

THIS IS YOUR BUSINESS

Writing Prompts

Overview of the Project:

The students were required to write a business plan for a sole proprietorship business of their choice based on their hobbies and interests that could be presented to a loan officer of a local bank for loan consideration. The students were taught about the world of entrepreneurship, how to plan a business and how to market the business. Financing, insuring, and managing the business were also major elements of the curriculum emphasis to prepare the students for the creation of their business plans. This project required students to use their writing skills extensively (they had to sell their business on paper), their communication skills (they had to present their business plan to their classmates and a bank loan officer; their math and accounting skills (financial projections and statements had to be created); and problem-solving skills (they had to determine how much inventory, products, or services had to be sold in order to make a profit). The students had to utilize their technology skills because they were required to create a PowerPoint presentation showing the results of their market research surveys and the projected financial status of their business including projected startup costs and projected revenue and expenses for a twelve-month period. The students were asked to include charts and graphs to depict this information.

Describe what you wanted to accomplish (why this project was important to your particular group of students):

This project was very important to the enterprise management students because it allowed them to take the major concepts that were presented to them in class and apply those concepts to a business that they wanted to start and manage. I wanted them to take the concepts learned and apply the concepts to a “real world” situation that involved their particular business. For example, when we studied the unit on insurance, I wanted them to understand what types of insurance they would need for their specific businesses (renter’s, liability, health, disability, etc.). When we studied the unit on the marketing mix (understanding your customers, your community, and your competition), it was important for each student to understand the importance of performing market research to establish a need for their type of business. Each student was required to create a survey that would include both demographic and psychographic data that would help to support their business idea. Having the students survey at least 50 people and tallying the results of those surveys helped them to get a better idea of the interest or noninterest in their projected businesses. When we studied the unit on financial statements, it was important to them to create proforma (projected) financial statements that predicted their startup costs, revenue and expenses, and the financial condition of their startup business. I developed a tip sheet for the students to help

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them create the proforma balance sheet. Many of them needed direction on the financial statements. I gave the students as much individual assistance as I could to assure that their startup costs and cash flow statements were reflected on the income statement and balance sheet.

My goal was to make this project meaningful to each student and show them what it takes to start a business in today's economy. By allowing each student to select a type of business that they would be interested in owning and managing, I allowed them to role model as entrepreneurs and to understand the risks and rewards involved in running their own businesses. I encouraged them to become independent thinkers: they used their creativity skills to decide on a name for their businesses, design logos for their businesses, and to print business cards and letterhead for their businesses. Preparing the financial statements necessary for the project utilized higher level critical thinking skills.

Describe your preparation:

In preparing for my third year to teach this class, I reflected on what I had covered in the past two years with my students. I wanted the business plan project to be as close to the "real world" as possible. So I visited with three loan officers from three different banks in our area: Todd Ryals, Centennial Bank; Terry Milam, HomeBank; and Jon Ross Henderson, First Security Bank to get some ideas on what they expect from their business loan prospects. I took some sample business plans that had been written by previous management students and asked them to review the plans. I asked questions concerning what they typically see from customers attempting to secure a business loan. Questions such as: "Do your customers have a prepared written business plan to present when they are wanting to borrow money for a business?" and "What documentation or paper work does your bank require for loan processing?" Their answers varied but gave me some input into what my students should be including in their business plans to meet the banking industry's demands.

I also researched some websites for tips on writing an effective business plan. I read some sample business plans on <http://myownbusiness.org> and <http://Bplans.com>.

I gave the students sample business plans to examine, and I encouraged them to do research on tips for writing effective business plans.

The project instructions for Identifying and Meeting a Market Need were developed to guide the students through the requirements of the project. Creating the rubric for the PowerPoint presentation and giving the rubric to the students at the beginning of the project was another way to communicate with the students what was expected of them in the project. I also designed the points system rubric for the Business Plan Project. This gave the students

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direction and showed them what needed to be included in the business plan and how they would be assessed.

Describe what your students learned and how you measured that learning:

The seven basic elements of a business plan were emphasized in the project:

- History and background of their idea
- Goals and objectives for their company
- Products or services that would be offered
- Form of ownership
- Management and staffing
- Marketing
- Current and projected financial statements

The students studied the world of entrepreneurship, compared different economic systems, studied the concept of cost, and learned the different forms of business ownership. The students recognized the need for market research (customer, community, and competition). Each student created their own market research survey and surveyed a minimum of 50 target customers to determine if there was a need or demand for the type of business they were proposing to start in their chosen location. The students also studied marketing mix, channels of product distribution, product pricing methods, forms of product promotion and selling, risks, and the importance of marketing goals. The students were asked to identify their startup costs and project their revenue and expenses for twelve months. From this information, they created a proforma cash flow statement, income statement, and balance sheet. PowerPoint presentations were prepared by each student emphasizing their market research findings and their projected financial goals. The students were required to dress in business attire as each one gave their presentations to their classmates, loan officers from local banks, business owners, and administration personnel. The presentations were recorded on a DVD and each student was photographed with their business plan. The presentations were scored based on a rubric that included both student and teacher assessment. After all of the oral presentations were completed and the business plans were printed, I randomly divided each class into small groups of three to critique the business plans of the members of their group. I gave the business plans of each member of the group back to them and asked the students to critique the other students' plans. Each student had a critique sheet to complete for each plan they read. Each group member gave their suggestions, if any, for improvement of the written plan and then given back to the owner of the plan. Then each student was allowed to make final changes to his/her plan before the plan was submitted for final teacher assessment. The

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business plan was scored based on a rubric that had been given to the students prior to the assignment.

A major highlight of the assignment was collaborating with fifth grade students who were working on a mini-business plan assignment. After all the students had presented their plans and submitted their business plans, the Enterprise Management students traveled by bus to one of our elementary schools to visit with two fifth-grade literacy classes. The high school students were given small groups of fifth grade students to share their business ideas. They showed the fifth graders their completed business plans and explained the basic elements of the plans. The fifth grade students had a lot of questions and seemed to enjoy the input the high school students gave. It was awesome to see how many of my students were excited to share their business ideas with the younger students.



Mrs. Lindsay Griffin, 5th grade literacy teacher, listens to Taylor Neal explain how she decided to start a veterinary clinic for animals called Pets n' Paws. Jordan (standing) explains his audio electronics business



EM student Beth Punch sharing her business plan for her Mr. Smoothee business where she will serve smoothies, ice cream, and special shakes. The 5th grade students were working on a mini business plan project and were in the process of brainstorming business ideas.