



P230/3 ENTREPRENEURSHIP EDUCATION

U.A.C.E UTEC MOCK 2022

MARKING GUIDE

1 a) The General Description of the project should include the following:

- *Name and address of the business. ie Friends Sacco*
- *Business location ie Kyamula village- Salaama parish, Makindye Division*
- *Purpose of the business i.e. vision, mission, goals and objectives. eg To be the most trust worthy micro credit institution in the region by 2036”*
- *Product(s) offered ie1. Personal business loans, school fees loans, emergency loan, Institutional /Group loan and business consultancy services to community members.*
- *Date of establishment i.e. may 2012*
- *Nature or legal form or ownership of the business i.e. a co-operative society business*
- *Sources of funds ie share capital, retained dividends etc*
- *Customers of the business served/ target marketi.e. Makindye people, parents and business people*
- *Description of fixed assetsi.e. land*
- *Uniqueness of the business.*
- *SWOT Analysis of the business i.e. skilled labour, adequate capital, strong entrepreneurial characteristics*

bi) Business ethics towards society

- *Employing community members*
- *Participating in community activities eg contribution towards St. Ponsiano church*
- *registering the business with registrar of co-operatives*
- *Honesty*
- *Charging affordable rates*
- *providing market to community products like land*

ii) Business ethics towards customers

- *Honesty ie it is a core value*
- *Charging affordable rates stems in the mission statement*

- *providing market to community products like land*
- *Respecting customers*
- *Involving customers in decision making process*
- *Responsibility*

c) Factors that contributed to the success of the sacco

- *Strong entrepreneurial characteristics of board members*
- *unity among members i.e. having a common vision and mission*
- *Adequate share capital from members ie shs 100,000/= permonth*
- *Favourable government policy towards cooperatives*
- *Ready market for Sacco products such as school fees loans*
- *Good quality management*
- *commitment of members*

d) Ways in which the community benefits from the sacco

- *Provision of employment opportunities e.g. 10 workers employed by the sacco*
- *Exploitation of the idle resources e.g. land/premises*
- *Infrastructural development e.g. electricity extension*
- *Provision of goods and services (loan products and business consultancy)*
- *Sponsorship of community development programs/contribution to the community development programs eg St. Ponsiano, Nsaggu water spring*
- *Participation in social activities e.g. tree planting, cleaning/garbage collection*
- *Provides market for the products of the community e.g. land, construction materials*
- *paying taxes eg PAYEE for employees*
- *it improves on the image of the community (Salaama and Nsaggu)*
- *provides a variety of products eg school fees loans, group, toto's account, emergency, development loan etc*

a) Risks the Sacco is likely to face

- *Theft of people's money*
- *Misunderstandings being a corporative*
- *inconsistence in membership*
- *Heavy government taxes*
- *Labour turnover*

SECTION B- SCHOOL BUSINESS CLUB

2a) Uniqueness of the school business club

- *Offering/providing good quality products/ services ie*
- *Competitive pricing/cheaper prices ie*
- *Improved customer care services ie*
- *Persuasive advertising of products ie done on*
- *Adequate capital that enabled assembling of modern machines like*
- *Selective credit selling done to regular customers*
- *Maintaining good corporate image*
- *Good quality human resource management/Motivation of club members*
- *Extensive sales promotional activities such as use of gifts to regular customers, trade discount of 10% etc*
- *Added conveniences like opening early (6:00am) and closing late (11:00pm)*
- *Providing a variety of products*
- *Durable packaging materials that are friendly on the environment ie paper packets and bags*

b) Routine activities in our school business club

- *Production activities.*
- *Market activities.*
- *Communication activities*
- *Cleanliness activities/ Maintaining cleanliness.*
- *Purchasing activities*
- *Financial management activities.*
- *Managing personnel.*
- *Administration activities.*
- *Maintaining security.*
- *Maintaining the welfare of the workers.*
- *Maintaining and repairing the fixed assets of the poultry project.*
- *Sales promotion activities.*
- *Managing business competition activities*
- *Stores management activities.*

c) *Managing discipline among club members*

- *Recording the reporting and departure time for each member.*
- *Assigning a supervisor to each member.*
- *Motivating project members e.g. paying them promptly, rewarding best performers etc.*
- *Treating club members with respect / dignity.*
- *Punishing indisciplined members by pay cuts, suspensions etc.*
- *Scheduling work by assigning / allocating each project member a particular task.*
- *Setting / fixing timelines / deadlines for accomplishing particular tasks*
- *Regular / periodic appraisals.*
- *Issuing warning letters.*
- *Conducting regular meetings with members.*
- *Handling club members' grievances tactfully and fairly.*

d) *Forms of communication used*

- *Oral communication*
 - *Mouth*
 - *telephone*
- *Written communication*
 - *Business letters*
 - *Memo*
 - *Circulars*
 - *Notices*
 - *Organization chart*
 - *Reports*
 - *Minutes*
- *Visual*
- *Audio*
- *Audio-visual*
- *Gestures/sign language or body language*

NB: *evidence is necessary*

e) *Ways in which the school community benefits from the project*

- *Provision of products*
- *Market for other goods*

- *Employment opportunity / source of income*
- *Acquisition of skills & experience*
- *Infrastructural development*
- *Students in research*
- *Government revenue*
- *Participation in community development programmes / corporate social responsibility.*
- *Support needy in difficult times*
- *Improvement of security.*
- *Raise status of the owner / role model*

3a) Background of the school business club

- *Name and address of the business.*
- *Business location.*
- *Purpose of the business i.e. vision, mission, goals and objectives.*
- *Product(s) offered.*
- *Date of establishment.*
- *Nature or legal form or ownership of the business.*
- *Sources of funds.*
- *Customers of the business served/ target market.*
- *Description of fixed assets.*
- *Uniqueness of the business.*
- *SWOT Analysis of the business.*

b) Ways of promoting innovation

- *By expecting change*
- *By implementing new rules*
- *Through developing innovative strategies*
- *By avoiding barriers /obstacles /hindrances*
- *Through implementing one's innovations very fast*
- *By acting like entrepreneurs who make things happen*
- *Through thinking globally to ensure that innovation developed have wider application*
- *By promoting continuous learning to develop better skills and knowledge*
- *By measuring ones progress I.e. by assessing performance indicators*
- *Through performing were to produce better quality products*

c) Steps for training club members

- *Setting organizational objectives.*
- *Assessing the needs to discover the gap.*
- *Setting train objectives.*
- *Selecting the trainees.*
- *Setting training goals.*
- *Selecting the training methods.*
- *Selecting competent trainers.*
- *Administering the training.*
- *Evaluating the training*

di)Types of costs incurred

I. Direct or prime costs

- *Direct materials*
- *Direct labour costs*
- *Direct expenses*

II. Work costs

- *Indirect labour costs*
- *Rent*
- *Workers' salaries*
- *Store keeper*
- *Utilities I.e. water, lighting costs*
- *Machinery repairs*

Iii Administration costs

- *Audit fees, office salaries and wages*
- *Postage*
- *Stationary*
- *Communication or airtime*

Iv selling and distribution

- *Sales persons*
- *Transport*
- *Advertising*

– *Salaries or allowances*

ii) Ways of minimizing costs

- *Buying production materials (inputs) from reliable and cheaper sources.*
- *Using cheaper alternative sources of electricity and water*
- *Fixing time standards or deadline for all operations.*
- *Specifying the duties and responsibilities of all the workers.*
- *Conducting close supervision and monitoring of all the production activities (process)*
- *Carrying out thorough research to develop cheaper methods of production.*
- *Employing part time workers who are efficient and cheap.*
- *Recycling of re-usable products*
- *Making the workers to work for longer hours.*
- *Carrying out regular servicing of the machines and tools to reduce repair costs/disposing off old machines and tools.*
- *Adoption cheaper and efficient methods of production.*
- *Ordering for material for materials for production in time / fixing lead time.*
- *Training workers to perform production tasks or activities more efficiently as per set standards.*
- *Using appropriate production work support facilities like tools and fixtures e.g. gumboots, trollies, levers etc.*

e) Components of a marketing plan

- *Target market/ target customers/ customer's' profile in terms of the key (major) potential customers of the business, their location and others.*
- *Products and/ or services offered or to be offered*
- *Pricing strategy.*
- *Advertising and promotion plan (strategy)*
- *Sales and distribution strategy*
- *Projected advertising and promotion expenses (budget)*
- *Estimated sales usually for more than one period.*
- *Estimated market size and trend/ estimated market size, growth and market share in terms of estimated size of the total market.*
- *Competitive analysis/ competition in the current market*
- *Plan for recruitment and motivating of the sales force in term of workers needed, their number and others.*

SECTION C- FIELD ATTACHMENT/FIELD TRIP

4a)General description of the business

- *Name and address of the business.*
- *Business location.*
- *Purpose of the business i.e. vision, mission, goals and objectives.*
- *Product(s) offered.*
- *Date of establishment.*
- *Nature or legal form or ownership of the business.*
- *Sources of funds.*
- *Customers of the business served/ target market.*
- *Description of fixed assets.*
- *Uniqueness of the business.*
- *SWOT Analysis of the business.*⁶

b) Ways of motivating employees

- *By giving fair and timely payments*
- *Offering fringe benefits*
- *By ensuring pleasant /favourable environment*
- *Rewarding for specific reasons certificates of merit*
- *Showing genius respect to employees*
- *Through praising whenever necessary*
- *By minimizing tempting situations*
- *Through effective communication /giving feedback*
- *Conducting objective performance appraisals*
- *Through showing concern to workers problems*
- *Limited monitoring and supervision*
- *By handling grievances fairly and tactfully*
- *Through on-job training*
- *Promotion of good and exemplary leadership*
- *Promotion of workers objectively or on merit*
- *By being fair to all workers*
- *Specifying duties and responsibilities of each worker*
- *By promoting team spirit*

- *Involving workers in project sharing schemes*
- *By ensuring job security*

c) Managing the flow of funds

- *Reducing or increasing inventory to match sales requirements.*
- *Not using cash from the business for personal use.*
- *Negotiating with suppliers for extension of payment dates.*
- *Learning to use forecasts to develop useful cash budgets.*
- *Shopping for favourable interest rates and availability of funds to borrow.*
- *Analyzing expenses to reduce costs and eliminate waste.*
- *Controlling receivable to collect money as soon as possible.*
- *Raising price to increase gross profits or low them to increase sales.*
- *Minimizing the wage bill.*
- *Ensuring timely (regular) collection of debts (accounts receivable) eg collecting debts from large consumers weekly.*
- *Increasing the production and sales of fast moving goods*
- *Developing useful cash budgets so that cash is available in the business to meet future business needs e.g. preparing cash budgets that minimize cash flows.*
- *Developing good purchasing practices to take advantage of special prices and discounts*

d) Business ethics towards the government

- *Observing and paying the required government taxes eg paying promptly the local service tax, import duties on imported inputs, cooperate taxes etc to URA.*
- *Meeting production and quality standards set by the government*
- *Complying with the labour or occupational regulations eg providing production workers uniforms, safety shoes so as to meet the labour safety standards*
- *Complying with the environmental laws. Eg treating industrial waste water before disposal so as to minimize pollution, purifying smoke (fumes) before disposal etc.*
- *Keeping promises or contractual obligations made with the Uganda government eg maintain continuous supply of as per agreed marketing and distribution, allocate duties and responsibilities to their juniors basing on merit, experience and qualifications*

- *Providing conducive working environment(conditions) to all the workers eg ensuring a clean work area for all departments in the department, providing uniforms and heavy shoes to all production workers.*
- *Ensuring job security to all the workers e.g. all workers are assured to long-term employment under normal conditions.*
- *Respecting of all the workers*

ei) Taxes paid by the business a candidate was attached to may include

- *Income tax/corporation tax/profit tax*
- *Wealth tax*
- *Customs tax*
- *Excise tax*
- *Value added tax (VAT) I.e. sales tax, commercial tax levy (CTL) etc.*
- *Capital gains tax*
- *Sumptuary tax*
- *Octroi tax*

C(ii) Advice to the business owner on the importance of paying taxes may include

- *Enables the proprietor to run activities without fear or being prosecuted or close down the business*
- *Attracts government support and sympathy in times of need*
- *Creates good image /reputation hence customers, suppliers and financiers are willing to deal with the business*
- *Government uses the tax revenue for infrastructural development which benefits the business*
- *Promotes individual /business responsibility and self-reliance leading to encouragement of work effort/hard work*
- *Import duties safe guard domestic market for local industries*
- *Government uses tax revenue for paying wages /salaries/allowances to its workers who are sometimes customers of the business hence increasing their purchasing power /security*

5a) Purpose of the business

- *The vision of the business visited is*
- *The mission statement is*
- *The-motto is*
- *Goals:*
 - i. *To increase production of maize floor by 20 tonnes in 2 years*
 - ii. *To produce 300,000ltrs of mineral water in 3 years*
 - iii. *To produce 10 tonnes of soya millet in 14 months*
 - iv. *To create 10 new outlets in two years*
 - v. *To employee 100 people in 2 years*
 - vi. *To introduce 3new brands in two years*
 - vii. *To increase sales by 60% in two years*
 - viii. *To increase profits by 50% in 3years*
 - ix. *To increase the market share by 50% in two years*
- *The objectives include among others;*
 - i. *To increase production of maize floor by 10 tonnes in one year*
 - ii. *To produce 100,000ltrs of mineral water in one year*
 - iii. *To produce 5 tonnes of soya millet in five months*
 - iv. *To create five new outlets in three months*
 - v. *To employee 50 people in ten months*
 - vi. *To introduce 2new brands in twelve months*
 - vii. *To increase sales by 40% in one year*
 - viii. *to increase profits by 30% in nine months*
 - ix. *to increase the market share by 25% in one year*
- *Core values*
 - i. *Team work*
 - ii. *Lord fearing*
 - iii. *Professionalism*
 - iv. *Creativity*
 - v. *Building on strength*
 - vi. *High quality foods*
 - vii. *Opportunity orientation*

b) Personal entrepreneurial characteristics

- *The business owner is a risk taker.*
- *The business owner is self-confident*
- *The business owner is hard working.*
- *The business owner is willing to listen or a good listener*
- *The business owner knows how to cope with failure.*
- *The business owner is persistent.*
- *The business owner is committed.*
- *The business owner demonstrate initiative*
- *The business owner is goal oriented.*
- *The business owner is profit oriented.*
- *The business owner builds for the future.*
- *The business owner knows how to cope with uncertainty.*
- *The business owner knows how to respond to feedbacks*
- *The business owner has the characteristic of building for the future.*
- *The business owner is creative.*
- *The business owner is reliable and has integrity.*
- *The business owner has the characteristic of setting own standards.*

c) Main threats facing (faced) by Maganjo Grain Millers (U) Ltd

- *Unstable power/load shedding /power cuts from Owen Hydro Power Station. Disrupts production of*
- *Inadequate supply of raw materials/far supply of key raw materials.*
- *Increasing or high taxes e.g. on imported goods, other taxes or dues paid by the company include; VAT, local service tax, trading license, fees and corporate tax.*
- *Fire outbreaks*
- *Stiff competition from rival businesses like*
- *High labour turnover of casual workers.*
- *Theft of raw materials and final products by employees*
- *Duplication or counterfeit products.*
- *Bad weather especially prolonged droughts*

Strategies/measures/ways/how the company overcomes or can use to overcome or manage with the threats

- *Using powerful standby generators to supply electricity to the company so as to overcome the threat of power cuts.*
- *Buying more land for planting more maize, soya and millet seedlings to overcome shortage of raw materials.*
- *Employ more security workers at the business premises to reduce fire out break and theft of raw materials and final products like*
- *Producing superior quality such as*
- *charging fairly lower prices than the rivals and using appropriate distribution strategy of delivering the products faster to the consumers*
- *Providing labour motivational schemes like bonuses free lunch to all the workers, transport allowances and health insurance to the workers so as to overcome the threat of losing workers.*
- *Raising/raised the level of technology through using modern packaging and branding....*

d) Benefits of investing in shares

- *Leads to capital gains*
- *There is share dividends*
- *Voting rights*
- *Leads to capital growth*
- *Source of collateral security*
- *Possibility of transforming shares*

NB: Evidence is not needed

e) Techniques of increasing the market share

- *Advertising*
- *Networking*
- *Referrals*
- *Writing*
- *Cold calling*
- *News letters*
- *Giving free information*

- *Offering guarantees*
- *Giving discounts*
- *Negotiation*
- *Quality improvement*
- *Market research*
- *Effective communication*
- *Opportunity decision making*
- *Displays*
- *Favourable pricing strategies*