**UNIT 6: BUSINESS INQUIRY: PREPARING A FEASIBILITY STUDY (20 HOURS)**

**This unit is an independent study. Our feasibility study will be a Business Plan.**

**Task** – Create a Business Plan, to establish a business of your choice based in Australia. For each section outlined below you need to explain your decisions and justify your reasons behind each decision.

*The Plan Your Own Enterprise (PYOE) checklist on the back of this page explains the content to be covered for each sub heading.*

**Format** – A written report including the required sub headings (below), paragraph structure, dot points, tables, and charts or diagrams where appropriate.

Sub-headings must include:

* Business name
* Prime function
* Location
* Legal structure of the business
* Business mission
* Staffing requirements
* Marketing Plan (market research-primary & secondary, SWOT, identify target market & competition, Marketing Mix/4 P’s including above the line & below the line promotion)
* Financial Plan (list of start-up costs, source of funding for start-up costs, sales forecast for first year, monthly cash budget for first year)
* Future prospects

*Optional extras (not required):*

* Appendices (up to 5 single sided A4 pages)
* Break even analysis
* Projected profit & loss or projected balance sheet at the end of the first year of operations.

**Word count:** Minimum 1500 words, Maximum 3000 words

**Compulsory Attachments: (Required to meet assessment requirements for Criteria 6 and 7)**

* Week 1 Term 4 Checklist & Self-Assessment
* Bibliography

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**Due Date:**

**Monday Week 4 Term 4**

***The importance of being hard-working…& planning ahead!***

This is a major assessment task – making up a whole criteria (Cr.7) and contributing to others. The onus will be on you to work consistently and effectively.

You may need to spend some lessons away from your friendship groups, for example in silent study, in order to focus and complete this task on time – in fact I recommend you do this at least once a week.

Extensions for this task are unlikely to be granted. This is your only task for Term 4 and you will have enough in class time (16.5 hours!) to get it done. I cannot stress enough – use this time wisely!! This is not a task you can do the night before its due!

**We will start every lesson in the classroom.**

**These will be short briefings on different aspects of the task and any issues arising as we progress.**

*It is more important than usual to be punctual to lessons during this time because the first 5-15 mins of lessons will include important tips & information.*

**Recommended project timeline**

|  |  |
| --- | --- |
| Week | Sections complete |
| 1 | Business name, Prime function, Location, Legal structure, Mission & Staffing |
| 2 | Marketing plan |
| 3 | Financial plan |
| *Progress check!!* | *If you get to week 3 and are not on track – please put in a few hours of your own time!* |
| 4 | Future prospects, and lastly ensure your plan complies with the checklist, polish its format & layout & proofread, proofread, proofread! |



**Criteria to be assessed:**

#### Criterion 1: IDENTIFY AND USE TERMS, CONCEPTS AND IDEAS RELATED TO ROLE OF SMALL BUSINESS AND ENTREPRENEURSHIP IN THE AUSTRALIAN ECONOMY

|  |  |  |
| --- | --- | --- |
| RATING ‘C’ | RATING ‘B’ | RATING ‘A’ |
| * identifies terms and concepts and processes related to the business and economic environments in which small businesses operate | * outlines business terms and concepts and processes related to the business and economic environments in which small businesses operate | * describes business terms and concepts and processes related to the business and economic environments in which small businesses operate |
| * identifies business terms and concepts and processes related to the business life-cycle | * outlines business terms and concepts and processes related to the business life-cycle | * describes business terms and concepts and processes related to the business life-cycle |
| * lists reasons for starting a small business and identifies the importance of entrepreneurship to its success | * outlines reasons for starting a small business and describes the importance of entrepreneurship to its success | * describes reasons for starting a small business and assesses the importance of entrepreneurship to its success |
| * states the ownership structure of a small business, identifies a relevant characteristic and provides an example of each | * describes the ownership structure of a small business, outlines relevant characteristics and provides examples of each | * argues the appropriate ownership structure for a small business, describes relevant characteristics and provides a range of examples |
| * identifies terms, concepts and processes related to the legal requirements for establishing and operating a small business. | * outlines terms, concepts and processes related to the legal requirements for establishing and operating a small business and their impact on business activity. | * describes terms, concepts and processes related to the legal requirements for establishing and operating a small business and their impact on business activity. |

#### Criterion 2: IDENTIFY AND USE TERMS, CONCEPTS AND IDEAS RELATED TO THE MARKETING, AND ACCOUNTING AND FINANCE OF SMALL BUSINESS

|  |  |  |
| --- | --- | --- |
| RATING ‘C’ | RATING ‘B’ | RATING ‘A’ |
| * identifies business terms, concepts and processes related to the marketing and financial operations of a business and provides an example of each | * outlines business terms, concepts and processes related to the marketing and financial operations of a business and provides examples of each | * describes business terms, concepts and processes related to the marketing and financial operations of a business and provides a range of examples of each |
| * identifies the 4 Ps^ or elements of the marketing mix and their importance to successful marketing | * identifies the 4 Ps^ or elements of the marketing mix and describes their importance to successful marketing | * discusses the 4 Ps^ or elements of the marketing mix and assesses their importance to successful marketing |
| * lists major sources of finance for small business and the importance of cash to a business | * lists major sources of finance for small business and describes the importance of cash to a business | * assesses major sources of finance for small business and explains the importance of cash to a business |
| * identifies social, environmental and ethical aspects of the marketing and financial management of a business. | * outlines social, environmental and ethical aspects of the marketing and financial management of a business. | * describes social, environmental and ethical aspects of the marketing and financial management of a business. |

#### Criterion 3: USE CASH-BASED ACCOUNTING PROCESSES TO RECORD AND REPORT FINANCIAL DATA

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| --- | --- | --- |
| RATING ‘C’ | RATING ‘B’ | RATING ‘A’ |
| The learner: | The learner: | The learner: |
| * accurately prepares an Income Statement and Balance Sheet from a provided and classified list of account balances. There may be errors in terms of compliance with the required format | * accurately prepares a classified Income Statement and Balance Sheet from a list of familiar account balances | * accurately prepares a classified Income Statement and Balance Sheet from a list of account balances, some of which will be unfamiliar |
| * accurately prepares a Cash Budget from a provided and categorised list of transactions. There may be errors in terms of compliance with the required format | * accurately prepares a Cash Budget from a familiar list of transactions | * accurately prepares a Cash Budget from a list of transactions, some of which will be unfamiliar |
| * uses provided spreadsheet templates to prepare accounting reports^. There may be errors in terms of classifications of items and compliance with the required format. | * with direction, creates spreadsheets and accurately prepares accounting reports^. There may be some errors in terms of classifications of items and compliance with the required format. | * creates spreadsheets and prepares accounting reports^. They are accurate, appropriately classified and comply with the required format. Formatting and functions are straightforward (e.g. sum, subtract). |

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#### Criterion 4: USE MODELS, FINANCIAL PROCESSES AND MATHEMATICAL TECHNIQUES TO PROVIDE DATA FOR BUSINESS DECISION-MAKING

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| --- | --- | --- |
| RATING ‘C’ | RATING ‘B’ | RATING ‘A’ |
| * determines the equilibrium price and quantity from a basic demand and supply graph | * modifies a basic demand and supply graph when a change in the demand or supply curve occurs and determines the new equilibrium price and quantity | * modifies a basic demand and supply graph when a change in the non-price factors of demand and supply occurs and determines the new equilibrium price and quantity |
| * identifies where in the business life-cycle a business is currently operating | * outlines where in the business life-cycle a business is currently operating and outlines its characteristics | * describes where in the business life-cycle a business is currently operating |
| * completes a SWOT analysis from provided information | * completes a SWOT analysis in familiar contexts | * completes a SWOT analysis in familiar and unfamiliar contexts |
| * accurately calculates a ratio correct to two decimal places for profitability and liquidity from provided data | * accurately calculates ratios correct to two decimal places for profitability and liquidity from familiar data | * accurately calculates ratios correct to two decimal places for profitability and liquidity from data, some of which is unfamiliar |
| * identifies the main components of the Cash Budget^ and the final cash position | * outlines the main components of the Cash Budget^ and the final cash balance | * describes the components of the Cash Budget^, the final cash balance and their relationship |
| * accurately calculates the break-even point from provided data. | * categorises data from a familiar list and accurately performs CVP calculations. | * categorises data from a familiar list, accurately performs CVP calculations, and modifies answers as a result of changes in the variables. |

^The main components of the Cash Budget are the Estimated Cash Receipts and Estimated Cash Payments.

#### Criterion 5: DRAW CONCLUSIONS AND MAKE RECOMMENDATIONS TO SOLVE BUSINESS PROBLEMS AND IMPROVE BUSINESS PERFORMANCE

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| --- | --- | --- |
| RATING ‘C’ | RATING ‘B’ | RATING ‘A’ |
| The learner: | The learner: | The learner: |
| * lists success and failure factors in business | * outlines success and failure factors in business | * describes success and failure factors in business |
| * states an implication for business about where in the business life-cycle it is currently operating | * outlines an implication for business about where in the business life-cycle it is currently operating | * describes an implication for business about where in the business life-cycle it is currently operating |
| * states a conclusion about business performance based on a ratio for profitability and liquidity | * outlines a conclusion about business performance based on ratios for profitability and liquidity | * argues a reasoned conclusion about business performance based on ratios for profitability and liquidity |
| * states an impact of the final cash position in a Cash Budget on business performance | * describes the impact of the final cash position in a Cash Budget on business performance | * assesses the impact of the final cash position in a Cash Budget on business performance |
| * lists the importance of the break-even point for business performance | * describes the importance of the break-even point for business performance | * assesses the importance of CVP calculations for business performance |
| * outlines a basic recommendation to be taken by a business to improve its performance | * describes a logical recommendation that could be taken by a business to improve its performance | * argues a justified course of action that could be taken by a business to improve its performance |
| * identifies social, environmental and ethical impacts of the decision by a business. | * outlines social, environmental and ethical impacts of the decision by a business. | * describes social, environmental or ethical impacts of the decision and its potential impact by a business. |

#### Criterion 6: COMMUNICATE BUSINESS IDEAS AND INFORMATION

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| RATING ‘C’ | RATING ‘B’ | RATING ‘A’ |
| The learner: | The learner: | The learner: |
| * communicates ideas and information in written and oral/signed or multimodal form, with some control of language and expression | * communicates ideas and information in written and oral/signed or multimodal form, using clear and appropriate language and expression suited to the purpose and audience | * communicates ideas and information in written and oral/signed or multimodal form with fluency and consistent control of language and expression appropriate to the purpose and audience |
| * correctly spells most common words, and correctly uses simple punctuation and sentence structure to convey meaning | * correctly spells common words and correctly uses punctuation and sentence structure to convey meaning | * correctly spells common words and correctly uses punctuation and sentence structure to achieve effect (e.g. to highlight a point) in written communication |
| * uses simple graphs, tables and diagrams to present information as directed | * selects and uses graphs, tables and diagrams to present information | * selects and uses appropriate graphs, tables and diagrams to clearly present information |
| * as directed, differentiates the information, images, ideas and words of others from the learner’s own as directed | * differentiates the information, images, ideas and words of others from the learner’s own | * clearly identifies the information, images ideas and words of others used in the learner’s work |
| * as directed, identifies the sources of information, images, ideas and words of others from the learner’s own | * identifies the sources of information, images, ideas and words of others from the learner’s own | * identifies the sources of information, images, ideas and words of others from the learner’s own |
| * creates reference lists/bibliographies as directed. | * creates reference lists/bibliographies. Referencing conventions and methodologies are generally followed. | * creates appropriate reference lists/bibliographies. Referencing conventions and methodologies are followed correctly. |

#### Criterion 7: USE INQUIRY SKILLS TO PLAN AND PREPARE A BUSINESS PLAN

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| --- | --- | --- |
| RATING ‘C’ | RATING ‘B’ | RATING ‘A’ |
| The learner: | The learner: | The learner: |
| * works through the steps of the inquiry process to prepare a business plan as directed | * works through the steps of the inquiry process to prepare the business plan and describes some connections between the components | * works through the steps of the inquiry process to prepare the business plan and explains connections between the components and modifies the business plan as required |
| * sets short-term goals that are generally measurable, achievable and realistic, and follows provided directions | * sets short- and medium-term goals spanning one to several lessons that are measurable, achievable and realistic, and plans accordingly | * sets short-, medium- and long-term goals that are measurable, achievable and realistic, and plans effective action |
| * uses a limited range of provided information sources | * locates and uses a range of information sources | * locates and uses a wide range of information sources |
| * uses tools and strategies as directed to collect, organise and sort information (such as relevant/irrelevant to task) | * uses tools and strategies to collect, organise and sort information | * effectively uses a range of tools and strategies to collect, organise and sort information and identifies the relative significance of information to task |
| * reflects – orally and/or in writing – on progress towards meeting goals and timelines in a constructive manner | * reflects – orally and/or in writing – on progress towards meeting goals and timelines and suggests ways for future action | * reflects – orally and/or in writing – on progress towards meeting goals and timelines, assesses progress and adjusts plans for future action |
| * uses strategies as directed to perform tasks that contribute to the completion of an individual or group business plan. | * selects and uses strategies to perform tasks and monitors their contribution to the successful completion of an individual or group business plan. | * selects and uses strategies to perform tasks that contribute to the successful completion of an individual business plan and guides others in completing their contribution to a group business plan. |

*Am I ready to submit? Check your work against the task description & checklist, ensure there are no spelling or grammar errors and ask a ‘critical friend’ (someone who is willing to give you constructive feedback as nicely as possible) if they can spot any areas you could improve.*