**P230/1 UNEB GUIDE 2023**

**SECTION A**

1. a, i) **who is a social entrepreneur?** Is one who identifies a problem in society/community and uses creative/innovative skills to create a sustainable impact in society 1mk

ii) **services that may be offered by social entrepreneurs in your community**.

* Sensitization of community members/ awareness.
* Tree planting/ afforestation
* Provision of water.
* Provision of medical services/ health services.
* Provision of education services/ Training services.
* Creation of employment opportunities.
* Provision of lighting.
* Building houses.
* Construction of roads, bridges.
* Counselling.
* Legal services.
* Protection of wetlands
* Protection of animals, plants, birds and insects (bio-diversity) / eco-system.
* Caring for the vulnerable/ disadvantaged.
* Research services/ consultancy.
* Waste management services (recycle, repair, re-use).
* Market for society’s products (marketing services/selling).
* Provision of goods.
* Providing agricultural support services

Any 3

b**, Political factors that influence entrepreneurs**

* Political climate/situation/environment.
* Government policy on business/ investment/ entrepreneurship activities.
* Government expenditure.
* Legal environment.
* Government institutions and departments.
* Taxation.
* Political and religious refugees.

c i) **What is an organization plan?** Is a section of the business plan which describes the personnel needs of a business.

**OR**. This is an administrative plan/ human resource plan of a business/ management plan of a business.

**OR.** This is a frame around which people and other parts of the plan are put together to have a moving business/ organization.

ii). **Factors that an entrepreneur should consider when analyzing the human resource needs of a business.**

* Number of employees/ workers/ demand for employees.
* Qualifications/ skills/ education level/ experience or training.
* Remuneration/ salary / payment/ wages/ cost of the worker.
* Fringe benefits/ Allowances.
* Succession plan.
* Size of the business.
* Level of technology.
* Labour laws.
* Nature of business.
* Level of completion.
* Market/ Demands for the products.
* Tasks/ duties/ activities/ responsibilities to be done.
* Gender/ sex/female /male.
* Age.
* Health status.
* Marital status.
* Address/ location.
* Language(s) spoken.
* Level of production.
* Religion.

d, i**) Define the term plant capacity in relation to production**.

Refers to the volume or number of units that are manufactured/ made during a given period of time.

**OR.** It is the ratio of the actual output over a period of time in relation to its potential output.

ii) **factors that an entrepreneur should consider when determining the plant capacity of a factory**

* Size of the market.
* Availability of resources/ inputs.
* Production costs.
* Level of technology.
* Level of efficiency of labour/ skills.
* Lengths of operation/ hours of operation/ gestation period.
* Goals of the business.
* Size of the business.
* Government policy on production.
* Nature of the product.
* Storage facilities.
* Employees facilities.
* Utilities.

e**) current ratio** =

**=2:1**

**Interpretation**

The business is able to pay off its current liabilities using its current assets two times or twice in a year.

**SECTION B**

2a**) causes of change in business**

* Environmental change/climate change
* Change in market/ demand
* Social changes
* Changes in technology
* Competition
* Government policy on some services
* Change in entrepreneurship skills
* Changing in marketing strategies
* Political instability / political climate
* Global change
* Natural disasters e.g landslides earth quakes
* Diseases/ pandemics / epidemics dlwel
* Change in desire / needs
* Change in efficiency/quality
* Change in demographics/ quality
* Economic change eg inflation price changes, unstable change ratio
* Change in management
* Change in organization culture
* Expansion
* Change in capital

**Mention mls**

**Explain mls**

**Any 10×1=10mls**

**2b) implications of change on the businesses in your community**

**Positive implications.**

* Increased demand
* Leads to development of new business opportunities
* Leads to increased efficiency/ quality
* Enables business to become more competitive
* Leads to variety of products being made
* Enables the employees/ business to acquire new skills
* Enables the business to reduce on costs
* Enables the business to eliminate the workers who resist change
* Help the business to acquire new technology
* Helps to attract skilled workers/creation of employment opportunities
* It enables effective utilization of resources
* Helps the business to adopt the changes in the needs of the customer’s/market trends / changing tastes, preferences, fashions etc.
* Improves business image/ reputation/ goodwill/ relationship
* Encourages creativity and innovation

**Negative**

* Reduction in market share due to competition
* Reduction of workers
* Increased costs
* Geographical relocation of industries
* Increased complexity in the methods of production
* Closure of some businesses
* Increased labour tumor
* Increased occupation hazards
* Over production/ over utilization of resources/ wastage of resources
* Reduces employee morale/ stress/ bad relationship/ image/ reputation
* Requires a lot times/ tiresome

3a**) sources of business ideas for an entrepreneur**

* Newspapers
* Magazines/ periodicals/ journals
* Hobbies/ interests
* Trade shows and exhibition
* Brain storming
* Personal contacts
* Observations
* Internet/ surfing
* Radio programs
* Television programs
* Talents/ ability
* Government department reports
* Competition/ development parties
* Franchise
* Vocational training/ skilling/ education institutions
* Customers complaints/ market gabs market trends/ people needs
* Role models/ successful entrepreneurs
* Business association
* Creative thinking/ refractive thinking
* Friends and relatives
* Workshops/ seminars
* Market survey/ market research/ SWOT analysis
* Experience and skills
* Studying government development plans

**Mention mks**

**Explain mks**

**Any 8×1(8mks)**

**b) factors that should be considered by an entrepreneur when evaluating business risks**

* Market stability in economic cycles/ market/ demands
* Technological risks
* Competition/ size and power of competition
* Initial investment costs/ cost of business
* Supply and price (availability of imports)/ availability of raw materials
* Legislation and control government policy on taxes businesses
* Time required to make profits
* Seasonal/ predictability of demand
* Quality and reliability of the risks
* Invention requirements
* Exclusiveness of design/ uniqueness of the product/ change with fashion
* Flexibility of business
* Cost of insurance
* Quality of business management
* Availability of labour/ skilled labour
* Political climate
* Import competition
* Creativity and innovation
* Profitability of the idea/ viability
* Skills and experienced
* Availability of funds/ capital
* Types of a risk/ nature of a risk
* Pricing
* Support services/ auxiliary services/ aids to trade

**Mentioning- mks**

**Two sided explanation-1mk**

**Any 6×2=12mks**

**4a) Features of informal businesses in Uganda**

* Dominated by small-scale operations/ sellers in small qualities
* Mainly produce for domestic or local market
* Use simple production techniques/ labour intensive technology
* Produce using locally available resources
* Operated as one person’s business
* Limited Government Control
* Low productivity/ output
* Use unskilled and semi-skilled labour
* Evade and avoid tax payment
* Limited or no book keeping/ period keeping
* Low quality products
* Limited innovation
* Mainly located in urban and sub-urban areas
* Not registered/ not recognized
* They do not have fixed premises/ operate from anywhere
* Little capital/ limited capital
* Employ from/ relatives
* Personal contact with customers
* Unlimited hability
* They are not organized/ disorganized/ disorganized
* Low operational costs

**Mention mks**

**explainmks**

**any 8×1=8mks**

**b) contribution of reformal business in the development of entrepreneurship of Uganda**

* Employment generation/ family labour
* Acts as a training ground/ research/ study purpose
* Supporting community activities
* Encouraging saving and accumulation of capital
* Using the locally available resources/ idle resources
* Providing services and goods that are missing
* Encouraging creativity and innovation
* Encouraging production of variety of goods and services
* Contributing to local government revenue for example license fees, market dues
* Conservation of the environment
* Development of trading centres/ urbanization
* Providing income
* Infrastructural development
* Preservation of culture
* Talent development
* Promotion of sectoral linkage
* Regional balance

**5a) significance of advertising to an entrepreneur**

* Increases sales/ encourages buying/ increases demand
* Creates awareness about a product
* Introduces a new product/ fashion
* Creates confidence in the consumes
* Attracts new customers
* Retains old customer’s/ customer loyalty/ goodwill
* Helps to out compete competition
* Bridges the gap between manufactures and consumes
* Helps in monitoring and controlling the buying habits of the customers’/ market research
* Enables an entrepreneur to get workers

**Any 8×1=(8mks)**

**b) factors that limit effective advertising in entrepreneur in Uganda**

* High advertising costs
* Limited coverage of the media of advertising
* Limited coverage of the media of advertising
* Limited advertising agencies
* Limited skills/ lack of professionalism
* Language barrier
* Low literacy levels/ ignorance
* Government interference and control over some media houses.
* Low levels of technology
* Limited power supply
* Misconception about advertising/ bios
* Existence of many media of advertising
* Sabotage from competitors
* Limited interests
* Poor/bad weather
* Message is tem porary/ messages performances
* High capital/ funds
* Poor roads
* Political instability/ riots/ strikes/ demonstration

**6a) Account for a high level of labour tomorrow business in Uganda**

* Low pay
* Irregular pay (delayed payment)
* Lack of incentives/ Lack of fringe benefits.
* Closure of business.
* When the business is making losses.
* Expiry of contract.
* Poor health.
* Desire for better opportunities/ poaching by competitors/ availability of other job opportunities.
* Failure to cope up with technological advancement.
* Sexual harassment.
* Disrespect of workers by bosses.
* Risks involved in a job.
* Restructuring/ Retrenchment/ Demobilization.
* Excessive workload.
* Misunderstanding between employer and employee/ Bad relationship.
* Incompetence.

**b) Effects of a high labour turnover on business**

**Negative effects**

* It increases cost of acquiring new workers, e.g. Recruitment costs, training costs etc.
* Damages the images of the organization/ Goodwill/ Reputation.
* Decline in sales.
* Decline in productivity/ output/ quantity.
* Leads to labour unrest like strikes.
* Lowers the morale of the remaining workers. / Demotivates.
* Affect employee development plan process.
* Damages to machines.
* Reduces efficiency/ Quality.

**Any 7×1 = 7mks**

**Positive effects**

* Attract new ideas/ skills from new employees.
* Enables the business to re-organize its departments
* Reduces the labour costs as new workers allow less pay.
* Enables the business to get right workers and get rid of the indiscipline workers
* New workers are more hardworking/ effectiveness/ efficiency.

**Any 3×1 = 3mks**

**7 a) Direct taxes levied on entrepreneurs in Uganda.**

* Income tax/ personal income tax/ individual income tax.
* Corporation tax/ company tax.
* Wealth tax.
* Capital gain tax.
* Inheritance tax.
* Gift tax.
* Death duty/ estate duty.
* Rental tax.
* Surtax/ Surcharge.
* Land tax.
* Super profit tax.
* Local service tax.

**Mentioning 1mk, explanation 1mk**

**Any 5×2 = 10mks**

**b) Challenges faced by tax authorities in enforcing tax compliance among entrepreneurs in Uganda.**

* High rates of tax evasion and avoidance.
* Limited records/ inappropriate record keeping.
* High cost of tax collection.
* Illegal business activities.
* Corruption among tax administrators.
* Limited information about the importance of paying taxes/ ignorance.
* Weak tax laws and regulatory framework.
* Low profitability of the enterprises.
* Inconsistences in the application of tax laws.
* Large subsistence sector/ informal sector.
* Political sabotage/ Un popularity of government/ political instabilities.
* Poverty/ low incomes/ low taxable capacity.
* High tax rates.
* Improper infrastructures/ under developed infrastructure.
* Low levels of technology.
* Unfair tax system.
* Poor service delivery.
* Language barriers.
* Natural calamities.
* Challenges of inflation/ economic instability/ un stable exchange rate.

**Mentioning 1mk**

**Explanation 1mk any 5×2 =10mks**