

LEVEL 5

Demonstrate Entrepreneurial Skills

November / December 2023



**TVET CURRICULUM DEVELOPMENT, ASSESSMENT AND CERTIFICATION
COUNCIL (TVET CDACC)**

WRITTEN ASSESSMENT

Time: 3 Hours

INSTRUCTIONS TO CANDIDATES

1. This paper has three sections **A,B** and **C**.
2. You are provided with a separate answer booklet.
3. Marks for each question are as indicated.
4. Do not write on the question paper.

This paper consists of SEVEN (7) printed pages
Candidates should check the question paper to ascertain that all pages
are printed as indicated and that no questions are missing

SECTION A: 20 MARKS

Attempt ALL questions, each question carries one mark.

1. You are part of team expected to give a presentation on importance of customer feedback to a business. Which of the following statement would you not include in the presentation?
 - A. It assists in customer classification.
 - B. It helps measure consumer satisfaction.
 - C. It gives insights for a better customer experience
 - D. It helps a business to have high customer retention.
2. From the list below, identify a capability necessary for setting up and managing a successful business enterprise.
 - A. Procrastination
 - B. Imitating
 - C. Marketing Management
 - D. Fair remuneration.
3. The following are promotional strategies that can be used by an entrepreneur to promote business products that are facing stiff competition except?
 - A. Advertising
 - B. Dispatching
 - C. Social media
 - D. Road shows
4. An organisation requested you to explain the elements of communication in the correct sequence. Choose which sequence is correct.
 - A. Sender, Recipient, Feedback, Business message
 - B. Sender, Feedback, Business message, Recipient.
 - C. Sender, Business message, Recipient, Feedback.
 - D. Sender, Recipient, Business message, Feedback
5. Employees in a business have basic rights in a business. _____ is a basic right of employees in a business enterprise.
 - A. Employees have the right to participate in political party politics.
 - B. Employees have the right to use business resources for their personal needs.

- C. Employees have the right to file legal complaints against their employer without being punished in any way by their employer.
 - D. Employees have the right to prioritize their personal interests.
6. Choose the set that contains types of shares that a business can sell to willing investors.
- A. Cumulative, Non-participating preference share, treasury bills and debentures.
 - B. Redeemable, Participating, Non-cumulative preference and premium bonds
 - C. Non-convertible preference shares, Cumulative, Non-participating preference share and debentures.
 - D. Redeemable, Participating, Non-cumulative preference and Convertible shares.
7. Which one of the following does not justify reasons why it is important that an entrepreneur prepares a business plan?
- A. It protects potential businesses from competition from other businesses.
 - B. Enables potential entrepreneurs to assess viability of their business support unit.
 - C. Enables identification of employee's needs, skills they should possess, task they will perform and methods of remunerations.
 - D. Assist financial needs and sources of funds.
8. Identify which among the following is a competency in a business that facilitates business operations.
- A. Being non proactive.
 - B. Convey high integrity and honesty.
 - C. Ability to evade compliance.
 - D. Being risk averse.
9. It is important to prepare departmental and or business budgets because it_____.
- A. Gives you control over your money
 - B. Helps to fight competition.
 - C. Helps attract and maintain customers.
 - D. Makes it easier to input technology.
10. Innovation strategies are beneficial to business owners because they assist in _____.
- A. Establishing direction.
 - B. Diverging priorities

- C. Imitating operations.
 - D. Making many decisions
11. Identify which of the following is not a benefit associated with building a loyal customer base?
- A. Drive repeat business.
 - B. Customer differentiation.
 - C. Increase revenue
 - D. Create brand ambassadors.
12. You have been appointed to the position of human resource manager in the business. Identify the third step in the problem solving process.
- A. Evaluate the options
 - B. Identify the issues.
 - C. Select options.
 - D. Monitor and evaluate.
13. A business plan contains one of the following of chapters.
- A. Business description.
 - B. Coordination
 - C. Planning and management
 - D. Executive summary.
14. Choose from the sets below the correct stages in a consumer decision making process.
- i. Problem recognition. ii. Purchase decision. iii. Post purchase decision. iv. Information search and evaluation
- A. i, iii, iv and ii.
 - B. i, iv, ii and iii.
 - C. ii, iv, iii and i.
 - D. i, iv, iii and ii
15. Identify which is a responsibility of ordinary shareholders in a company.
- A. Ordinary shareholders can initiate liquidation due to business debts.
 - B. Ordinary shareholders share the company dividends before preferential shareholders.
 - C. The owners of the ordinary shareholders earn dividends in perpetuity.

- D. The ordinary shareholders do not benefit from the residual claim in the event of liquidation
16. You have been requested to prepare a guide on a feasibility study. Which of the following would be included in the guide?
- A. Executive summary
 - B. Organization plan
 - C. Defining the goals and objectives.
 - D. Roadblocks and alternative solutions
17. _____ is a characteristic used in market segmentation.
- A. Demographic
 - B. Topographic
 - C. Infrastructure
 - D. Physiographic
18. Which of the following would you employ to expand market for your product and services in your county?
- A. Create a plan to enter the market.
 - B. Follow competitor's trend
 - C. Complain to the authorities.
 - D. Maintain your usual tactics
19. The following are non-wages motivational practises that a business can apply to enhance performance except?
- A. Paid offs.
 - B. Sick leaves
 - C. Better working conditions
 - D. Free staff career progression.
20. The process of developing new products that over time takeover the market is referred to as?
- A. Promotion
 - B. Marketing and distribution
 - C. Sales and production
 - D. Creative and innovation

SECTION B: (40 MARKS)

Attempt ALL questions from this section

21. Motivating employees is a critical aspect of any successful business venture. List **THREE** measures that maybe taken to motivate employees. (3 Marks)
22. Mention **TWO** threats in a business environment. (2 Marks)
23. You have been asked to function as a human resource personnel in a business in an acting capacity. Identify **THREE** duties you would be expected to perform. (3 Marks)
24. Identify **THREE** principles of communication. (3 Marks)
25. Identify **FOUR** methods that would be used by a business to reward employees? (4 Marks)
26. State **FOUR** types of business capital you would advise a new business to use to finance its activities. (4 Marks)
27. Resistance to change is common among employees. Identify **THREE** causes of resistance among the employees? (3 Marks)
28. Businesses are penetrating the markets by way of creating competitive advantages. List **THREE** by which businesses are achieving this. (3 Marks)
29. State **FOUR** types of business resources necessary for a business to run an enterprise. (4 Marks)
30. Assume you are the county regional business registration officer. Mention **FOUR** legal documents that business persons may be required to produce as they register their businesses. (4 Marks)
31. A business can succeed through conducting a feasibility study in several areas. Identify **FOUR** areas where feasibility study can be conducted in a business. (4 Marks)
32. Young entrepreneurs want information about the supplies of raw materials. Suggest to them any **THREE** sources where they can obtain suppliers' information. (3 Marks)

SECTION C (40 MARKS)

Attempt any two questions from this section

33. a) Explain FIVE types of innovations that can be carried out by a business. (10 Marks)
b). Discuss FIVE ways that a human resource officer can use to maintain dialogue in a work place. (10 Marks)
34. a). Motivation is essential to productivity. Discuss FIVE objectives of employee welfare in an organization. (10 Marks)
b). Budgeting is an important aspect in planning for acquisition and use of business finance. Explain FIVE types of budgets that a business is required to prepare. (10 Marks)
35. a) Discuss FIVE principles of effective business communications. (10 Marks)
`b). Discuss FIVE characteristics of an appropriate technology. (10 Marks)

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