

## Lesson Plans - **Entrepreneurship**

### **Lesson Plan 3 - Developing a Business Plan**

Passion is and should be the driving force for the majority of entrepreneurial endeavors. A living and breathing plan, however, provides the clarity and discipline needed to bring many parties together to share in the entrepreneur's passion. Without the driving force of a good plan, the business is often left to the prevailing winds of change and ambiguity that can tear at the seams of a well intentioned business. This lesson is intended to set the framework and give the basic understanding of the content areas within a business plan.

#### **Developing a business plan**

- Purposes of a business plan
- Understanding the major functional areas of a business
- Components of a business plan

**Grade level:** 9th Grade and up

**Duration:** 6 Class Periods - 57 minutes each

**Media Type:** You Tube video from WDSE Making it Up North -- Spokengear

**Subject Integration:** Entrepreneurship

#### **Minnesota Department of Education Business and Marketing Education – Learning Targets Performance Indicator/Standard Measure/Benchmarks addressed in this lesson:**

01.02 Examine and employ business and economic principles and concepts.

01.02.02 Describe the nature of business and its contribution to society.

01.02.02 Organize, compose, and edit oral and written information.

01.02.03 Comprehend key elements of oral and written information.

01.02.04 Evaluate oral and written information.

01.02.06 Predict potential outcomes and/or solutions based on oral and written information regarding trends.

02.01 Select and use appropriate reading and communication strategies to learn and use technical concepts and vocabulary in practice.

02.05 Use correct grammar punctuation and terminology to write and edit documents.

02.08 Apply active listening skills to obtain and clarify information.

02.02.01 Employ verbal skills when obtaining and conveying information.

03.01 Use critical thinking skills independently and in teams to solve problems and make decisions.

03.01.01 Analyze elements of a problem to develop creative solutions.

03.01.02 Use problem-solving critical thinking and creativity skills to improve a situation or process.

03.01.03 Generate new and creative ideas to solve problems.

03.01.04 Critically analyze information to determine value to the problem-solving task.

**Objective:** To introduce entrepreneurship students to purpose and components of a business plan.

**Assessment:** Vocabulary Quiz

### Vocabulary

<b>Brand</b>	<b>Executive Summary</b>	<b>Business Plan</b>
<b>Target Market</b>	<b>Human Resources</b>	<b>Value Proposition</b>
<b>Marketing</b>	<b>Information Technology</b>	<b>Customer Segments</b>
<b>Finance</b>	<b>Operations</b>	<b>Channels</b>

### Rubric for “lean” business plan:

	<b>Exceeds expectations (8 points)</b>	<b>Fully meets expectations (7 points)</b>	<b>Minimally meets expectations (6 points)</b>	<b>Not Yet Met (5 point)</b>
<b>Creativity</b> (Showing your passion, thinking out of the box and making it your own)	-gave the plan their own “twist” - Showed enthusiasm and passion in writing a unique plan - comfortable thinking “out of the box”	-plan was creative and clearly reflected the student’s uniqueness and the the uniqueness of their business idea	-a clear effort was made to create a unique business idea, but the idea was not clearly communicated or fully developed in the plan	-little or no effort was made to come up with a unique idea or to express and develop the idea in a business plan
<b>Critical Thinking</b> (Grit, not giving up, problem solving) (Utilizing the process outlined in class.)	-student took information from class and created a business idea through trial and error and created a persuasive and succinct plan	-business idea was created through classroom process and all areas of the business plan were clearly addressed	-some effort was made to solve a problem and apply a business solution; Each area of the business plan was addressed	-business plan was not original or complete and little or no effort was made to try to turn a problem into a business solution
<b>Quality of Work</b>	-contains all areas of the	-sound understanding of	-functional understanding of	-plan did not include of the areas of the

(Followed instructions, applied class learning to the business plan)	business plan - all sections were thoroughly thought out and a very good understanding of the business and the planning process was conveyed	the assignment and work was neat and thorough - met goals and timelines and writing was clear and concise in the plan	lesson plan and use of business plan -all assigned areas of the plan were covered	business plan - plan was not complete or not complete on time - did not use class time effectively
<b>Grading Scale</b> Out of 24 - A=22, B=19, C=17, D=14			<b>Total Points</b>	<b>Final Grade</b>

**Day 1 - Local Business example of someone who wrote a business plan and recently launched**

Watch Video - [Making it Up North - Dan Cruikshank \(Spokengear\)](#)

**Group Discussion** - In groups of 2-3 answer the following questions:

What does building a brand mean for Spokengear?

What does Dan Cruikshank mean when he says, he needs to be “comfortable at being uncomfortable.”

Do you think it makes sense to operate these three separate business units?

Which business unit has the most potential? Why?

**Class Discussion** - Answer questions as a group:

Try to describe as a class who the target market is:

Dan describes it as, “a huge group of people who are passionate about coffee and bikes and want to ride and get together to talk about it that makes for a community around bicycles.”

**Class Discussion** -

[Put Spokengear website](#) on white board and discuss the following with class:

what do you like about this web site and what would you change?

**Day 2 - Guest speaker - Dan Cruikshank, or locally available entrepreneur, Tell their story and talk about the importance of writing and using a business plan.**

Class Discussion after talk - Students ask questions and share ideas for expanding.

### **Day 3 - Purposes of business plan**

**Class Discussion** - What do you think are the main three purposes of a business plan? Obtain Financing , serve as a living guide to the business, to provide a start-up blueprint, to fail on paper -- or some natural conclusions.

Watch this youtube video on [Why and who should write a business plan](#). Encourage the students to take notes.

**Student Assignment** - read [A Business Plan Doubles Your Chances for Success](#) and [Great Businesses don't start with a plan](#).

**Class Discussion** - Discuss the articles - Class discussion questions: After knowing that your chances for success go up, why do you think so many entrepreneurs still do not write a business plan? What are the drawbacks of writing a business plan?

### **Day 4 - Understanding the major functional areas of a business**

**Class Discussion** - Show Slide - [Five Functional Areas of a Business](#)

**Group Assignment** - Use Spokengear example and write down two specific decisions that this company has made in each of the five functional areas of the business.

**Class Discussion** - Share the group finding with the class. Added question - What area could you see yourself working in and why?

### **Day 5 - Components of a business plan**

**Class Discussion** - Put [SBA's lean business plan](#) example on whiteboard and handout to class as well.

Go over all sections of the plan.

**Student Assignment** - Due after next class period:  
Write a lean business plan for Spokengear.

### **Day 6 - Writing a "lean business plan"**

In order to get a sense for the main components of a business plan, continue to complete the "lean" business plan for Spokengear. Due at the end of the period - to be turned in on the Google Classroom.

## Resources:

### Web Site

[Spokengear](#)

### Youtube

[Spokengear](#) - Making it Up North

[Why and who should write a business plan](#) - Young Entrepreneurs Forum

### Handouts

[A Business Plan Doubles Your Chances for Success](#) - Small Business Trends -- online business publication

[Great Businesses don't start with a plan](#) - Harvard Business Review

[SBA's Lean Business Plan](#)- Small Business Administration Website