***SUBJECT: BUSINESS STUDIES***

***CLASS: JSS3***

***Topic: SIMPLE SINGLE BUSINESS PLAN***

***Copy this note in your notebook***

***Meaning***: Business Plan is a document that shows in detail how an entrepreneur should set up his business. It is like a road map which directs the entrepreneur on which road to take in order to put his business ideas in action in order to be successful.

***Uses Of Business Plan To The Entrepreneur***

1. It helps an entrepreneur to think in details the business he wants to pursue.

2. It enables the entrepreneur to research into the business he wants to pursue.

3. It helps the entrepreneur to state in writing who will own and run the business.

***Uses Of Business Plan To The Employees***

1. It helps employees to know the goals of the business.

2. It helps employees to know who they are directly responsible to.

3. It helps employees to know how costs and prices are worked out.

***Uses Of Business Plans To The Investors***

1. It helps them to know whether the business will make money in future or not.

2. It helps them to know how the entrepreneur takes decisions.

3. It helps them understand how viable the business is going to be in future.

4. It helps them to know how accountable the management is and the structure that is put in place for growth.

***Characteristics Of A Business Plan***

1. A business plan must show how long it will take to achieve its goals.

2. Whatever that is written in a business must be clear to avoid confusion.

3. It must be written in such a way that the reader must be convinced that the business will grow over a period of time.

4. A business plan must be in writing for reference.

5. A business plan must state goals that are realistic otherwise investors will be scared away leaving the entrepreneur frustrated.

***Procedure For Drawing Up Business Plan***

1. ***Introduction***: Here, describe exactly what you are proposing - this includes, type of goods or service to render, name of business, logo if any and goals to achieve.

2. ***Market Research*** : Find out what appeals to customers and also know who your competitors are in the business.

3. ***Marketing***: Here, you have to show how customers can be aware of your product, maybe through advertising.

4. ***Production*** : State methods to follow in order to come out with a quality product.

5. ***Finances***: Specify the amount of money needed and how the money is to be used, also state sources of getting money for expansion.

6. ***Organization/Management*** : Here, show number of people that will be employed and their duties. Use organizational chart to clearly show the roles if top management people.

7. ***Action Plan*** : Explain what your production targets are and the plans mapped out to reach your target.

8. ***Summary***: Here state other points that are important. Also explain your business acumen and your managerial skills and experiences in your line of business.

***Assignment***

1. Define a business plan

2. State two uses of a business plan

3. Mention two characteristics of a business plan.

4. List four procedures for drawing up a business plan.

***To be submitted in school at the security post.***