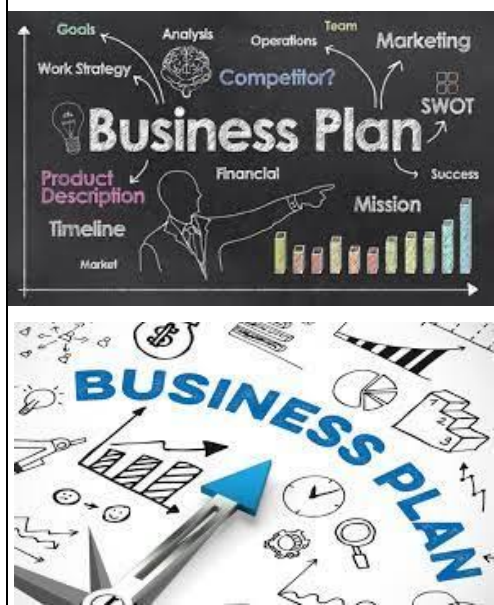


Applied Business: Unit 5 Business Planning **KNOWLEDGE ORGANISER**

Overview



Unit 5 Business Planning

In this unit, you will use mind mapping software (such as a word processor with graphics functions) to consider the potential of your initial business ideas. You will then select one business idea to develop as a business proposal. You will outline the marketing, operations, human resources and financial plans of your selected business idea. This will require you to carry out research to gather the information needed by the outline plans. You will use a spreadsheet model of your business proposal to test its viability. In order to raise finance for the proposal, you will produce materials to communicate the outline marketing, operations, human resources and financial plans to funding providers. Finally, you will evaluate your business proposal, considering ways in which its marketing and operations plans might be improved.

PO1: Investigate Potential business ideas

MINDVView – Software used in IT to create professional Mindmaps
 Scenario – Explore 3 potential Business ideas to set up & create a Business plan

	Plus	Minus	Interesting
S	Each sale would bring in more money	Sales would be harder to make	We might develop a different customer base by appealing to high-end customers.
W	We could reduce our production quotas	We might lose some customers	
O	With reduced production, we could focus more on quality	Losing customers might damage our image	
T			

S	Strengths of an enterprise •They might keep customers satisfied. •They might have a good brand image & reputation. •They might offer a good quality service.
W	Weaknesses of an enterprise •Staff members might lack training. •Their improvement plan might not be effective. •They may not have the best resources. •They may not have high market share. •They may not have competitive edge.
O	Opportunities the enterprise might want to exploit •These are different for each enterprise depending on what their strengths and weaknesses are.
T	Threats on an enterprise This is anything which might prevent success for example: •Changes in trends/tastes •New competitors entering the market •Existing competitive changing what they do

PO2 & PO3: Develop a proposal & Present a proposal to funding Providers

Key words

Business Canvas Model , Methods of communication, funding providers, marketing plan, operations plan, Human resources plan, Financial plan, coherence



Executive Summary – overview of the business plan for funding providers, including business activities, vision & aims

Methods of communication – (verbal, non – verbal & visual)

Coherence -In the context of your business, coherence means the core parts of your business all being aligned and in sync with one another--supporting and reinforcing each other.

Key terms –

Edward de BONO PMI Decision making tool - PMI (plus, minus, interesting) is a brainstorming, decision making and critical thinking tool. It is used to encourage the examination of ideas, concepts and experiences from more than one perspective

SWOT analysis -SWOT stands for Strengths, Weaknesses, Opportunities, and Threats, and so a **SWOT analysis** is a technique for assessing these four aspects of your business.

PO4: Review of a Business proposal



Business viability means that a business is (or has the potential to be) successful. A viable business is profitable, which means it has more revenue coming in than it's spending on the costs of running the business.

Key terms

Contingency Planning – A contingency plan, also known colloquially as Plan B, is a plan devised for an outcome other than in the usual plan. It is often used for risk management for an exceptional risk that, though unlikely, would have catastrophic consequences

Risks –in simple terms, risk is the potential for a negative outcome. Risk involves uncertainty about the effects/implications of an activity

Viability - ability to work as intended or to succeed:

Important Vocabulary

Planning

Funding

operations

Management

Finance

Marketing

HR

Risks

Contingency