**JINJA JOINT EXAMINATIONS BOARD**

**P230/1 ENT**

**MOCK EXAMINATIONS**

**PROPOSED MARKING GUIDE 2019**

SECTION A (20 MARKS)

1. (a) (i) Defining Entrepreneurial culture.

This refers to culture that encourages the whole population to take advantages of the abundant opportunities in the environment. (01 mark)

(ii) Three objectives of developing entrepreneurial culture include:

* To build capacity for living with uncertainty and ambiguity.
* Familiarising individual with small business tasks during youth.
* To e in contact with numerous familiar successful role models.
* Embarrassing opportunities to practice entrepreneurial competencies.
* To link with a wide networks of independent family /business contacts reinforcing familiarity and providing opportunities.
* For acquiring formal/informal managerial knowledge and practice in business.
* To tap support from various financial technical and professional institutions that facilitates the growth of an entrepreneurship spirit.

Any 3x1 = 03 marks.

(b) (i) Differentiating:

Market research refers to the systematic collection , recording and analysis of data relevant to market problem of the business in order to develop an appropriate information base for decision making in the marketing are.

While/Yet/whereas

Market segmentation is dividing a broad target market into subjects/groups of consumers who have common needs and applications for relevant goods and service.

(ii) Two basis for market segmentation include.

* Demographic segmentation.
* Geographic segmentation
* Segmentation according to social Economic or social –cultural characteristics.
* Psychographic segmentation
* Behavioral segmentation
* Segmetation according to Generation.

Any 2x1 =02 marks

(c) Four factors that limit tax compliance among entrepreneurs in Uganda include:

* High tax rates
* Inequitable tax system
* Completed tax laws and tax regulatory framework
* Limited information about the importance of taxation
* Underdeveloped infrastructure
* Unproportional distribution of tax burden among tax payers.
* Unpopularity of the government and poor governance.
* Poor business management through poor record keeping.
* Poor tax administration and assessment
* long procedure of paying taxes
* High rate of inflation.
* Political instabilities
* Inconsistent tax laws and unfair implementation.
* Low levels of income among tax payers.

Any 4x1 = 04 marks.

(d) (i) Meaning: Gender partnerships refers to the idea of men (with all

their attributes) working harmoniously with women as joint partners in enterprices.01mark

(ii) Three factors that lead to low entrepreneurial activities among women in Uganda include:

* Limited woman role models and career guidance.
* Discrimination against women in the labour market
* Inappropriate education systems
* High risky occupations disfavour females
* Domestic work over load on women
* Early marriages
* Unfavourable colonial training and influence
* Limited entrepreneurial knowledge /sensitization
* Wrong parental perception on girl child education viewed as a cost than benefit.
* Limited funds for establishing enterprises.
* Limited child care facilities
* Unfavourable government policy in regard to women participation in Entrepreneurship e.g high taxes.
* High levels of Domestic violence

Any 3 x1 = 03 marks

(e) Four factors that can be used to evaluate a business idea include:

* present market
* Market growth
* costs
* Business risks
* personal considerations
* Business considerations.

Any 4x1 =04 marks

**SECTION B**

2. (a) Describing the stages of the product life cycle include:

* Introduction stage
* Growth stage
* Maturity stage
* Decline stage
* withdrawal stage

5x2 = 10 marks

NB: Mentioning -01 mark)

Explanation -01 mark

They must be in a chorological order.

(b) Factors that may lead to production of low quality products in an

enterprise may include :

* Employing unskilled labour /labour with low skills.
* Use of inappropriate storage facilities
* Inconsistence in observing the technical specifications regarding quality and quantity.
* Use of improper and low quality packaging facilities and materials.
* Use of outdated technology and machinery in the production process.
* Limited or no training of employees.
* Carrying out production activities in dirty/clean environment.
* Low /inadequate motivation of workers.
* Limited supervision and monitoring of the production process
* Purchase and using low quality raw materials
* Inadequate market research
* Inappropriate /unclear instructions issued to workers.

3. (a) Importance of an organisation chart in an enterprise include the

following:

* It enables the entrepreneurs determine the manpower requirements of the business.
* It helps the entrepreneur to identify vacant posts in an enterprise.
* Facilitates the smooth flow of information in an organization.
* Motivates employees to work harder.
* Show the reporting relations in an enterprise.
* Gives the hierarchy of commend in an enterprise.
* helps an entrepreneur when determining wages and allowanced to workers.
* Gives the organizational structure of the enterprise i.e who is who.

etc.

Any 4x2 = 08 marks

(b) Measure that can be taken to promote good working relations in an enterprise may include:-

* Paying workers promptly,
* Giving workers adequate /fair pay.
* Involving workers in decision making.
* Respecting works.
* Creating a favourable working environment.
* Handling employee’s grievances well.
* Ensuring on job training of works
* Ensuring open/good communication in the enterprise.
* Avoiding tempting workers.
* Promoting workers.
* Conducting objective performance appraisal.
* Maintaining discipline at the work place.

Any 12x1 =12 marks

4. (a) Factors affecting competition in business include the following

* Level of mobility and accessibility overlap.
* Level of product overlap
* Degree of substitution for the entrepreneurs’ product
* Level of public awareness
* Product priority.

Any 4x2 = 08 marks

Mentioning -01 mark

Explaining -01 mark

(b) Strategies that should be adopted by entrepreneurs in Uganda to cope with competition in business may include:

* Creating or keeping a good business image
* Provision of customer convenience and services e.g opening up to late hours
* Competitive pricing of goods
* Intensive advertising of the products.
* Improving the quality of the products
* Ensuring good customers care
* Provision of after sales services
* Using attractive/proper packaging
* Ensuring effective communication
* Training of workers
* Provision of a variety of products
* Offering discounts
* Charging everyday low prices for loyal customers
* Ensuring regular supplies by maintaining the required inventory levels
* Through strategic and attractive display of products.

Any 12 x 1 = 12 marks

5. (a) Characteristic of social entrepreneurs may include:

* Personal leadership
* Ethical and principle centred
* Goal oriented and visionary
* Good listeners
* Ris takers
* Empowering
* Advocators
* Optimisitic and flexible
* Hard working and committed
* Good time managers

Any 6x2 = 12 marks

N.B mentioning – 01 mark

Explain -01 mark

(b) Responsibilities of social entrepreneurs in economic development may include:

* Providing access to education facilities
* provision of access to health services
* Providing sustainable source of income
* provision of employment
* Reducing harmful effects /impact on the environment.
* Improving the quality of life of peoples standards of living.
* Improving infrastructure
* Facilitating from negative to positive living.
* Providing markets for local products
* Utilizing the would be idle resources
* Encouraging unity nd harmony in the community.
* Contributing towards government revenue by paying taxes.
* Increasing opportunities to the disadvantaged vulnerable groups.
* Encouraging people to identify business opportunities from the environment.
* etc.

Any 8x1 =08 marks

6. (a) Reasons for preparing a business plan many included the

following:

* To define the specific goals and objective so the business.
* To control and monitor the activities of the proposed business.
* To provide entrepreneur with information about where the business is going.
* Monitor the performance of the business overtime.
* To enable an entrepreneur to get financial assistance from banks or individual investor.
* To encourage the entrepreneur and people involved in the proposed business to think about it in systematic and focused way.
* In order to calculate and pay the exact amount of tax to the government.
* To develop a time table for implementation of various business activities in a sequenced way.
* To assist the entrepreneur to select the most suitable business opportunity based on ability to meet the business needs.
* In order to identify challenges in advance and lay strategies of overcoming them.
* To enable the entrepreneur to obtain permission operate leally.
* To aid investment decision making such as margin.
* etc.

Any 10x1 =10 marks

(b) Steps involved in preparing a business plan.

* Selecting a business opportunity or type of business to engage.
* Conducting market survey for the selected type of business
* Collecting all the relevant data concerning the different aspects of business and establish the cost of different items like machinery and equipment, raw materials, transport etc
* Drafting the plan
* Discussing the drafted business plan with technical people in similar business
* making a final business plan
* Preparing an action plan for implementation of activities.

Any 5x2 =10 marks

NB

* first 4 in chronological order.
* Basic principles of insurance are
* utmost good faith
* Indemnity
* subrogation
* Proximate cause
* insurable interest

Mark allocation:

Any 4x2 =08 marks

NB.stating -1mark

Explain -1 mark

(b) Responsibilities of an insurance company to the business community in Uganda may include the following :

* Gives confidence to undertake investment since they are safeguarded against the insured risks.
* Compensation is made to those who suffer losses hence assurance of business continuity
* Life assurance policy acts as collateral security to provide business finance to business firms/traders.
* It acts as a means of saving eg life assurance policy like endowment policy and whole life policy.
* Insurance company can act as trustee for businessman.
* Promotes international trade because traders are able to import or export without fear of loss.
* Contributes to the growth of the economy though pooled resources which are invested in infrastructure like road, buildings etc.
* Acts as an avenue of investment to traders e,g cooperate insurance.
* Any 6x2 =12 marks

**END**