



DED 2224 ENTREPRENEURIAL COMPETENCIES

Answer all questions

Time : 03 Hours

01. Select correct answer for each question and write down the number of the answer in the answer book.
1. The first thing to do in marketing is to
 - (a) put all your skills into making your products the way you like them
 - (b) find out as much as possible about your customers and what they need and want
 - (c) try to make the same products or services other business make.
 2. The four Ps of marketing are
 - (a) product, profit, price and promotion
 - (b) product, promotion, payment and price
 - (c) product. price. place and promotion.
 3. The customers for children s toys are
 - (a) the children who like the toys
 - (b) the companies making toys in a particular area
 - (c) the people who want the toys and are willing to pay for them.
 4. In general, your prices must be
 - (a) low enough to attract customers to buy and high enough to give your business a profit
 - (b) lower than your competitors' prices and lower than the year before
 - (c) low enough to get new customers and high enough to buy new goods.
 5. Successful salesperson
 - (a) do most of the talking because they know what their customers want
 - (b) listen and ask questions to find out what each customer wants
 - (c) make sure that every customer always buys something from the business
 6. The important people for your business are
 - (a) the customers who buy your products now and the ones you hope will buy your products in the future
 - (b) the customers who often and regularly buy your products
 - (c) the customers who buy your products when you have something on special offer.

7. A good product or service
- (a) will sell easily and does not need any promotion
 - (b) needs to be promoted like all other products or services
 - (c) needs to be promoted only if its sales go down.
8. Market research is important because it helps you to
- (a) decide what products or services to sell
 - (b) learn more about your employees
 - (c) do costing for a product or service.
9. The most important person to a business is
- (a) the supplier
 - (b) the customer
 - (c) the delivery person.
10. The scale that a store uses to weigh the goods they sell is an example of
- (a) raw materials
 - (b) spare parts
 - (c) equipment
11. A written order is better than a spoken order because
- (a) it is a neater way to order
 - (b) it is a quicker way to order
 - (c) it is a proof that you made an order.
12. Check the goods against the delivery note or the invoice
- (a) when you count your stock at the end of the week or at the end of the month
 - (b) immediately when you get the goods
 - (c) when you make your order.
13. Your supplier delivers coffee. It is listed on the invoice, but you cannot remember if you asked for it. To find out, check
- (a) the order
 - (b) the quotation
 - (c) the receipt.
14. COD means that you must pay
- (a) by cheque
 - (b) when the goods are handed over to you
 - (c) within 30 days.
15. Buying well can help your business
- (a) reduce costs
 - (b) increase costs
 - (c) sell at a higher price than other businesses.
16. Stock control is important
- (a) only for retailers
 - (b) only for manufacturers
 - (c) for all businesses.

17. It is bad for your business to hold too much stock. One of the main reason is that
- (a) your suppliers will complain
 - (b) customers will go to other businesses
 - (c) your business money is tied up.
18. Stock control helps your business to
- (a) sell less goods on credit
 - (b) get discounts for advertising
 - (c) avoid running out of stock.
19. If you suspect that you are losing stock, your stock records will tell you
- (a) who is stealing
 - (b) how much stock is missing
 - (c) how to solve the problem.
20. Your sales of lemon biscuits have increased, so you must
- (a) increase your re-order level
 - (b) decrease your re-order level
 - (c) keep your re-order level exactly the same.
21. If you often run out of stock. a good way to solve the problem is to
- (a) work out more accurate re-order levels
 - (b) buy extra stock every day from a nearby wholesaler
 - (c) always keep extra stock of all your goods.
22. To make a plan you need
- (a) lots of cash
 - (b) credit sales
 - (c) information from your records.
23. A forecast tells you
- (a) what is likely to happen in the future
 - (b) what profit you made last year
 - (c) about the past.
24. The first step in making a forecast of the indirect costs for your business is to
- (a) calculate the profit you expect to make
 - (b) get information about your business in the past
 - (c) make a Cash Flow Plan for your business.
25. The Cash Flow is
- (a) only the money that comes in to your business
 - (b) the money in your bank account
 - (c) the money that comes into and the money that goes out of your business.

26. When you make a forecast of sales for your business, you think about
- (a) reducing your indirect costs
 - (b) the four Ps : Product, Price, Place and Promotion
 - (c) increasing wages for your employees.
27. The second step in making a forecast of the sales for your business is to
- (a) increase profit by lowering direct costs
 - (b) increase sales by improving marketing
 - (c) analyze the past
28. Business Planning is useful
- (a) for very large businesses only
 - (b) for large and small businesses
 - (c) retailers only.
29. Costing is the way you
- (a) work out what price you must set to make a profit
 - (b) find out the costs of your competitors
 - (c) calculate the total costs of making or selling a product, or providing a service.
30. The glue a shoe repairer uses to mend a shoe is
- (a) a direct cost because it is directly related to the mending of the shoe
 - (b) an indirect cost because the amount of glue needed to mend a shoe is very small, costs little and is difficult to calculate.
 - (c) a direct cost because it becomes part of the shoe.
31. Retailers and wholesalers do not have
- (a) direct labour costs because they do not have employees making products
 - (b) indirect costs because those costs are included in the prices the suppliers charge
 - (c) direct material costs because they do not make products and do not need raw materials.
32. In your costing, you include depreciation as part of your
- (a) indirect costs
 - (b) direct costs
 - (c) direct material costs.
33. The indirect costs in your business must be divided and shared by each
- (a) employee your business has
 - (b) product your business makes or sells
 - (c) different machines your business uses.
34. For accurate business records, you must write down
- (a) cash sales and cash purchases only
 - (b) all the money coming in and going out
 - (c) credit sales and purchase only.

35. A voucher is
- (a) a simple way of calculating profit
 - (b) a way of always writing the amount in two different columns in your Record Book
 - (c) a receipt or nay other proof of transaction with the same number as an entry in the Record Book.
36. The best way to find out how well your business is doing is to
- (a) check your cash box
 - (b) make a Profit and Loss Statement
 - (c) analyze your costs.
37. Your profit is lower than last year. A possible reason for this is that
- (a) indirect costs are higher than last year
 - (b) you found a supplier who offers lower prices
 - (c) you decided to pay yourself a smaller salary.
38. It is important to keep a Customers' Accounts Record because it helps you to know
- (a) how much money you spend on direct materials
 - (b) how much money a certain customer owes your business
 - (c) how much money you owe your suppliers.
39. Your records show that your sales and lower than last month. The first thing you must do is
- (a) find the reason for failing sales
 - (b) sell equipment you do not really need
 - (c) find ways to cut down your transport costs
40. A customer pays cash for a bag of sugar. The store owner immediately writes it down in the
- (a) Record Book
 - (b) Customers' Account Record
 - (c) Daily Cash Record

(Total 40 x 01 = 40 Marks)

- 02.
1. What is a business idea?
 2. What are the personal entrepreneurial characteristics for an successful entrepreneur?
 3. Which type of business are most suited for small and medium scale entrepreneurs?
 4. What are the techniques normally used to generate a good business idea?
 5. There are two methods use to analyze a good business idea. What are they?
 6. A successful entrepreneur have abilities and experiences needed to start and run own business. What are the abilities and experiences required to run own business?
 7. In which ways we can conduct field Research effectively and efficiently?
 8. A good business idea will tell something for your successful business. What are they?
 9. What is the purpose of an Environmental Impact Assessment (EIA)?
 10. Who is a governing body to issue the Environmental Protection License for your proposed business?

(Total 10 x 04 = 40 Marks)

03. "An essential step in getting a new venture off the ground is the preparation of a business plan".

1. What is a Business Plan?
(05 Marks)
2. What are the advantages of a good Business Plan?
(05 Marks)
3. Briefly explain the key components of a Business Plan.
(05 Marks)
4. Where to find information for your Business Plan?
(05 Marks)

(Total 20 Marks)