- ✓ Ensuring close monitoring and supervision of workers and the production process to reduce on the risks of accidents.
- ✓ Cleaning off the machines frequently and oiling all hand lubricating points daily to minimize wear and tear of the machine.
- ✓ Training of workers on the usage and Maintainace of machinery and this was done by the club patron.
- ✓ Attaching proper guards or warning labels to dangerous moving parts of machines and power transmission equipment.
- ✓ Providing safety devices to workers like hand gloves, helmets, gum boots, masks, overall among others.
- ✓ using the authorized centers for repair and not attempt to repair or change any part by the club members
- ✓ Switching off the appliance and disconnect from supply before changing accessories or approaching parts that move in use.
- ✓ Using trained and experienced labour force so as to avoid machine accidents.
- ✓ Installing warning devices which can alert in case of any likely danger like stand by alarm in case of any default.

- ✓ Making use of the closest power point when plugging in for use for example next to the work place station.
- ✓ Avoiding messing up with machines if they are still plugged in or still running.
- ✓ Where the machine is not in use for a prolonged period, it is turned off, unplugged, packed well, and stored in dry and cool place.

Control of hazardous substances

Refer to dangerous materials to workers e.g broken glasses, chemicals, contaminated food.

Hazardous substances in the business project may include the following.

- ✓ Litter in the school company with polythene bags, paper bags among others.
- ✓ Slippery floor surfaces
- ✓ Some chemicals like hot cooking oil used as input.
- ✓ Smoke and other emissions from the business project activities
- ✓ Chemicals used in production.
- ✓ Broken materials like grasses.

Reasons for controlling hazardous substances

- To minimize losses in business
- To improve or enhance quality
- To improve health complaints among workers
- Need to promote efficiency/ productivity of workers
- To minimize or control pollution
- To avoid accidents
- To maintain good relationship within the society

Ways of controlling hazardous substances in an enterprise.

- Keeping hazardous substances in covered containers and always kept by our business club patron and well labeled to avoid being exposed to every worker.
- Substituting with non or less hazard ones for instance organic solvents were substituted with caustic soap.
- Providing adequate and appropriate types of protective equipment like gloves, helmets, aprons, masks, ear plugs among others so as to reduce direct exposure to such dangerous substances.
- By ensuring proper disposal of hazardous substances far away from the business premises e.g dust bin
- Training of staff and educating clients, visitors, community on management of hazardous substances.
- Provision of stand by emergency facilities for instance first aid box and fire extinguishers which were used as first aid in case of an emergency.
- Through reading and understanding instructions on the hazardous substances before using them
- Recycling of polythene, bottles among others.
- Ensuring proper lighting facilities or ventilation
- Providing warning labels on hazardous substance or areas to minimize accidents. For instance “ **can cause severe Burns**”
- Developing general rules on safe working habits and publicizing them e.g washing hands with soap, changing clothes and cleaning the environment

- Through maintenance of health and safety records or statistics

WAYS OF MINIMIZING COSTS

- ✓ Paying labour a low wage for example cleaners' wages were reduced by 10,000 per day to 8,500 per day.
- ✓ Making labour work for long hours ie from 10am – 5pm.
- ✓ Buying in bulk to minimize expenses on transport for example we could buy a carton of wheat flour every week instead of buying in packets.
- ✓ Reducing fringe benefits for labour e.g transport and medical allowances
- ✓ Buying raw materials from the cheapest source
- ✓ Reducing discount rates to minimize expenses incurred on discount e.g discount allowed was reduced from 5% to 2%.
- ✓ Avoiding unnecessary costs ie un planned expenditures
- ✓ Employing few workers to incur less payment costs. E.g We employed only three external employees that were meant to be paid.

Maximizing profits

- ✓ Reducing credit sales most especially to un trust worthy students.
- ✓ Buying in bulk to minimize expenses on transport e.g we could buy a carton of wheat flour.
- ✓ Producing variety of products e.g samosas, chips, chapattis among others were produced to diversify profits
- ✓ Opening up different branches in different points of the school that is to say at the school canteen, trading centres among others.
- ✓ Carrying out mass production for example production of 10 packets of wheat flour every weekend.
- ✓ Producing quality production e.g production of dust free snacks
- ✓ Increasing the price of the product ie a plate of chip cost shs 1,500 instead of shs 1,000
- ✓ Involving students themselves in doing the club work than employing paid employees.
- ✓ Buying raw materials / stock from cheaper sources/ in bulk to enjoy discount
- ✓ Reducing advertising costs by announcing the products/services on assembly.
- ✓ Using cheaper packaging materials ie students containers
- ✓ Using school free facilities such as premises, utilities, security, transport etc.
- ✓ Providing quality products ie chips, chapattis, pop corns among others.

Internal control systems of a business

- ✓ Purchasing selected suppliers with friendly prices were selected for raw material supply e.g kamu-kamu wholesalers kibuye.
- ✓ Quality control. Quality raw-materials were purchased to ensure Quality production like dust-free wheat flour.
- ✓ Employee morale. Employees were properly motivated through training. e.g. weekly workshops were conducted to update employee skills.

- ✓ Cost controls. Operating costs were minimized such as transport costs. This was done through purchasing raw-materials near the school premises.
- ✓ Pricing controls. Prices were properly controlled by charging profitable prices that could help us to recover the operating expenses. e.g. Each samosa was sold at shs.500.
- ✓ Proper record keeping. These were properly kept such as production records, sales records etc.
- ✓ Internal audit. These were monthly conducted by the club auditor.
- ✓ Safeguarding business assets/physical controls. This was conducted through stock taking which was weekly conducted.
- ✓ Supervision. This was conducted by the club chief supervisor on the daily basis during production.

MEASURES THAT WERE EMPLOYED BY YOUR BUSINESS PROJECT TO ENSURE QUALITY PRODUCTION.

- ✓ Ensuring proper storage of finished products. i.e. they were kept in water free room.
- ✓ Using quality raw materials such as dust-free wheat flour and flavour cooking oil.
- ✓ Ensuring proper hygiene of the business premises. This was done through daily mopping of work stations.
- ✓ Ensuring regular cleaning of business premises. This was done through daily sweeping and fumigation.
- ✓ Using appropriate packaging materials such as paper bags, containers among others.
- ✓ Using an appropriate distribution channel like door to door selling.
- ✓ Regular inspection monitoring and supervision of the production process and this was done by the production manager.
- ✓ Employing labour with appropriate skills such as marketing skills, production skills among others.
- ✓ Sorting products before they were sold to our customers.
- ✓ Motivating employees- by training staff e.g. Weekly training workshops were conducted as a form of motivation.
- ✓ Following technical specifications regarding quality and quantity
- ✓ Carrying out market research. This was done by the club marketers to find our customers view about the products and carry on improvement.
- ✓ Using appropriate technology like electric blenders were used to blend juice.

FACTORS THAT INFLUENCE THE GENERAL QUALITY STANDARDS OF AN ENTERPRISE

Selection of raw materials that are used as inputs in production. The use of good quality raw materials (wheat flour (Kaswa), cooking oil) yielded quality products such as cakes, chapattis and chips.

Cleanliness of the environment under which the product was being developed. We worked from clean environment under which a product was produced thus production of high quality goods.

Packaging. We used a high and attractive packaging materials such paper bags which were blue in colour.

Storage of raw materials and finished goods. Proper storage of raw materials and finished goods promotes production of quality products.

Limits of deviations from set standards ie goods were produced basing on the set standards

Machinery used in production. Machines of high quality such as blender, popcorn machines were selected to produce quality products.

Availability of necessary skills for the production of products. Members with required skills (marketing management skills) were employed to produce high quality goods.

Product design and development. Right product designs as demanded by customers lead to quality output.

Why is necessary to observe quality in a business

- ✓ To improve the brand image of the business.
- ✓ To reduce costs of production ie pay less wages to workers
- ✓ To create consumers' loyalty and acceptance
- ✓ To facilitate standardization of the business products ie through production of uniform products or service.
- ✓ To comply with the quality standards prescribed by the relevant authority e.g UNBS and school authority.
- ✓ To produce quality products ie quality chips, chapattis among others.
- ✓ To compete with other competitors in the same line of business such as the school canteen.
- ✓ To determine product costs and price at competitive levels in advance of production.
- ✓ To achieve business objectives concerning quality specification.
To maintain business customers through improved quality.

EMPLOYEE MORALE IN YOUR BUSINESS PROJET

Ways of improving employee morale in the business project.

- ✓ Ensuring better remuneration of the employees. i.e Adequate weekly wage payment of shs .20,000 was paid to cleaners.
- ✓ Ensuring timely payment of workers. i.e every day the business paid its cleaners shs 10,000 on spot whenever they could finish up their work.
- ✓ Paying Workers extra pay for overtime work done i.e after 4pm we paid shs 4,000 for extra per hour worked.
- ✓ Offering Workers fringe benefits or non-monetary rewards like free food for lunch.
- ✓ Promotions of the workers was based on merit, seniority, excellence at work. For example Kato was promoted to mobiliser since he was working hard for the success of the business.
- ✓ Giving rewards to employees for better work done. E.g certificates of appreciation were given out.
- ✓ Involving employees in decision making .This was done through weekly meetings chaired by the club president.
- ✓ Training or be trained periodically to acquire new skills every end of the term for example students acquired new skill such making liquid soap, candle making among others.
- ✓ Bonuses or rewards were given to workers who excel or for specific good performances like the club sales manager for achieving the sales target.
- ✓ Good / favourable working conditions shall be provided to the workers e.g providing good hygiene, providing required quality tools, machinery and equipment.
- ✓ Best performing workers were recognized and rewarded e.g best employee for the month, year, smartest employee etc.
- ✓ Duties and responsibilities of each member were appropriately delegated to each member for proper flow of activities in the club.
- ✓ All members were treated with respect at all levels in the organization irrespective of workers' position/post.
- ✓ Members were assured/offered job security by the management since their membership could expire after 2 years of study.
- ✓ Products were sold by the business club to the members at reduced prices. For example chapattis sold at shs 400 each than a market price of 500 shillings.
- ✓ Proper disciplinary procedures were followed in the business club in order to maintain proper discipline among the workers

Financial analysis. It involves analyzing the costs and the sales (price) to ensure that the business costs are lower than the revenue hence operating at a profit.

Cost control. This involves reducing the costs of production in order to operate at a profit.

WAYS OF CONTROLLING COSTS

How production costs were minimized in the business;

- ✓ Employing few motivation strategies to workers like paying them in time, involving students in decision making among others.
- ✓ Employing part-time workers and were paid shs 1,000 per hour worked.
- ✓ Paying labour low wages ie shs 1,500 per day for each worker.
- ✓ Buying production materials from the cheapest/friendly sources e.g raw materials, packaging materials.
- ✓ Making labour work for longer hours for example from 10 am – 6 pm for three days a week.
- ✓ Carrying out activities /work by the club Members themselves.
- ✓ Avoiding unnecessary costs such drawings for personal use, paying for idle time among others.
- ✓ Reducing fringe benefits for labour for example the club patron reduced on the overtime allowance from shs 1,000 per hour to shs 700 per hour.
- ✓ Making use of free facilities offered by the school like idle former s.1 class room next to school canteen.
- ✓ Using cheaper alternative power and other utilities such as bio gas made by the science students and solar for lighting.
- ✓ Ensuring effective and efficient supervision and monitoring most especially during the production process.
- ✓ Encouraging specialization and division of labour.
- ✓ Fixing time standards for all business operations for example minimum (2 hours) and maximum time (2 and ½ hours) this reduced on time wastage.
- ✓ Observing/following technical specifications.
- ✓ Providing proper storage facilities (and proper storage management system).
- ✓ Giving clear instructions to club members in line with their duties and responsibilities.
- ✓ Training club members periodically, this was done at the end of every term.
- ✓ Buying in large quantities to enjoy trade discounts

How did the business project members waste time?

- ✓ Talking with people about personal matters unconnected with work most business club Namata and Nakato were conversing about television plays on NBS and Bukedde TV.
- ✓ Having unnecessary or extra-long group meetings ie for more than 3 hours.
- ✓ Allowing too many interruptions at work like gossiping most especially on weekends.
- ✓ Being disorganized by having no specific goals and targets most especially during the production period.
- ✓ Engaging in little or no delegation since most of the work was done by the club president and his vice.
- ✓ Being indecisive ie failure to make decisions this was due to many members in the club since every member had a different point of view.

- ✓ Being late or absent for work or leaving early. E.g Some members could come 30 minutes late for production work.
- ✓ Role conflicts. For example male students never wanted to wash utensils saying it's meant for female members.

HOW TIME WAS MANAGED IN THE BUSINESS CLUB

- ✓ Periodical targets / goals were set for example the club patron set the sales targets per day of 100 chapattis.
- ✓ Most of the work was delegated to different members to perform all tasks at once to ensure effective time management
- ✓ Deadlines for achieving set targets were set.
- ✓ Club members started work at e.g 10:00am and stop at 5:00pm most especially on weekends.
- ✓ Preparing a to-do list daily. This acted as a bench mark to guide us daily activities
- ✓ Considered biological prime time ie work was to be carried during the day time when everyone is at his / her best.
- ✓ Designing work schedules / time tables e.g Weekly production and marketing schedules we're designed and strictly followed during production and marketing respectively
- ✓ No private work was to be done during working hours or using club business property.
- ✓ Warning bells were used for the different programmes/activities ie the patron could sound the bell for breaks.
- ✓ Workers shall be strictly monitored and serviced during working hours to avoid time wastage.
- ✓ Avoid being perfectionists' ie paying unnecessary detail to do things the perfect way wasted a lot of time.
- ✓ Partioning Offices to allow workers to concentrate.
- ✓ Eliminating unnecessary Personal visitors like fellow students during production to avoid interruptions.
- ✓ Giving penalties to members who could come late for production activities such as suspending them, sending to them warning letters etc.

COSTING IN PRODUCTION

Meaning of costs of production. These are expenses incurred when producing goods and services.

Operational costs incurred by the business;

- ✓ Interest paid ie on the loan borrowed from our club patron
- ✓ Salaries/salaries and wages/ labour costs such as paying cleaners and most active workers shs 10,000 per the done work done.
- ✓ Stationery such as cash books, cash receipts, pens and pencils to record business transactions
- ✓ Utilities ie shs 3,000 was weekly spent on water bills and shs 30,000 per month on electricity.
- ✓ Advertising in the school magazine at a fee of shs 4,000 per advert made.
- ✓ Packaging ie the business purchased packaging materials like polythene bags at shs 5,000, paper bags 3,000 (100 pieces) among others.
- ✓ Storage costs
- ✓ Transport ie shs 3,000 paid to barrow boy pusher for transporting raw materials to the school premises.
- ✓ Depreciation for non-current assets of the business club.
- ✓ Discount allowed/sales discount ie 2% to customers who buy and pay cash.
- ✓ Commission paid to sales persons of the business ie shs 2,000 for every 50 chapattis sold and plates of pilawo.
- ✓ Bad debts/bad debts written off due to failure of the business club customers to clear their debt obligations were expensed off in the income statement.
- ✓ Fines and penalties paid due to failure of the business club to pay to our suppliers on time shs 2,000 per day delayed was to be paid.
- ✓ Taxes
- ✓ Repairs/maintenance costs. Ie the repair of blending machines was shs 10,000 per repair.
- ✓ Packaging. Shs. average of shs 60,000 was spent termly on purchasing packaging materials like boxes, wrappers, polythene bags etc.

Describe at-least five administrative expenses of the club

- ✓ Audit fees expenses (legal accountancy charges)
- ✓ Postage expenses
- ✓ Stationery expenses
- ✓ Communication / airtime expenses
- ✓ Heating and lighting
- ✓ Administrative salaries and allowances
- ✓ Depreciation of furniture

N.B these are expenses incurred by the business during formulation of the business policy, direct control, management and supervision of its affairs

Selling and distribution overheads. These are indirect cost incurred during the selling and distribution of goods and services. Examples of selling and distribution overheads include.

- ✓ Advertising
 - ✓ Sales promotion
 - ✓ Delivery expenses / carriage outwards
 - ✓ Salary of foremen
 - ✓ Cost of samples given to potential buyers
 - ✓ Free gifts
 - ✓ Displays and exhibition materials
 - ✓ Printing and stationary (for receipts , price lists, catalogues, invoices etc)
 - ✓ Packing cases
 - ✓ Insurance for ware house, delivery vans etc.
- ✓ **Direct costs/ prime costs** ie costs that can be specifically identified with a particular department or process examples include, direct materials (cooking oil, salt), direct labour costs/direct wages, direct expenses like loyalties
- ✓ **Indirect costs/overheads** ie costs incurred during production but which cannot easily be traced to the items being manufactured examples include, utilities ie power and water, depreciation of machines for the business club

PACKAGING IN YOUR BUSINESS PROJECT.

EXAMPLES OF PACKAGING MATERIALS USED IN YOUR BUSINESS PROJECT.

- ✓ Wrappers
- ✓ polythene bags
- ✓ Boxes
- ✓ Tins
- ✓ Bottles.
- ✓ Disposable cups.
- ✓ Paper bags.

The nature of the product packaging used by the business

- ✓ Polythene and paper bags, where products are put and then sealed
- ✓ Plastic containers / lunch boxes that are carried by the customers/ students themselves

FACTORS CONSIDERED WHEN SELECTING PACKAGING MATERIALS IN YOUR BUSINESS PROJECT.

- ✓ Polythene bags are easy to destroy through burning after being collected
- ✓ Low cost ie one dozen of polythene bags was at shs 2200 with 200 bags and the lunch boxes were for free ie they are owned by customers
- ✓ Paper bags have a multipurpose function ie they can be used by customers for further storage
- ✓ Paper bags can easily decompose hence posed less effect on the environment

- ✓ Favourable terms and conditions of purchase from suppliers ie the packaging materials in most cases were being obtained on credit
- ✓ The design of the product conforms to the packaging materials
- ✓ Portability of the packaging materials ie paper bags, polythene bags and plastic containers are easy to carry.
- ✓ The quality/durability of the packaging material. Boxes were selected because of being durable compared to polythene bags.
- ✓ The nature of the products to be packed. Bottles and disposable cups were used to pack juice yet paper bags were reserved for snacks.
- ✓ Availability of the packaging materials. Paper bags were chosen because of being adequately available in all nearby shops around the school premises.
- ✓ Distance to be covered. Products to be distributed in distant places a way from the school were packed in boxes to ensure their safety.

BENEFITS PACKAGING BUSINESS PRODUCTS ENJOYED IN YOUR BUSINESS PROJECT.

- ✓ Attracted more customers
- ✓ Competitors were out competed like the school canteen.
- ✓ Facilitated easy transportation of business Products.
- ✓ Added value on the products. This made them to be competitively priced.
- ✓ Made products to look attractive.
- ✓ Facilitated easy Product display.

Mechanism which was used in controlling the business assets

- ✓ Cash i.e recording it, using daily cash reconciliation, making frequent banking
- ✓ Accounting receivable ie maintaining a file of accounts receivable card
- ✓ Analyzing accounts receivables on regular basis
- ✓ Inventory / raw materials – setting up a perpetual system, counting inventory physically, placing valuable inventory items in a lockable room, having serial numbers on inventory, analyzing inventory card
- ✓ Physical assets – maintaining a file of information about assets, maintaining depreciable schedules, engraving assets
- ✓ Customers, merchandise – keeping a file by date, not releasing goods unless cash, cheque has been obtained in respect

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