

RESOURCEFUL MOCK EXAMINATIONS 2017

Uganda Advanced Certificate of Education

ENTREPRENEURSHIP EDUCATION

P230/3

3 hours

Instructions to the Candidates:

- ✓ *Attempt 4 questions*
- ✓ *Question A is compulsory*
- ✓ *Answer only three questions from section B and C choosing at least one question from each section.*

**SECTION A:
CASE STUDY**

1. Read carefully and answer the questions that follow.

Mr. and Mrs. Baguma operate a food kiosk in Shauri Yako market, along Nakivubo Road, Kampala, There are many other Kiosks in the market and the competition is very high. Mr. and Mrs. Baguma are very hard working: they are always at their food kiosk by 6:00am every day. They have specialized in serving non-fried traditional dishes. This means that they use high quality and value foods to prepare their dishes, which must be in their original high quality form. They also sell traditional drinks like milk and porridge and on weekends, one may choose to get a glass of the local alcoholic porridge or beer.

While Mr Baguma strategically stands outside his kiosk to welcome his customers, Mrs. Baguma gives them seats, takes their orders and ensures that waiters and waitresses serve them promptly. After their meals, Mrs. Baguma collects the payments. Customers leave after catching up with the latest news from different parts of Uganda, which Mr. Baguma always has. A farewell and a come back request from Mr. Baguma always rings in the minds of the customers every time they think about lunch while in Kampala.

The Baguma's food kiosk is always full of happy eating customers. The Baguma's know most of their customers by name, their favorite dishes and drinks. There is never a day when neither of the Baguma's is at the kiosk. It only happened once when they had lost their cousin and they went to the village for the burial leaving the kiosk in the care of the workers. For the two days they were away, their sales

were very low and the neighbouring food kiosks cashed in. Since then, at least one of them has to be around.

Mr. Baguma pays and treats his employees well in order to avoid the costs of high labour turnover; this has enabled him to maintain -his workers for long. Owners of the neighboring kiosks have a misconception that the Baguma's use charms to attract and keep their customers and at times, they display their jealousy and hostility openly.

At the end of every year, Mr. Baguma analyses his business records to assess the performance of the business and pays taxes to URA. At the end of last year his sales, were Shs 250,000,000. The cost of sales was Shs 80,000,000 and expenses were Shs 50,000,000.

- a)
 - i) Identify the entrepreneurial qualities possessed by Baguma's.
 - i) Which other qualities should they have to be more successful?
- b) Advise the Baguma's on how to maintain their market share for the next 10 years.
- c) Compute and interpret the following for Baguma's as per the end of last year.
 - i) Markup
 - ii) Net profit ratio
- d) What should be done by those in the same business in the same catchment area with Baguma's in order to neutralize them and also get customers?
- e) Identify the costs of high labour turnover that Mr and Mrs. Baguma are trying to void by keeping their workers happy and motivated.

SECTION B: SCHOOL BUSINESS CLUB

2. In relation to a business project owned by your school club;

- a) Describe the business project you carried out.
- b) Describe the activities of the business project that you were involved in.
- c) Draw the organization chart of your school business club.
- d) How did the community benefit from your project?
- e)
 - i) What challenges did your project encounter?
 - i) Explain the measures you took to overcome the challenges in e (i) above.

3. With reference to a business project owned by your school business club

- a) Give the general description of the business project you carried out.
- b) Present the SWOT analysis for your business project
- c) Explain how you handled different customers.
- d) Present a work schedule of your business project
- e)
 - i) What risks did your business project encounter.
 - ii) How did you manage the risks in e (i) above?

**SECTION C:
FIELD ATTACHMENT/FIELD TRIP**

4. For any field attachment carried out:
- a) Present the general description of the business you were attached to.
 - b) Explain any three marketing techniques employed by the business you were attached to.
 - c)
 - i) Which distribution channel is used in the business you were attached to.
 - ii) What were the reasons for choosing the distribution channel mentioned in c (i) above?
 - d) What economic factors influence entrepreneurial attitudes and opportunities of the business you were attached to?
 - e) Identify the competitive advantages of the business you were attached to.
5. For any one business field trip made as an individual or a group:
- a)
 - i) State any three objectives of the trip.
 - ii) Describe the business you visited.
 - b) How are costs minimized in the business you visited?
 - c) Explain the role of each support services to the development of the business you visited.
 - d)
 - i) Mention any three tools used for effective stores management in the business you visited.
 - ii) Explain how the tools mentioned in d (i) above are being used.

- e) Advise the owner on the benefits of investing in shares.

END