TEVETA
Technical Education, Vocational and Entrepreneurship Training Authority

DIPLOMA BIOMEDICAL ENGINEERING

LEVEL 6 YEAR III EXAMINATIONS

FINAL INTEGRATED SUMMATIVE EXAMINATIONS

SITTING: NOVEMBER / DECEMBER 2025

SUBJECT: ENTREPRENEURSHIP

TIME: THREE (3) HOURS **TOTAL MARKS: 100**

PASS MARK: 50

INSTRUCTIONS TO CANDIDATE:

1. Write your examination number and National Registration Card number on the answer booklet provided. Ensure you append your signature in the space provided on the answer booklet.
2. Write the ANSWER SCRIPT SERIAL NUMBER on the examinations register and on the entry slip provided.
3. There are SEVEN (7) questions in this paper.
4. Question ONE (1) is Compulsory.
5. Answer FOUR (4) questions of your choice from the remaining SIX (6) questions.
6. Cell phones and programmable calculators are not allowed in the examination room

DO NOT TURN THIS PAGE UNTIL YOU ARE TOLD TO DO SO

QUESTION ONE COMPULSORY – CASE STUDY

Laura graduated with distinctions from Kafue Institute of Technology (KIT) where she studied Heavy Equipment Engineering (HEE). She learnt her entrepreneurship that she did not have to wait for formal employment to start earning a living away from her parents' home. Laura visualized running a big service company providing services to the mines in the Copperbelt and North-Western Province.

To start with, Laura decided she would begin by setting up a small workshop in Kitwe to start servicing trucks. In five (5) years, Laura planned to expand operations into Lumwana and Solwezi. She contacted her uncle to assist provide her collateral to ZANACO Kitwe main branch for a loan as initial investment into the business. The uncle, an economist, was impressed with her vision and pledged to support her.

TASK

a) Laura has decided to go into self-employment. State two (2) advantages that she is expected to enjoy. [2 marks]
b) State whether Laura will be a pulled or pushed entrepreneur. [2 marks]
c) State two (2) sources of business ideas used by Laura. [4 marks]
d) Outline four (4) factors from the passage that show evidence that Laura promises to be a good entrepreneur once she launches her business. [8 marks]
e) Explain two (2) major sources of finance suitable for Laura; giving a reason for each choice. [4 marks]

(Total: 20 marks)

QUESTION TWO

Scanning the environment is a necessary step before setting up an enterprise.

a) Diifferentiate between the internal and external business environments. [4 marks]
b) Explain the following terms in SWOT analysis:
   i) Strengths [2 marks]
   ii) Weaknesses [2 marks]
   iii) Opportunities [2 marks]
   iv) Threats [2 marks]
c) A business requires initial investment of K12,000.00 and cash flows of K3,000.00; K5,000.00; K4,000.00 and K6,000.00 in the first four years respectively.
   i) Calculate the payback period for the business. [6 marks]
   ii) State two (2) advantages of payback period. [2 marks]

(Total: 20 marks)

QUESTION THREE

a) Define the term Enterprise. [2 marks]
b) State two (2) uses of a business plan in an enterprise. [2 marks]
c) Explain the contents of the following parts of the business plan:
   i. Description of the business idea [4 marks]
   ii. Marketing aspects [4 marks]
   iii. Cost of Products [4 marks]
   iv. Cost of project and financing. [4 marks]

(Total: 20 marks)

QUESTION FOUR

a) State four (4) requirements when registering a company with the Patents and Companies Registrations Agency (PARCA). [4 marks]

b) State four (4) advantages of limited company. [8 marks]

c) "At incorporation of a limited company, a new person is born in the eyes of the Law". Describe two (2) legal implications of this stage when setting up an enterprise. [4 marks]

d) Explain conditions a minor below the age of 18 years would be allowed to own a limited company in Zambia. [4 marks]

(Total: 20 marks)

QUESTION FIVE

a) Define profit [2 marks]

b) State two (2) benefits of good financial management. [4 marks]

c) Explain four (4) sources of finance suitable for a fresh graduate from Kabwe Institute of Technology (KIT) who intends to setup a small workshop to employ three workers. [8 marks]

d) Explain the purposes of the following documents on financial management:

i) Sales Day book [2 marks]

ii) Cash Book [2 marks]

iii) Returns Outwards Day Book [2 marks]

QUESTION SIX

a) Define marketing. [2 marks]

b) State three (3) customer care guideline you would put in place to ensure customers are served better. [6 marks]

c) Explain the following concepts of marketing:

i) Production concepts [4 marks]

ii) Marketing concept [4 marks]

iii) Societal marketing concept. [4 marks]

(Total: 20 marks)

QUESTION SEVEN

An entrepreneur aims to grow the enterprise to desired levels by employing a set of growth strategies which promote expansion of operations.

a) Explain five (5) growth strategies you would propose to expand an enterprise setup by a group of Electrical Engineering graduates operating only in Chipata with five workers. [10 marks]

b) Explain the following exit strategies:

i) Liquidation [2 marks]

ii) Bankruptcy. [2 marks]

iii) Merger. [2 marks]

iv) Acquisition. [2 marks]

v) Sale of shares [2 marks]

(Total: 20 marks)