

Question entrepreneurship

Why do you want to become an entrepreneur in the first place? Well, if you will care to ask successful business people and entrepreneurs, they will surely tell you different reasons for becoming one. Some of the most common reasons why people want to start their entrepreneurial journey include the following

1. You can make a difference

- **You get to choose who you will work for/with**
- **You can work even in the comforts of your home**
- **You are in control of your schedule –.**
- **If boredom strikes, you can try something new anytime -**
- **You cannot lose your job –.**
- **The amount of money you will make will often reflect the hours you put in.**
- **You can get more time with your loved ones**

what is a business opportunity

Answer :

A business opportunity (or bizopp) involves [sale](#) or [lease](#) of any product, service, equipment, etc. that will enable the purchaser-licensee to begin a business. The licensor or seller of a business opportunity usually declares that it will secure or assist the buyer in finding a suitable location or provide the product to the purchaser-licensee. This is different from the sale of an independent business, in which there is no continued relationship required by the seller.

Sources of business idea

1. Top 10 Best Sources of Business ideas & Opportunities for 2018

1. Look within yourself and examine your skills, talent, passion

- *What skills or talents do you possess?*
- *What are your hobbies? What are you passionate about?*
- *Do you possess a skill that people are willing to pay for?*

2. Keep up with current events and be ready to take advantage of business opportunities

3. Invent a new product or service

4. 4. Add value to an already existing product

5. Franchising

A franchise is just an arrangement whereby the manufacturer or the sole distributor of a trademark, product or service grants exclusive rights for local distribution to independent retailers in return for their payment of conformity and royalties in order to standardize operating procedures. Franchising may take several forms, but the most interesting one is the type that offers a name, method of running business, image and operating principles.

6. **Mass media**
7. **. Exhibitions, Expos and Trade shows**
8. **Industrial Surveys**
9. **Listen to customers complaints**
10. **Brainstorming**

Three ways to identify a business opportunity

The choice of a business opportunity should be based on the entrepreneur's skills, interests and talents. So, while mapping opportunities one has to first:

- Identify his /her strength
- Assess his/her surrounding
- Identify the risks and constraints involved
- Identify gaps that may be capitalized on.
- Selection of gaps to capitalize on
- Lay out an execution plan

It is recommended to use the following three ways which can ease the process of identifying successful opportunities:

1. Observing trends
2. Solving a problem
3. Finding Gaps in the Market Place

Q3. The process of creativity involve five steps (explain those step).

Answer:

creativity, an important asset in generating ideas

Creativity is the process of generating a new idea. On an individual basis, the creative process can be broken into five stages:

- **Preparation:** background, experience, and knowledge that an entrepreneur brings to the opportunity recognition process.
- **Incubation:** a stage during which a person mulls things over/thinks about them.
- **Insight:** a solution to the problem is seen/ found. Sometimes called the "eureka" experience.
- **Evaluation:** The solution is analyzed for its viability.
- **Elaboration:** the idea is transformed into something of value.

Q4. What is the process of registering a sole proprietorship business in Rwanda

Registering with the company registry at RDB

Rwandan businesses can be registered as sole proprietorship, a company or a foreign subsidiary/branch.

The business start-up procedures in Rwanda include the following steps;

Registration of a Company

1. Fill in the application forms relating to businesses and companies

All the shareholders should be present where applicable with their original copy of an identity card. In addition, there should be one witness. The shareholders should sign on each page of the forms in the presence of the witness and state agent in charge of company incorporation. Then, the witness should sign also.

2. Submit the above forms to Rwanda Development Board (RDB) together with registration fee of 15,000RWF.

3. Submit the filled and signed forms and the payment receipt so as to be registered in the Rwanda Trade Register

4. Trade License is issued by Rwanda Commercial Registration Agency in RDB

A sole proprietor is required to submit;

- ☐ An application letter indicating his/her names
- ☐ Place and date of birth
- ☐ Domicile and residence
- ☐ Nationality, sex, marital status, in case married, name of the spouse and their matrimonial regime
- ☐ Consent of the spouse in case their matrimonial regime is based on joint ownership,
- ☐ Name of the business enterprise and trade mark if applicable,
- ☐ Commercial activities to be carried out
- ☐ The head quarters of the business enterprise, in case of bankruptcy, judgements rendered to the applicant by Rwandan courts or foreign courts
- ☐ If applicable, trademarks deposited before the state, indicating the place and date of deposit and two passport photos.

NOTE:

The Companies Act recognizes four types of companies that can be formed, although in practice, only the first two are mainly used in Rwanda:

I. Limited Liability Company

A limited liability company is formed by physical or moral persons, limited to their shares; it requires a minimum initial share capital of Rwf 500,000 equivalent to USD 850. A Limited Liability Company cannot have less than 2 shareholders or more than 50. Private Companies cannot engage in the business of banking, insurance, finance and leasing. Investors wishing to participate in these sectors are required to set up public companies.

II. Public Limited Company

A Public Limited Company is formed by physical or moral persons, limited to their shares. It requires a minimum initial share capital of Hundred million Rwandan francs (Rwf 100,000,000) equivalent to USD 170,000. A Public Limited Company has no limitations on the type of business in which it may engage in, on the number of shareholders and on listing its shares on a stock exchange but share holders cannot be less than seven in total

III. Limited Partnership

A partnership is formed by an association of two or more individuals who intend to do business together. Although the individuals operate collectively under the name of a partnership, they remain individually liable for debts of the partnership. All of their property and not just the property of the partnership as such, remain accessible to their creditors in the event that the partnership defaults on its obligations.

IV. Commercial Partnership

Commercial partnership has two categories of partners. The first category of partners is essentially comparable to that of a limited partner. The second category is an investor who does not actively participate in the affairs of a partnership. He or she is not liable for the debts of the partnership beyond the amount of his/her investment.

Q6. Core marketing concepts

People have unlimited want but limited resources

1. Market – set of potential buyers for a product or service
2. Needs, wants and demands
 - a. Needs -- State of felt deprivation for basic items (e.g. foods, clothing ... belonging)
 - b. Want – form that a human need takes as shaped by culture and individual personality
 - c. Demands – human wants backed by buying power
3. Products and services
 - a. Product -- anything that can be offered to a market to satisfy a need or want
 - b. Service – any activity or benefit that one party can offer to another, intangible, does not result in ownership of anything
4. Value, satisfaction and quality
 - a. Customer Value – value gained from owning a product and costs of obtaining the product
 - b. Customer Satisfaction – Product's perceived performance in delivering value relative to buyer's expectations
 - c. TQM – involves improving the quality of products, services and marketing processes – Total customer satisfaction
5. Exchange, transactions and relationship marketing
 - a. Exchange -- Desired object from someone by offering something in return
 - b. Transactions – trade of values between two parties, it is marketing unit of measurement, build long term relationship
 - c. Relationship – process to creating maintaining and enhancing strong, value-laden relationships

Q6. Management functions

The basic aim of managing is to achieve certain objectives or goals. The manager must be sure of the objectives he desires to attain or of the end result to be ensured. The precise and the complete statement in this regard would make the objectives clear and understood by all concerned who have to divert their activities towards its attainment. The desired result, objective or goal is attained by performing certain fundamental management functions which can be grouped under basic heads, namely

- 1. Planning**
- 2. Organizing**
- 3. Staffing**
- 4. Motivating**
- 5. Directing**
- 6. Coordinating**
- 7. Controlling**