



**CERTIFIED PUBLIC ACCOUNTANT  
FOUNDATION LEVEL 1  
EXAMINATIONS**

**F1.4: BUSINESS MANAGEMENT, ETHICS AND  
ENTREPREURSHIP**

**DATE: MONDAY 27, MAY 2024**

**MARKING GUIDE AND MODEL ANSWERS**

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## QUESTION ONE

### Marking Guide:

Qn3	Description	Marks	Total Marks
<b>a</b>	<b>The types of conflict that was occurring in the Gahinga International School</b>		
	Intergroup conflicts	2	
	Organizational conflicts	2	
	<i>Any correct answer with explanation (any 2*2 marks for each)</i>		
	<b>Maximum Marks</b>	<b>4</b>	
<b>b</b>	<b>The strategies that can be adopted to overcome resistance to change</b>		
	Coalition building	2	
	Manipulation	2	
	Articulation of a shared vision	2	
	Participation and involvement	2	
	Rewards and incentives	2	
	Coercion	2	
	Support and facilitation	2	
	Education ,communication and training	2	
	Negotiation and agreement	2	
	<i>Any correct answers with explanation (any 4 *2Marks for each=8 marks)</i>		
	<b>Maximum Marks</b>	<b>8</b>	
<b>c</b>	<b>The principles of corporate governance</b>		
	Effective development of all stakeholders	2	
	Effective management and distribution of wealth	2	
	Compliance of law in letter and spirit	2	
	Discharge of social responsibility	2	
	Application of best management practices	2	
	Adherence to ethical standards	2	
	<i>(Any 4 correct answers well explained are awarded 2 marks for each).</i>		
	<b>Maximum Marks</b>	<b>8</b>	
	<b>Total Marks</b>		<b>20</b>

## Model Answers

### a. The types of conflict that was occurring in the Gahinga International School

- i. **Intergroup conflict:** This refers to a conflict between two or more teams, groups or departments. In this case the conflict between the foreigners and the locals and managers play a key role in resolution of the conflict and in this case the HR manager of the school was the right person to resolve the conflict between the employees.
- ii. **Organizational conflicts:** This discord arises when goals, interests or values of different individuals or groups are incompatible and such people block or threaten each other's efforts to achieve their objectives.

### b. The strategies that can be adopted to overcome resistance to change

- i. **Coalition building:** Providing advice and support from powerful individuals in the organization to those who may pose resistance.
- ii. **Negotiation and agreement:** Using bargaining and tradeoffs, including financial bargaining.
- iii. **Articulation of a shared vision:** Communicating a vision of the future can overcome a fear of the unknown.
- iv. **Education, communication and training:** Through effective communication, information and re-skilling, resistance can be lowered.
- v. **Participation and involvement:** Identifying potential resisters and involving them in the change process.
- vi. **Coercion:** involves the explicit use of power by issuing directives to employees about the changes being implemented. Managers or the change agent resort to coercion if all other methods have failed to reduce resistance to change.
- vii. **Manipulation** of the situation by the agent can make it easier to introduce change. For example, it has been established that crisis situations are more likely to motivate people to change. So organizations can attempt to exaggerate the extent of the situation facing the organization to make it appear as if the organization is in a crisis. This style is often used when resistance is caused by habit, re allocation, economic and group factors.
- viii. **Support and facilitation** - are appropriate management styles when employees are experiencing difficulty in coming to terms with the new changes. Support and facilitation help to overcome resistance arising from a fear of the unknown and the need for security
- ix. **Rewards and incentives-** increasing motivation using money and other incentives.

### c. Using the principle of corporate governance, the following are the principles the HR manager can adopt

- i. Sustainable development of all stakeholders- to ensure growth of all individuals associated with or effected by the enterprise on sustainable basis. •
- ii. Effective management and distribution of wealth – to ensure that school creates maximum wealth and judiciously uses the wealth so created for providing maximum benefits to all stakeholders and enhancing its wealth creation capabilities to maintain sustainability.
- iii. Discharge of social responsibility- to ensure that the school is acceptable to the society in which it is functioning.

- iv. Application of best management practices- to ensure excellence in functioning of the school and optimum creation of wealth on sustainable basis.
- v. Compliance of law in letter & spirit- to ensure value enhancement for all stakeholders guaranteed by the law for maintaining socio-economic balance.
- vi. Adherence to ethical standards- to ensure integrity, transparency, independence and accountability in dealings with all stakeholders.

## QUESTION TWO

### Marking Guide:

Qn4	Description	Marks	Total Marks
<b>a</b>	<b>The main duties of UHL directors of the Company</b>		
	Convening at general meetings of the company	2	
	Exercising their powers in good faith	2	
	Carrying out their functions with due care, skill and diligence	2	
	Maintaining proper books of account	2	
	Preparing annual accounts	2	
	Maintaining certain registrars and other documents	2	
	Disclosure of certain personal information	2	
	Transactions with the company	2	
	Filing certain documents with the Office of the Registrar General	2	
	Assume responsibility of leadership and control of the corporate	2	
	<i>(Any 6 correct answer is awarded 1mark for each).</i>		
	<b>Maximum Marks</b>	<b>6</b>	
<b>b</b>	<b>The categories of threats that a professional accountant in public practice and a professional accountant may face</b>		
	Self – Review Threat		
	Advocacy Threat		
	Intimidation Threat		
	Self – Interest Threat		
	<i>Any correct answers with example and explanation (any 4 *2Marks for each=8marks)</i>		
	<b>Maximum Marks</b>	<b>8</b>	
<b>c</b>	<b>The following are the consideration a professional accountant should take before accepting a specific engagement</b>		
	The use of separate engagement teams	2	
	Procedures to prevent access to information	2	

	Secure data filing	2	
	Confidentiality agreements by employees and partners of the firm	2	
	Regular review of the application of safeguards	2	
	Clear guidelines to members of the engagement team	2	
	<i>(Any 3 correct answers are awarded 2 Marks for each).</i>		
	<b>Maximum Marks</b>	<b>6</b>	
	<b>Total Marks</b>		<b>20</b>

## Model Answers

### a. The duties of UHL directors of the Ubuzima Honey Limited(UHL)

- i. Exercising their powers in good faith and in the interests of the company as a whole
- ii. Not allowed to make an undisclosed profit from their position as directors
- iii. Carrying out their functions with due care, skill and diligence
- iv. Maintaining proper books of account
- v. Preparing annual accounts
- vi. Maintaining certain registrars and other documents
- vii. Filing certain documents with the Office of the Registrar General (ORG)
- viii. Disclosure of certain personal information
- ix. Convening at general meetings of the company
- x. Transactions with the company
- xi. Assume responsibility of leadership and control of the corporate
- xii. Direct and supervise the corporate's affairs

### b. The categories of threats that a professional accountant in public practices and professional accountants may face

- i. **Self – Interest Threat:** The threat that a financial or other interest will inappropriately influence the professional accountant's judgment or behaviour. • E.g.: the improper use of corporate assets or where an accountancy firm has an undue dependence on one particular client's fees or enters into a joint venture.
- ii. **Self – Review Threat:** The threat that a professional accountant will not appropriately evaluate the results of a previous judgment made or service performed by the professional accountant, or by another individual within the professional accountant's firm or employing organization, on which the accountant will rely when forming a judgment as part of providing a current service. E.g. providing a service for a client that relies on previous results that the individual, firm or another professional carried out – if this situation arises such results should be double checked before proceeding.
- iii. **Advocacy Threat:** The threat that a professional accountant will promote a client's or employer's position to the point that the professional accountant's objectivity is compromised. • E.g.: When a professional accountant promotes an organizations position with misleading and factually incorrect statements, or where you inappropriately promote shares of a client that you are auditing.

- iv. **Familiarity Threat** – The threat that due to a long or close relationship with a client or employer, a professional accountant will be too sympathetic to their interests or too accepting of their work. E.g. becoming too sympathetic to the client’s needs and losing objectivity.
  - v. **Intimidation Threat** – The threat that a professional accountant will be deterred from acting objectively because of actual or perceived pressures, including attempts to exercise undue influence over the professional accountant. E.g... Where an individual or firm is placed under pressure to act in a certain way or feels threatened by a client, employer or third party if they do not produce the results they expect.
- c. **A professional accountant in public practice before accepting or continuing a client relationship or specific engagement should consider the following:**
- i. The use of separate engagement teams
  - ii. Procedures to prevent access to information
  - iii. Secure data filing
  - iv. Clear guidelines to members of the engagement team on issues of security and confidentiality
  - v. Confidentiality agreements by employees and partners of the firm

Regular review of the application of safeguards by a senior individual not involved with relevant client engagements

### QUESTION THREE

#### Marking guide:

Q N	Description	Marks	Total Marks
A	<b>Benefits that would accrue to Simlo limited by outsourcing marketing function</b>		
	Widens skill set, avoid wasteful overhead, save time, retain and create clients, leverage technology benefits, reduce learning curve		
	(Any relevant 5*2 marks each)		
	<b>Maximum Marks</b>	<b>10</b>	
B	<b>Essential skills of an effective seller</b>		
	Skills to retain customer, creative selling, skills to overcome customer resistance, interpersonal skills, convincing skills		
	(Any relevant 5*2mark each)		
	<b>Maximum Marks</b>	<b>10</b>	

<b>Total Marks</b>	<b><u>20</u></b>
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<i>Note: Marker must consider other valid points identified by students not captured in the model answer</i>	
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**Model answer:**

**a) Major Role of Marketing**

✓ **Widen Skill Sets**

An effective marketing procurement process help companies access every marketing talent available, without employing permanent employees.

✓ **Avoid Wasteful Overhead**

By outsourcing marketing to an integrated agency, the firms can fetch benefits from expertise of an entire team of creative professionals for less cost than hiring a full-time employee.

✓ **Save Time**

Outsourcing activities as a form of systemic marketing procurement process allows your team to focus on what really matters: providing the best service possible to the highest number of clients.

✓ **Retain and Create Clients**

Outsourced marketers can seamlessly synchronize the end-to-end customer experience and touch each stage of buying cycle with agile, relevant and timely marketing campaigns.

✓ **Leverage Technology Benefits**

Marketing technology tools increase productivity, efficiency and performance. There are tools you can find for free or less cost, but often they are limited on producing results. But performance-driven agencies help you access premium-level services, software, and analytical data reports.

✓ **Bring Transparency Over Spends**

With the right firm, you get complete access to all your data and insights; there is no room of hidden fees. You get to see the total transparency. You can clearly check the amount of charge allocated for every single design, activity, and specific job or for a whole project.

## ✓ **Reduce Learning Curve**

The agencies constantly be up to speed & follow the latest developments done for digital marketing trends on a regular basis. It is part of their job description

### **b) Necessary skills for an effective seller**

#### **i. Skill to Retain the Consumer:**

Marketing process does not end with one time sale of the product. Repeat business is necessary for continuance of the product. Consumers come from different strata of society. Their attitudes are influenced by their cultural and social background. Collecting data on market environment is an important feature of marketing. Different consumers have different expectations and attitudes. Gap between expectations and their fulfillment leads to frustration. To retain your existing consumer base, you must constantly make efforts to render personalized service to your consumers.

#### **ii. Creative Selling:**

The seller has to aggressively seek to satisfy the consumer needs. This requires a sound knowledge of the company's product as well as understanding of the consumer. Marketing starts with assessing the needs of the consumers and then tries to meet them via product planning, pricing and other ways. It is preoccupied with the need to convert the product into cash. Creative selling requires both persuasive and informative efforts on the part of the salesman.

#### **iii. Skill to Overcome Consumer Resistance:**

Successful marketing strategy should result in actual sale of the product to the consumer. The salesman has to use convincing arguments. He must be a good advocate for his company and the product. He has also to be aware of the competitive products and their weak points. Before deciding to purchase, the consumer may raise many queries, doubts and even objections. The salesman should respond persuasively and skillfully to stress the benefits of the product and how it will satisfy the consumer's need.

#### **iv. Interpersonal Skills:**

The skill of the interpersonal communication is considered to be the most important of all the skills which makes for healthy relationships with the people.

#### **v. Convincing Skill:**

The salesman not merely sells the product but in the course of the deal he also provides his customer with much knowledge about the product, its features and uses.



## QUESTION FOUR

### Marking guide

Qn	Description	Marks
a)	Elements of mail body (award 0.5 Mark for each correct part of email identified and award 0.5 Mark for each correct explanations given, Max. 6 Marks i.e at least six elements of email should be listed and discussed).	6
	Effectiveness of email writing (award 0.5 Mark for each correct tip given and 0.5 Mark for each correct application of the tip)	4
b)	Challenges and solutions of e-correspondences (award 1 Mark for each correct challenge identified and discussed and 1 Mark for discussion around the proposed solution of the challenges, Max. 10 Marks meaning at least 5 Challenges and 5 related solutions should be discussed.)	10
		<b>Total Marks 20</b>

### Detailed answer

#### a) Elements of an email message

1. **Subject Line:** Similar to a normal letter, an email should have a subject or so called reference. The subject line refers to the main purpose of the email. The subject line should be clear, concise and brief and compelling to attract readers' attention.
2. **Sender:** This part relates to the email address of the person who is sending the email.
3. **Recipients.** This part relates to people who are going to receive the email. Under this part it constitutes the primary destination of the email.
4. **Salutation:** This part of the email is the greetings of the sender to the recipients of the email. It is not professional to send an email without a salutation. If you don't know the precise names of the receiver of the email, it is advised to use Dear Sir/Madam. It is also used for High Officials.
5. **Email Body:** The mail body consists of the detailed message of your content. In this part, that is where you detail the message of the underlying subject. The message body includes the introductory paragraph, main message and closing paragraph.
6. **Closing:** This part covers closing remarks, it shows that the message is at the end.
7. **Signature:** On e-mail it is better to put your e-signature if you have it. Sometimes, e-signature is not available and you are advised to use your names and position and other contacts so that the receivers of your email will authenticate you.

8. **Attachments:** This part consists of email attachments for the message which necessitate other documents like the reports. In the message body, you invite the recipient of the email to refer to the attachments for more information. The receiver has to download the attachments for details.

### **Tips for effective email writing**

1. **Keep your emails brief.** It's more difficult to read from a screen than from a printed document, so use short paragraphs and bullet points to break up text and highlight key points. Use a clear title in the subject line and don't resort to capital letters for emphasis - this can appear rude, or as though you're shouting.
2. **Know your audience.** Corresponding with customers probably requires a more formal tone than emailing colleagues. If in doubt, avoid using over-familiar terms of address, and steer clear of text-speak and symbols that look like facial expressions - both can come across as unprofessional. Be precise on the recipients of your email utilize well the option of cc and bcc depending on the nature of the email communication.
3. **Proof-read your emails.** Emails with spelling mistakes or lazy grammar make your business look slapdash, and bad punctuation can make messages difficult to read. Re-reading as if you are the recipient will help you send a more effective message and avoid misunderstandings.
4. **Avoid sending unnecessary attachments.** These tend to annoy recipients and clog up inboxes. If you have large or multiple files to send, compress or 'zip' them. Avoid passing on viruses by making sure you have up-to-date security software.
5. **Respond to emails swiftly.** With important mail, send a brief acknowledgement ahead of a full response. Avoid flagging your own mail as 'Urgent' or requesting 'Read' receipts unless absolutely necessary.
6. **Stop and think before you press 'Send'.** Never send an email in anger and don't send anything that you wouldn't be comfortable seeing published - emails do not always end up where you intend them to go. Remember, it may be more appropriate to speak on the phone or in person.
7. **Don't pass on junk mail.** Spam is never welcome so it's best to delete junk email.
8. **Blind copy with care.** Try not to get into the habit of concealing recipients from one another for deceptive reasons using the 'blind copy' (bcc) facility - it is dishonest and could harm your business relationships. On the other hand, you should use blind copy if you are sending a message to a number of people who don't know each other and would appreciate having their email addresses kept private or where you do not have permission to share your contacts' email addresses.
9. **Use a clear, concise email signature.** Record your name, job title, company address, website and contact details at the bottom of your emails to look serious and professional. Keep layout simple and don't use fancy fonts, colours or graphics - these can look unprofessional.

10. **Consider a disclaimer.** Adding a disclaimer to the end of your emails may protect your business from liability if your employees make defamatory statements in messages.

## **b) Challenges and solution of e-correspondence**

e-correspondence relates to a form of communication within an organisation using electronic means. This form of communication includes e-mails, phone calls and messaging, teleconferencing, webinars, e-meetings etc.

### **Below are challenges of e-correspondences and their corresponding solutions:**

1. **Spam** - unsolicited email can jam organisation's email system. The proposed solution is to install a firewall and anti-spam software. It is also recommended to switch to cloud or remote access systems to mitigate the issue of spam.
2. **Viruses** - easily spread through email attachments. This can be mitigated by installing an anti-virus that detects spam, malware and viruses and clean them up.
3. **Sending emails by mistake** - at a click of a button, an email can go to the wrong person accidentally, potentially leaking confidential data and sensitive business information. It is advised to take care/to pause and think before clicking "send" to minimise the likelihood of business data breach and theft.
4. **Data storage:** electronic storing space can become a problem, particularly where emails with large attachments are widely distributed. Sometimes attachments are capped to 25MBs and some big attachments like videos or big reports might be needed to be sent out. In this case, it is advised to switch to cloud computing so that the storage issue is solved. Otherwise management is required to invest in servers.
5. **Internet problem:** Internet connectivity is still a challenge.. The internet interruptions are still rampant like weather or even the internet itself is expensive for some stakeholders and hence slowness in responding to the e-channels. When it is an e-meeting, internet connectivity disrupts the meeting, and it is challenging to have a business meeting with someone whose voice is breaking due to internet connectivity. It is advised to make sure that your internet device is loaded with internet before connecting to an e-correspondence. Choose a strong internet service provider to avoid surprises.
6. **Lack of skills:** Till date there are some people who are not conversant with e-correspondences. The skills needed for effective utilisation of e-channels like e-mail, social media, etc. is still hidden to the majority. E-correspondence skills are learnable and transferrable. It is advised to train companies' staff on how to obtain the best out of e-challenges.
7. **E-correspondence cannot replace face to face communication:** E-correspondences convey the message to the recipients but still it cannot replace face-to-face interaction. Sometimes, facial expressions are needed to add more weights to the message. For example, e-mail may be misunderstood, the tone of the email maybe misinterpreted and hence leading to other communication issues. If need be, it is better to confirm whether the recipient got right the

content of the email. Confirm whether you are on the same page on the e-meet since it is not possible to read faces of the audience.

8. **Infrastructure:** e-correspondences require strong infrastructures to be successful. The infrastructure is expensive to some communicators.. The equipment for e-meet like Smart screen TVs, Microphones and suitable speakers are expensive to the communicators. Proper planning of needed infrastructure is key alongside financial resources.
9. **Data breach or lack of confidentiality:** e-correspondences poses organizational data to outsiders which might attract a confidentiality breach. As internet spreads out, many users use internet to conduct business meetings wherever they are and some confidential data can be accessed or heard by an unintended person and hence leading to information leakage which would result in legal exposure too. The solution is to be keen when conducting e-correspondences and train employees to understand some of the effective ways of utilizing e-means of communication.
10. **Resistance to change:** Sometimes e-correspondences remain unwanted or underrated to some communicators especially those in old era of traditional communication. The solution is awareness program and trainings on the effectiveness of e-means of correspondence for adaptability to changes.

## QUESTION FIVE

Qn	Marking guide	Marks
a)	Entrepreneurial skills (Award 1 Mark for each correct skill identified, Award 1 Mark for each correct explanations, Max. 10 Marks i.e At least 5 skills should be enumerated and explained briefly)	10
b)	Factors leading to skills and resource mismatch (Award 1 Mark for each correct factor and award 1 Mark for each correct brief explanation, Max. 10 Marks i.e at least 5 factors should be explained)	10
c)	<ul style="list-style-type: none"> <li>• Definition of trademark</li> <li>• Understanding of trademark registration</li> <li>• Reasons for trademark registration (Award 2 Marks for each correct reason briefly explained, Max. 6 Marks i.e at least 3 correct reasons should be explained)</li> </ul>	2 2 6

**Total Marks 20**

### a) Entrepreneurial skills

1. **Planning skills:** The ability to plan is a key skill for entrepreneurs. They must be able to develop plans to meet goals in a variety of areas, including finance, marketing, production, sales and personnel (hiring and maintaining productive and satisfied employees).

2. **Communication Skills:** Entrepreneurs should be able to explain, discuss, sell and market their goods or services. It is important to be able to interact effectively with your business team. Additionally, entrepreneurs need to be able to express themselves clearly both verbally and in writing. They should also have strong reading comprehension skills to understand contracts and other forms of written business communication.
3. **Marketing Skills:** A business's success or failure is very dependent on whether the business reaches the market (its potential customers), interests the market and results in those in the market deciding to buy. Many entrepreneurs who failed started with an innovative good or service that with proper marketing could have been very successful. Good marketing skills that results in people wanting to buy your good or service are critical for entrepreneurial success.
4. **Interpersonal Skills:** Entrepreneurs constantly interact with people, including customers and clients, employees, financial lenders, investors, lawyers and accountants, to name a few. The ability to establish and maintain positive relationships is crucial to the success of the entrepreneur's business venture.
5. **Basic Management Skills:** The entrepreneur must be able to manage every component of a business. Even if entrepreneurs hire managers to attend to daily details, they must understand if their business has the right resources and if those resources are being used effectively. They must ensure that all the positions in their business are occupied by effective people.
6. **Personal Effectiveness:** In order to handle the pressures of their busy lifestyles, entrepreneurs must have the ability to manage time well and to take care of personal business efficiently. Because first impressions are so important, entrepreneurs must also pay attention to such things as personal appearance and telephone skills.
7. **Team Building Skills:** Because entrepreneurs usually assemble a team of skilled people who help them achieve business success, they must be able to effectively develop and manage the team.
8. **Leadership Skills:** One of the most important leadership skills an entrepreneur must have is the ability to develop a vision for the company and to inspire the company employees to pursue that vision as a team. The expression "people would rather be led than managed" applies especially well to an entrepreneurial venture.

## **b) Factors leading to skills and resource mismatch in an enterprise**

### **1. Demographic changes**

People are important resources for the success of an organisation. It seems experienced and skilled segment of people tend to live in urban and semi-urban areas. Areas with aged population is disadvantaged for work requiring body energies which areas with young population is still looking for skills or are able to perform heavy tasks requiring energies. This consideration helps an entrepreneur when setting up a factory say.

### **2. Globalization**

With globalization and trade liberalization, the availability of suitably qualified workers has become a determining factor in many foreign investment decisions. Skilled labour can move freely from one country to another. With globalization teams are able to work in remote connections through internet. International supply chain also necessitates working as a team with international stakeholders. Adapting and maintaining skills needed for new technologies. The globalization also affects in learning languages used internationally especially English, French, Chinese, etc.

### **3. Levels of education**

Availability of high level of education has determined the impact of entrepreneurial activities in a given country, community or society. Entrepreneurs are keen to availability of skilled labour when they want to launch their entrepreneurship. This means that more talent is available for employers, but also makes it harder for lower skilled workers to find jobs in an increasingly competitive labour market.

### **4. Work organisation**

Nowadays companies are adopting different mode of working. With improved internet, the life of work has changed. These changes increase the demand for teamwork, initiative, leadership, management skills, and interpersonal and intercultural communication skills.

### **5. Technology development and innovation**

Technology has boosted up innovation initiatives. It has increased the demand for skilled labor and change in training needs for existing staff. The technology has influenced different spheres of the business including but not limited to production, communication, distribution, customer care and reporting.

### **6. Climate change**

The transition to green economies is influencing how the entrepreneurs do business. The climate change is influencing the skills needed through introducing new technologies that safeguard the environment. Environmental, Social and Governance (ESG) strategy affects the allocation of the resources in a business.

### **7. Government laws, regulations and policies**

Government is a key stakeholder in a business setting. It lays out policies targeting to bring necessary skills to the market. The government sets out educational programs needed for the new era of technology. The government enacts laws and regulations which affect different spheres of the business.

c)

### **Trade mark**

As per the law No.31/2009 of 26/10/2009 on the protection of intellectual property rights.

The following may represent a sign suitable for registration as a mark:

- All forms of denominations including words, proper names, letters, figures and acronyms;
- Figurative elements such as designs, relief, product forms or the relevant packaging;
- Colours or combinations of colours;
- Any combination of aforementioned signs.

### **Trade mark registration**

Trade mark registration is the protection of a trade mark by providing exclusive right. The exclusivity right granted is contingent to different kinds of protection, and gives the rights holder the exclusive right to prevent others from using the same or similar signs for identical or related goods or services as those protected by the trade mark in the course of trade without the prior authorisation of the owner.

### **Reasons for protecting trade marks in RDB**

#### **1) To contribute to the promotion of technological innovation**

The trademarks should be protected to foster the culture of innovation within the people. Once a trade mark is protected; it can be utilized by another person unless authorized by the author.

#### **2) To transfer and disseminate the technology**

After registering a trademark in RDB, it becomes an asset to the organisation. This intangible asset can be transferred from one person to another.

#### **3) To promote social, cultural and economic welfare of population**

Protecting a trademark promote social, cultural and economic welfare of population through embracing the benefits of avoided conflicts in using the work of another person without authorization. Trademark is transferrable upon payment of some fees to the author and hence boosting his/her income.

#### **4) To contribute to industrial and commercial development.**

Trade marks improve the industrial and commercial development through availing the trade marks to others to produce the same products and hence increasing products to the market for consumers.

**5) To create a fair and equitable commercial environment by the reduction and the prevention of distortions and impediments to free trade**

Protecting trademarks facilitate fair dealing among different players in the market. The trademarks protection reduces commercial conflicts among individuals/companies. Infringement of the trademarks right leads to financial damages and hence limit such illegal acts.

**6) To set up principles, rules and disciplines dealing with trade in counterfeit goods**

Trademark protection sets up discipline, rules and principles to avoid counterfeiting someone's registered trade mark.

**7) To encourage creation of original works in literary artistic or scientific fields**

Trademarks boost up original works form different spheres and hence encourages innovators to bring about products that solve people's problems.

**8) To arbitrate all disputes arising from intellectual property**

Protecting trademark help to solve trade disputes among market players.

**QUESTION SIX**

**Marking guide**

<b>Qn</b>	<b>Description</b>	<b>Marks</b>	<b>Total Marks</b>
<b>A</b>	Principles of Henry Fayol		
	Division of labour and specialisation	3	
	Discipline	3	
	Sub-ordination of individual interest	3	
	<b>Maximum marks</b>	<b>9</b>	
<b>b.</b>	<b>Solutions that will help the company achieve its objectives</b>		



	Establishment of an effective organizational structure, Definition of roles, Division of labour and specialization, Strict rules and regulations, Establishment of an effective communication system, Setting targets and goals, Effective recruitment process. (Any other valid point should be considered) (Any 3 correct answers * 2 Mark each = 6 Marks)		
	<b>Maximum marks</b>	<b>6</b>	
c.	<b>Characteristics of an excellent organisation</b>		
	Bias for action, stay close to the customer, encourage autonomy and entrepreneurship, encourage productivity through people, hands on management, stick to the knitting, simple form lean staff, simultaneously loosely and tightly organized. (Any 5 correct characteristics *1 mark each = 5 marks)		
	<b>Maximum Marks</b>	<b>5</b>	
	<b>Total marks</b>		<b>20</b>
	<i>Note: Marker must consider other valid points identified by students not captured in the model answer</i>		

### Model answers

#### a) The principles of Fayol violated in the above case

##### i. Division of work/ labour

This principle is to the effect that the workers should be divided into managerial components and tasks allocated to the different individuals who will concentrate on the tasks assigned to them in areas where they have comparative advantage. In the case study, there is no proper job designation and an employee is assigned duties based on the preference of the immediate supervisor and therefore, the employees can be asked to do anything

##### ii. Principle of discipline

According to this principle, the workers' behavior should be regulated through rules and regulations that must be followed. In the case study there are no strict rules and regulations binding on the conduct of the workers. Additionally, the departmental heads quite often

don't turn up for job on time and they are always looking for special relaxations from the top management

### **iii. Sub-ordination of individual interest**

This principle is to the effect that the interests of the organization are sovereign or supreme. The managers as well as the employees should only pursue the interests of the organization. In the case of Karangwa enterprises, the middle level managers do not turn up for work on time and in most cases they are absent pursuing their interests. They are always looking for special relaxations from the top management

### **b) Possible solutions that will help the company to achieve its objectives**

- Establishment of an effective organizational structure: the organizational structure shows the reporting relationship within the organization and at the same time, help in minimizing conflicts within the organization.
- Definition of roles: where the roles are not well defined, there is a possibility of confusion, conflicts as well as under-utilization of the employees. There should exist a job designation structure which corresponds to the organizational structure, the activities that are to be performed by the holder of the position as well as the qualifications of the position holder.
- Division of labour and specialization: it is important to ensure that the work is subdivided among the employees so that no employees is overburdened. This will help in ensuring that an employee's productivity is maximized.
- Strict rules and regulations: the organization should establish strict rules and regulations that should be followed by all the employees within the organisation and those who fail to comply with them should be punished.
- Establishment of an effective communication system: communication is vital within an organization as it allows the free flow of information. It also ensures that the right information is delivered to the right person at the right time and in the right manner
- Setting targets and goals: these targets and goals should be set in collaboration with the employees to enhance their achievement.
- Effective recruitment process: there should exist recruitment rules that will ensure that the right candidates are absorbed by the organization.

### **c) Characteristics of an excellent organization as suggested by Peters and Waterman**

- ✓ **Bias for action:** Managers are expected to make decisions even if all the facts are

not available.

- ✓ **Stay close to the customer:** Customers should be highly valued.
- ✓ **Encourage autonomy and entrepreneurship:** The organization is broken into small, more manageable parts and these are encouraged to be independent, creative and risk-taking.
- ✓ **Encourage productivity through people:** People are the organization's most important asset and the organization must let them flourish.
- ✓ **Hands-on management:** Managers stay in touch with business activities by wandering around the organization and not managing from behind closed doors
- ✓ **Stick to the knitting:** These organizations are reluctant to engage in business activities outside of the organization's core expertise – i.e. what it is good at.
- ✓ **Simple form, lean staff:** Few administrative and hierarchical layers, and small corporate staff.

**Simultaneously loosely and tightly organised:** Tightly organised in that all organizational members understand and believe in the organization's values. At the same time, loosely organised in that the organization has fewer administrative overheads, fewer staff members and fewer rules and procedures

## QUESTION SEVEN

### Marking guide

Q N	Description	Ma rks	Total Marks
A	<b>Types of internet marketing that may have been utilized by the Coca-Cola company</b>		
	Content marketing, social media marketing, email marketing, influencer marketing, pay-per-check advertising, affiliate marketing, video marketing, mobile marketing		
	Any valid answer well explained is awarded 2 marks (any 5 * 2 Marks)		
	<b>Maximum Marks</b>	<b>10</b>	

<b>B</b>	<b>Draw backs of internet marketing</b>		
	Time consuming, security and privacy issues, inaccessibility, reliance on technology, technological issues, global competition, maintenance cost Any valid answer well explained is awarded 2 marks (any 5 * 2 Marks)		
	<b>Maximum Marks</b>	<b>10</b>	
	<b>Total Marks</b>		<b><u>20</u></b>
	<i>Note: Marker must consider other valid points identified by students not captured in the model answer</i>		

**Model answers:**

**(a) The types of internet marketing**

**Search Engine Optimization (SEO)**

This involves optimizing a website so that it will rank higher on the search engine result pages. It aims at enhancing the websites visibility.

**Content marketing**

This involves creating as well as sharing content that is valuable with the aim of engaging as well as attracting a target audience. This may be achieved through blogs, videos, articles etc. the content is mainly informative.

**Social media marketing**

Today, the social media has become one of the widely used form of internet marketing. This is due to the fact that it connects with the audiences on a personal level. The main platforms applied are Instagram, twitter, Facebook linked in among others. It's the best in creating brand awareness and customer engagement.

**Pay-per-click advertising (PPC)**

It's a form of internet marketing where organizations are allowed to advertise their content through ads on the search engines and the websites. The advertisers are only paid when the user clicks on the ad. It is also very common today.

**Email marketing**

It involves sending messages that are targeted to a list of subscribers. The aim of the messages is to inform the customers about the products and services, ensuring that the customers are continuously engaged and at the same time ensure that the company receives essential feedback.

**Influencer Marketing**

It involves the use of individuals who have substantial following to advertise a company's products.

### **Affiliate Marketing**

Businesses may partner with affiliates who promote the products of the business as well as services. The affiliates are paid on commission basis.

### **Video marketing**

Today there are various platforms that have become popular for video marketing. They include YouTube and TikTok. The videos uploaded are mainly engaging and educational.

### **Mobile marketing**

It mainly focusses on a target audience through use of SMS. It is also popular today.

## **(b) The disadvantages of internet marketing**

### **Time consumption**

Internet marketing is very engaging. This is due to the fact that there is the designing of the advert and at the same time, one has to consider what works for the company.

### **Security and privacy issues**

Through internet marketing, there is a risk of the client's data being breached. It is therefore important for the organization to put in place data protection measures.

### **Inaccessibility**

Internet marketing is only accessible in places where there is internet and to a certain category of customers only.

### **Reliance on technology**

For internet marketing to be effected, an organization must procure the modern gadgets, internet technology and other technological devices.

### **Technological issues**

For an organization to be remain relevant in the internet, it has to make sure that its online presence is constant. Additionally, the organization should have a very good IT infrastructure.

### **Global competition**

Internet marketing is utilized by all organizations and it reaches all clients. This therefore means that the level of competition will be high and therefore an organization should employ tactics that will enable it to stand out.

### **Maintenance Cost**

Online marketing is expensive both in acquisition of the infrastructure and the maintenance of the infrastructure.