23.2.0 BUSINESS PLAN

23.2.01 Introduction

This module unit is designed to equip the trainee with knowledge, skills and attitudes to enable him/her prepare a business plan.

23.2.02 General Objectives

At the end of the module unit, the trainee should be able to:

- a) understand the background of intended business
- b) understand the market environment of a business
- c) understand organization and management plan
- d) appreciate the role of an operational plan
- e) prepare financial projections
- f) prepare a business plan

23.2.0 Module Unit Summary and Time Allocation

Business Plan

	T : "		
Code	Sub Unit	Content	Time
	Module	-O	Hrs
23.2.1	Introduction to	Meaning of business plan	4
	Business	Purpose of a business plan	
	Planning	Features of a business plan]
1		• Guidelines for developing	
	C	An effective business plan	
23.2.2	Business	Business name	6
	Description	 Business location and address 	
		 Form of ownership 	}
•		Type of business	
		 Products/ services 	
		 Justification of the]
	i	opportunity	
		 The industry 	! [
		 Business goals and objectives 	
		 Entry and growth strategy 	
		 SWOT analysis 	i
23.2.3	Marketing Plan	Customer identification	6
	İ	 Competitor analysis] }
		Market share	
		 Promotion and advertising]]
		Pricing strategy	
		 Sales tactics 	}
		Sales target	

		Distribution strategy	
		Customer service	
23.2.4	Organization	Organization structure	6
	and	Management team	
	Management	Recruitment, training and	
	Plan	promotion	
		Remuneration and incentives	
		Licenses, permits and other	
		requirements	
_		Supporting services	ļ
23.2.5	Operational/	Production facilities and	6
	Production	capacity utilization	
	Plan	Production and operation	}
		strategy	I
		Production process	
		Regulations affecting	į
		operations	
		Operational time	
		table/production schedule	<u> </u>
23.2.6	Financial Plan	Pre-operations cost	6
		Working capital	
		Cash flow projections	
i		 Pro-forma income statements 	
	-6	Pro-forma balance sheets	
!	\mathcal{O}'	Break even analysis	
!		Profitability rations	
		Desired financing	
i		Proposed capitalization	
		Potential risks	
23.2.7	Presentation	Business plan writing	6
İ		Presentation of the business	
		plan	
23.2.8	Emerging	Emerging issues in business	4
	Trends	planning	
		Strategies in dealing with	
		emerging issues	
Total			44

23.2.1 INTRODUCTION 23.2.1P2 Guidelines for developing an effective Theory business plan 23.2.1T0 Specific Objectives 23.2.1C Competence By the end of the sub-The trainee should have the module unit, the trainee ability to: should be able to: a) Identify the features of a a) explain the meaning business plan of a business plan b) Draw guidelines for b) explain the purposes developing an effective of a business plan business plan c) identify the features of a business plan Suggested teaching/Learning d) describe guidelines for Activities developing an Discussion effective business plan Question and answer Illustration Content Demonstration 23.2.1T1 Meaning of a business Note taking plan Observation 23.2.1T2 Purposes of a business Presentations plan 23.2.1T3 Features of a business Suggested teaching/Learning plan Resources 23.2.1T4 Guidelines for Sample business plan writedeveloping an effective business plan Text books Practice Suggested Evaluation Methods Oral tests 23.2.1P0 Specific Objectives Assignments By the end of the sub-Project module unit, the trainee should be able to: 23.2.2 BUSINESS a) identify the features of DESCRIPTION a business plan b) draw guidelines for Theory developing an

27.3.2T0

effective business plan

Features of a business

Content

plan

23.2.1PI

Specific Objectives
By the end of the sub-

should be able to:

name

module unit, the trainee

a) provide the business

	b) describe business		c) list the type of
	location and address		business
	c) discuss form of		d) examine the products
	ownership		offered
	d) explain the type of		_
	business		Content
	e) describe the products	23.2.2.P1	
	offered	23.2.2.P2	-
	f) discuss the	23.2.2.P3	- •
	justification of	23.2.2.P4	Products offered
	opportunity		
	g) describe the industry	23.2.2C	Competence
	h) explain the goals of		The trainee should have
	business		the ability to:
	i) explain the entry and		 i) develop business
	growth strategy		names
	j) discuss SWOT		ii) analyse form of
	analysis		ownership
		^	iii) list the type of
	Content	W.	business
23.2.2T1	Provide the business	د کې	iv) examine the products
	name	COL	offered
23.2.2T2	Business location and		
	address	Suggested	d teaching/Learning
23.2.2T3	Form of ownership	Activities	
23.2.2T4	Type of business	- D	Discussion
23.2.2T5	Products offered	- (uestion and answer
23.2.2T6	Justification of	- II	lustration
	opportunity	- D	Demonstration
23.2.2T7	The industry	- N	lote taking
23.2.2T8	The goals of business	- C	Observation (1997)
23.2.2 T9	Entry and growth	- P	resentations
	strategy		
23.2.2T10	SWOT analysis	Suggestee	d teaching/Learning
	•	Resource	s
	Practice	- S	ample business plan write-
			ps
27.3.2P0	Specific Objectives		ext books
	By the end of the sub-		
	module unit, the trainee	Suggested	d Evaluation Methods
	should be able to:		Oral tests
	a) develop business		Assignments
	names		roject
	b) analyze form of	_	
	ownership	23.2.3	MARKETING PLAN
	* · ·		

	Theory	a)	identify potential customers
23.2.3T0	Specific Objectives	b)	
23.2.310	By the end of the sub-	c)	
	module unit, the trainee	c)	
	should be able to:		promotion and advertising
		d)	
	a) identify customers	u)	
	b) describe the	۵)	consider in pricing
	competitors c) determine the market	e) f)	-
	c) determine the market share	1)	strategy
	d) explain the methods	g)	draw the customer
	of promotion and advertising		service strategy
	e) explain the pricing		Content
	strategy	23.2.3P1	Identification of
	f) set sales target	20.2.01	customers
	g) describe the sales	23.2.3P2	Competitors analysis
	tactics	23.2.3P4	Methods of promotion
	h) describe the		and advertising
	distribution strategy	23.2.3P5	Pricing strategy
	i) describe the customer	23.2.3P7	Sales tactics
	service strategy	23.2.3P8	Distribution strategy
	16	23.2.3P9	Customer service
	Content		strategy
23.2.3TI	Identification of		
	customers	23.2.3C	Competence
23.2.3T2	Competitors analysis		The trainee should have
23.2.3T3	Determination the market		the ability to:
	share		 i) Identify potential
23.2.3T4	Methods of promotion		customers
	and advertising		ii) Identify the
23.2.3T5	Pricing strategy		competitors
23.2,3T6	Set sales target		iii) Determine the
23.2.3T7	Sales tactics		methods of
23.2.3T8	Distribution strategy		promotion and
23.2.3 T 9	Customer service		advertising
	strategy		iv) Examine the factors
			to consider in pricing
	Practice		v) Identify the sales
07 0B0	S		tactics
27.3P0	Specific Objectives		vi) Analyze the
	By the end of the sub-		distribution strategy
	module unit, the trainee		vii) Draw the customer
	should be able to:		service strategy

Suggested teaching/Learning Activities

- Discussion
- Question and answer
- Illustration
- Demonstration
- Note taking
- Observation
- Presentations
- Field visits

Suggested teaching/Learning Resources

- Sample business plan writeups
- Text books

Suggested Evaluation Methods

- Oral tests
- Assignments
- Project

23.2.4 ORGANIZATION AND MANAGEMENT PLAN

Theory

23.2.4T0 Specific Objectives

By the end of the submodule unit, the trainee should be able to:

- a) describe the organization structure
- b) describe the management team
- c) identify other business personnel
- d) explain recruitment, training and promotion of personnel
- e) discuss remuneration and incentives for personnel
- f) identify licenses persist and legal requirements

g) identify support services

Content

- 23.2.4T1 Organization structure
- 23.2.4T2 Management team
- 23.2.4T3 Other business personnel
- 23.2.4T4 Recruitment, training and promotion of personnel
- 23.2.4T5 Remuneration and incentives for personnel
- 23.2.4T6 Licenses persist and legal requirements
- 23.2.4T7 Support services

Practice

23.2.4P0 Specific Objectives By the end of the sub-

module unit, the trainee should be able to:

- a) draw organization structure
- b) assemble a the management team
- c) develop a management plan

Content

- 23.2.4P1 Organization structure
- 23.2.4P2 Management team
- 23.2.4P3 Management plan

23.2.4C Competence

The trainee should have the ability to:

- i) Draw organization structure
- ii) Assemble a the management team
- iii) Develop a management plan

Suggested teaching/Learning Activities

Discussion

- 1	Question and answer	23.2.5T2	Develop a production 1
	Illustration	23.2.3 1 2	Develop a production and operation strategy
- :	Demonstration	23.2.5T3	Production process of the
	Note taking		products
•	Observation	23.2.5T4	Production process of the
-]	Presentations		products
		23.2. 5T5	Regulations affecting
	d teaching/Learning		operations
Resource	-	23.2. 5T6	Prepare operation time
	Sample business plan write-		table/production schedule
	ıps Fext books		-
	Sample organisation plan		Practice
	sample organisation plan	23.2.5P0	Consider Object
Suggeste	d Evaluation Methods	23.2.310	Specific Objectives
	Oral tests		By the end of the sub- module unit, the trainee
- A	Assignments		should be able to:
	Project		a) identify production
	•		facilities and capacity
23.2. 5	OPERATIONAL AND		b) describe the
	PRODUCTION PLAN	ري.	production process of
		X.	the products
	Theory	0	
12 2 5TO			ıtent
23.2.5 T 0	Specific Objectives	Cor 23.2.5P1	Production facilities and
23.2.5T0	Specific Objectives By the end of the sub-	23.2.5P1	Production facilities and capacity
23.2.5T0	Specific Objectives By the end of the sub- module unit, the trainee	Cor	Production facilities and capacity Production process of the
23.2.5T0	Specific Objectives By the end of the submodule unit, the trainee should be able to:	23.2.5P1	Production facilities and capacity
23.2.5T0	Specific Objectives By the end of the submodule unit, the trainee should be able to: a) identify production	23.2.5P1 23.2.5P2	Production facilities and capacity Production process of the products
23.2.5T0	Specific Objectives By the end of the submodule unit, the trainee should be able to: a) identify production facilities and capacity	23.2.5P1 23.2.5P2 23.2.5C	Production facilities and capacity Production process of the products Competence
23.2.5T0	Specific Objectives By the end of the submodule unit, the trainee should be able to: a) identify production facilities and capacity b) develop a production	23.2.5P1 23.2.5P2 23.2.5C	Production facilities and capacity Production process of the products Competence The trainee should have
23.2.5T0	Specific Objectives By the end of the submodule unit, the trainee should be able to: a) identify production facilities and capacity	23.2.5P1 23.2.5P2 23.2.5C	Production facilities and capacity Production process of the products Competence The trainee should have the ability to:
23.2.5T0	Specific Objectives By the end of the submodule unit, the trainee should be able to: a) identify production facilities and capacity b) develop a production and operation	23.2.5P1 23.2.5P2 23.2.5C	Production facilities and capacity Production process of the products Competence The trainee should have he ability to: Identify production
23.2.5T0	Specific Objectives By the end of the submodule unit, the trainee should be able to: a) identify production facilities and capacity b) develop a production and operation strategy c) describe the	23.2.5P1 23.2.5P2 23.2.5C 1 t	Production facilities and capacity Production process of the products Competence The trainee should have he ability to: I Identify production facilities and capacity
23.2.5T0	Specific Objectives By the end of the submodule unit, the trainee should be able to: a) identify production facilities and capacity b) develop a production and operation strategy	23.2.5P1 23.2.5P2 23.2.5C 1 t	Production facilities and capacity Production process of the products Competence The trainee should have he ability to: Identify production facilities and capacity Draw the production
23.2.5T0	Specific Objectives By the end of the submodule unit, the trainee should be able to: a) identify production facilities and capacity b) develop a production and operation strategy c) describe the production process of	23.2.5P1 23.2.5P2 23.2.5C 1 t	Production facilities and capacity Production process of the products Competence The trainee should have he ability to:) Identify production facilities and capacity i) Draw the production process of the
23.2.5T0	Specific Objectives By the end of the submodule unit, the trainee should be able to: a) identify production facilities and capacity b) develop a production and operation strategy c) describe the production process of the products d) discuss the regulations affecting	23.2.5P1 23.2.5P2 23.2.5C 1 t	Production facilities and capacity Production process of the products Competence The trainee should have he ability to: Identify production facilities and capacity Draw the production
23.2.5T0	Specific Objectives By the end of the submodule unit, the trainee should be able to: a) identify production facilities and capacity b) develop a production and operation strategy c) describe the production process of the products d) discuss the regulations affecting operations	23.2.5P1 23.2.5P2 23.2.5C 1 t i	Production facilities and capacity Production process of the products Competence The trainee should have he ability to:) Identify production facilities and capacity i) Draw the production process of the
23.2.5T0	Specific Objectives By the end of the submodule unit, the trainee should be able to: a) identify production facilities and capacity b) develop a production and operation strategy c) describe the products of the products d) discuss the regulations affecting operations e) prepare operation	23.2.5P1 23.2.5P2 23.2.5C 1 t i	Production facilities and capacity Production process of the products Competence The trainee should have he ability to: Identify production facilities and capacity Draw the production process of the products
23.2.5T0	Specific Objectives By the end of the submodule unit, the trainee should be able to: a) identify production facilities and capacity b) develop a production and operation strategy c) describe the production process of the products d) discuss the regulations affecting operations e) prepare operation time table/production	23.2.5P1 23.2.5P2 23.2.5C 23.2.5C 3 4 5 5 Suggested te Activities - Disc	Production facilities and capacity Production process of the products Competence The trainee should have he ability to:) Identify production facilities and capacity i) Draw the production process of the products aching/Learning
23.2.5T0	Specific Objectives By the end of the submodule unit, the trainee should be able to: a) identify production facilities and capacity b) develop a production and operation strategy c) describe the products of the products d) discuss the regulations affecting operations e) prepare operation	23.2.5P1 23.2.5P2 23.2.5C 3 t ii Suggested te Activities Disc Ques	Production facilities and capacity Production process of the products Competence The trainee should have he ability to: Identify production facilities and capacity Draw the production process of the products aching/Learning stion and answer
23.2.5T0	Specific Objectives By the end of the submodule unit, the trainee should be able to: a) identify production facilities and capacity b) develop a production and operation strategy c) describe the production process of the products d) discuss the regulations affecting operations e) prepare operation time table/production schedule	23.2.5P1 23.2.5P2 23.2.5C 23.2.5C 3 4 5 6 6 7 6 7 6 7 6 7 6 7 7 7 7 7 7 7 7 7	Production facilities and capacity Production process of the products Competence The trainee should have he ability to:) Identify production facilities and capacity i) Draw the production process of the products aching/Learning sussion stion and answer tration
	Specific Objectives By the end of the submodule unit, the trainee should be able to: a) identify production facilities and capacity b) develop a production and operation strategy c) describe the production process of the products d) discuss the regulations affecting operations e) prepare operation time table/production schedule Content	Suggested te Activities - Disc - Ques - Illus - Dem	Production facilities and capacity Production process of the products Competence The trainee should have he ability to: Identify production facilities and capacity The production process of the products Competence The trainee should have he ability to: Acting production facilities and capacity Competence The trainee should have he ability to: Competence
23.2.5T0 23.2.5T1	Specific Objectives By the end of the submodule unit, the trainee should be able to: a) identify production facilities and capacity b) develop a production and operation strategy c) describe the production process of the products d) discuss the regulations affecting operations e) prepare operation time table/production schedule	23.2.5P1 23.2.5P2 23.2.5C The state of th	Production facilities and capacity Production process of the products Competence The trainee should have he ability to:) Identify production facilities and capacity i) Draw the production process of the products aching/Learning sussion stion and answer tration

Presentations

Suggested teaching/Learning Resources

- Sample business plan writeups
- Text books

23.2.6 FINANCIAL PLAN

Theory

- 23.2. 6T0 Specific Objectives

 By the end of the submodule unit, the trainee should be able to:
 - a) determine preoperational costs
 - b) estimate working capital
 - c) estimate cash-flow projections
 - d) prepare pro-forma income statements
 - e) prepare pro-forma balance sheets
 - f) calculate break-even point
 - g) calculate profitability rations
 - h) calculate desired financing
 - i) calculate proposed capitalization

Content

- 23.2. 6T1 Determination of pre operational costs
- 23.2. 6T2 Estimating working capital
- 23.2. 6T3 Estimating cash-flow projections
- 23.2. 6T4 Preparation pro-forma income statements
- 23.2. 6T5 Preparation pro-forma

- 23.2. 6T6 Calculation break-even point
- 23.2. 6T7 Calculation profitability rations
- 23.2. 6T8 Calculation desired financing
- 23.2. 6T9 Calculation Proposed capitalization

Practice

- 23.2. 6TO Specific Objectives

 By the end of the submodule unit, the trainee should be able to:
 - a) determine preoperational costs
 - b) estimate working capital
 - estimate cash-flow projections
 - d) prepare pro-forma income statements
 - e) prepare pro-forma balance sheets
 - f) calculate break-even point
 - g) calculate profitability

Content

- 23.2. 6T1 Determination preoperational costs
- 23.2. 6T2 Estimating working capital
- 23.2. 6T3 Estimating cash-flow projections
- 23.2. 6T4 Preparation pro-forma income statements
- 23.2. 6T5 Preparation pro-forma balance sheets
- 23.2. 6T6 Calculation break-even point
- 23.2. 6T7 Calculation profitability rations

23.2.6C Competence

The trainee should have the ability to:

- Determine preoperational costs
- ii) Estimate working capital
- iii) Estimate cash-flow projections
- iv) Prepare pro-forma income statements
- v) Prepare pro-forma balance sheets
- vi) Calculate break-even point
- vii) Calculate profitability rations

Suggested teaching/Learning Activities

- Discussion
- Question and answer
- Illustration
- Demonstration
- Note taking
- Observation
- Presentations

Suggested teaching/Learning Resources

- Sample business plan writeups
- Text books
- Calculator
- Computer

Suggested Evaluation Methods

- Oral tests
- Timed written tests
- Assignments
- Business plan

23.2.7 PRESENTATION

Theory

23.2. 7T0 Specific Objectives By the end of the sub-module unit, the trainee should be able to:

- a) prepare final business plan
- b) make a presentation of the business plan

Content

- 23.2. 7T1 Writing the final business plan
- 23.2. 7T2 Presentation of the business plan

Practice

23.2. 7P0 Specific Objectives By the end of the submodule unit, the trainee should be able to:

- a) write the final business plan
- b) make a presentation of the business plan

Content

- 23.2. 7P1 Writing the final business plan
- 23.2. 7P2 Presentation of the business plan

23.2.7C Competence

The trainee should have the ability to:

- i) Write the final business plan
- ii) Make a presentation of the business plan

Suggested teaching/Learning Activities

- Discussion
- Question and answer
- Illustration
- Demonstration
- Note taking

- Observation
- Presentations

Suggested teaching/Learning Resources

- Sample business plan writeups
- Text books
- Calculator
- Computer

Suggested Evaluation Methods

- Oral tests
- Timed written tests
- Assignments
- Business plan

23.2. 8 EMERGING TRENDS AND ISSUES

Theory

23.2 8T0 Specific Objectives

By the end of the sub-module

unit, the trainee should be able to:

- identify the emerging trends in business plan
- identify the challenges posed by the emerging trends and issues
- c) explain various ways of coping with challenges

Content

- 23.2. 8T1 Emerging trends in business plan
- 23.2. 8T2 Challenges posed by the emerging trends and issues
- 23.2. 8T3 Ways of coping with challenges

Practice

- 23.2.8P0 Specific Objectives

 By the end of sub-module unit, the trainee should be able to:
 - a) identify emerging issues/trends
 - b) report on challenges of emerging trends
 - c) interpret ways of adapting to the emerging trends

Content

- 23.2.8P1 Identification of Emerging Issues
- 23.2.8P2 Reporting on challenges of emerging issues

23.2.8C Competence

The trainee should have the ability to:

- i) Write the final business plan
- ii) Make a presentation of the business plan

Suggested Evaluation Methods

- Oral tests
- Timed written tests
- Assignments
- Business plan
- 23.2.8P3 Interpreting ways of adapting to emerging trends

23.2.8C Competence

The trainee should have the ability to:

- i) Identify emerging issues/trends
- ii) Report on challenges of emerging trends

iii) Interpret ways of adapting to the emerging trends

Suggested Learning Resources

- Manuals
- Samples
- Relevant text books
- News papers and magazines
- Media
- Internet

easylvet.com