

Poultry Production

NTQF Level - III

Learning Guide -86

Unit of Competence:- Improve
Business Practice

Module Title: - Improving Business
Practice

LG Code: AGR PLP3 M21 LO1-LG-86

TTLM Code: AGR PLP3 TTLM01 20v1

LO 1: Diagnose the business

Instruction Sheet

Learning Guide #-86

This learning guide is developed to provide you the necessary information regarding the following content coverage and topics –

- Identifying sources data
- Determining and acquiring data for diagnosis
- Conducting Value chain analysis.
- Undertaking SWOT analysis of the data.
- Determining competitive advantage of the business

This guide will also assist you to attain the learning outcome stated in the cover page. Specifically, upon completion of this Learning Guide, you will be able to –

- Identify, determine and acquire sources data required for diagnosis based on the business diagnosis toolkit.
- Conduct Value chain analysis
- Undertake SWOT analysis of the data
- Determine competitive advantage of the business from the data.

Learning Instructions:

1. Read the specific objectives of this Learning Guide.
2. Follow the instructions described in number 3 to 6.
3. Read the information written in the “Information Sheets 1, 2,3,4 and 5” in page 2,11,14,19 and 23. Try to understand what are being discussed. Ask your trainer for assistance if you have hard time understanding them.
4. Accomplish the “Self-check1, 2,3,4 and 5” in page 10,13,18 ,22and 25.
5. Ask from your trainer the key to correction (key answers) or you can request your trainer to correct your work. (You are to get the key answer only after you finished answering the Self-check 1, 2,3,4 and 5).
6. Submit your accomplished Self-check. This will form part of your training portfolio.

Information Sheet #1	Identifying Sources data for diagnosis of business based on the business diagnosis toolkit.
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1. Identifying Sources data for diagnosis of business based on the business diagnosis toolkit.

1.1. What is business diagnosis?

The business diagnosis is a methodology of company valuation that allows an in-depth analysis of the main areas of management of a business. With a deeper understanding of the organization, it is possible to solve problems in a practical way and directed to what really matters and without spending time on little relevant items.

1.2. Why Business Diagnostics Are Important?

Business diagnostics can be used for:

- ❖ Checking the effectiveness of strategies and processes.
- ❖ Understanding your business performance better.
- ❖ Identification of weaknesses and strengths.
- ❖ Identifying threats.
- ❖ Identifying and taking advantage of opportunities.
- ❖ Developing business goals.
- ❖ Identifying skill gaps in your workforce.
- ❖ Identification of individuals' strengths and weaknesses.
- ❖ Helping to improve staff motivation.
- ❖ Improving employee engagement.

1.3. Business diagnosis Tools

We have assembled some great business tools for you to utilize to assess and evaluate where your business stands. These are just a few of the standard tools – there are lots out there. Remember to apply the Business Diagnostics Framework first!

1. Ansoff Matrix:
2. Competitor Assessment

3. SWOT Summary
4. TOWS Strategic
5. Generic Business Strategy:
6. CAPE Model

1.4. **How Primary & Secondary Data improves business opportunities?**

Data is the new oil that helps in fueling a company's revenue. So, the collection of primary and secondary data becomes an integral part of today's business research and strategy building.



The datasets help you in deriving information about market and the ongoing trends. A good information of your audiences help you to leverage your opportunities through data monetization.

1. **What is Primary data?**

Primary data is the original data – from the first source. It is like raw material.

The primary data is an information that you collect directly on a personal level for particular research for your business. Primary data collection is a direct approach which meets specific company needs.

2. **What are the sources of Primary data?**

The source of primary data is the sample from which you gather your data. You can select the sample using various methods and techniques of sampling. So, the most popular sources of primary data or the primary data examples are:

- ❖ Interview (personal interview, telephone, email).
- ❖ Self-made surveys and questionnaires.

- ❖ Field observations.
- ❖ Experiments.
- ❖ Life histories.
- ❖ Action research.
- ❖ Case studies.
- ❖ Diary entries, letters, and other correspondence.
- ❖ Eyewitness accounts etc.

3. What are the advantages of Primary data?

There are many advantages you can derive when using primary data for your marketing and business research. Here's a list of those below:

- 1) **With primary data, you own the information – Because** you collect the information yourself and do not share it, so the information remains hidden from other potential competitors.
Survey reports, questionnaires, interview responses are few primary data examples that have the information that you collect for research.
- 2) **Primary data gives better accuracy** – Primary data is more accurate because it is your first-hand collection directly from the population.
- 3) **You get more control over the data with primary data** – As a marketer, you can control the research method easily. Also, you have more control over the gathering process of information.
- 4) **Primary data provides up-to-date information** – The primary data is a great source of latest information as you collect it directly from the field in real-time.
- 5) **Resolving research and analytics issues** – When you are performing your own research, you get to address and resolve your business-related issues which ultimately benefits your organization.

4. What are some of the disadvantages of Primary data?

- More expensive
- Time-consuming
- Primary data has limits
- Not always possible

1.2. What is Secondary data?

Secondary data is the already collected data. You may have collected it for another purpose but it does have some relevance to your research needs.

Also, unlike the primary data, secondary data is collected by someone else and not the one doing the research. So, secondary data is second-hand information.

1. What are the sources of Secondary data?

Secondary data gives you valuable analysis on the basis of primary data. So, the sources of secondary data is the primary data itself.

The most popular sources of Secondary data or secondary data examples are:

- ❖ Previous research
- ❖ Mass media products
- ❖ Government reports
- ❖ Official statistics
- ❖ Letters
- ❖ Diaries
- ❖ Web information
- ❖ Historical data
- ❖ Encyclopedias
- ❖ Journal articles
- ❖ Biography
- ❖ Research analysis etc.



2. What are the advantages of Secondary data?

- ❖ Easy to access
- ❖ It is freely available or at a low cost.
- ❖ saves time
- ❖ It helps to generate new insights from a previous analysis
- ❖ has a larger sample size
- ❖ Anyone can collect the Secondary data

3. What are some of the disadvantages of Secondary data?

- ❖ Not specific to your needs
- ❖ Low or no control over data quality
- ❖ Biased
- ❖ could be outdated
- ❖ Not proprietary information

1.5. How does primary data and secondary data benefit the marketers?

The entire marketing process involves data-related activities. You need adequate, reliable, relevant and timely data for marketing problems and decision making. As a result, data collection requires a significant part of the research budget, efforts, and time.

So, how does all this really help you? How does primary and secondary data collection help marketers in marketing optimization and commercialization?

To know more, let's dive in:

1. **Tapping opportunities:**

One prime benefit you get by conducting primary and secondary data research is that it helps you to learn various market opportunities and suitable audiences.

2. **Encouraging communication:**

Market research through primary and secondary data collection helps to find out the best way of communicating with customers. Survey, questionnaires, interview responses etc. are few primary data examples that enforce clear communication for your market research and henceforth.

As a result, you can know the nature of your audience, personalities, likes, dislikes, etc. and this makes, in turn, makes it easy for you to reach the right audience at the right time and convert more.

3. **Knowing marketing trends:**

Primary and secondary datasets help to know the market trends or movements of a market in a given period. This makes it easier to draw conclusions from these trends and make business-related decisions in a better way.

4. **Market segmentation**

Primary and secondary data gives an idea of various segmentation of the market by collecting data pertaining to demographics, choices, genders, and personalities, etc. In this way, you have a clear concept of whom to target and how. So, segmentation and targeting become easier and accurate with this.

5. **SWOT analysis**

SWOT analysis deals with the analysis of the strengths, weaknesses, opportunities and threats to a business or company. Primary and Secondary data collection brings in the knowledge of each of these. When marketers have a clear concept of these, they can make perfectly suited strategies to attain desired results and gain optimization.

6. **Brings about effective marketing:**

Marketing effectiveness includes risk analysis, customer analysis, product research, and competitor analysis, etc. Primary and secondary data collection enables learning and analysis of the same.

7. **Minimization of the risks**

By performing interviews, surveys, information finding etc., primary and secondary data gives you a good idea of what properties to add and what to remove from your products and services so that the customers respond well and there is a low chance of turn offs.

8. **Predicting market problems and outcomes**

Since the market research results into customer choices and preferences, their reactions, your business can alter the product while it is still in the initial phases or process. As a result, It is easier to predict problems and then work on them if you have the resultant primary and secondary data examples.

9. **Monetization**

Data collection has the most desired outcomes for a marketer in terms of revenues. The data that you collect helps you to analyze and predict businesses.

Also, it helps you to target well. This and everything else sum up into drawing more revenues from your data and data-driven decisions. Thus, primary and secondary data can boost businesses through data monetization and help your business tremendously.

10. **Avoid these mistakes during primary and secondary data collection?**

While doing data collection, you need to take care of a few things. Take a note of these and go ahead with your market research:

11. **Do not collect ‘only the primary data’** – Businesses often mistake of spending time on primary data collection and forget that using secondary data sources could also bring benefits. Secondary data offers some freely available data and statistics and eliminates extra time and resource wastage. So, don’t miss on collecting secondary data as well.

12. **You should not collect ‘only the secondary data’**– Like we said for the primary data, similar goes for the secondary data as well. Do not make the mistake of collecting only the secondary data and neglecting the primary data. Secondary data is off course time saving but primary data has its own perks. You get a fresh perspective with those data and a detailed insight into customer preferences and behavioral changes. So, primary data is vital too.

13. Do not trust the ‘web only’ for research- Truly, the web is the greatest database for a wide variety of data but simply relying on it could prove to be a big mistake for your market research. This is because the internet might not offer complete and reliable information. So, you should keep in mind that you use more credible sources to collect data.

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Self-Check #1	Written Test
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Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page: (2pts each)

1. What is business diagnosis? (2pts)
2. Why Business Diagnostics Are Important? (2pts)
3. Describe Business diagnosis Tools? 2pts
4. What is the data?
5. Describe the source of primary data and secondary data?
6. How does primary data and secondary data benefit the marketers?

Note: Satisfactory rating - 6points

Unsatisfactory - below 6 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Information Sheet #2

Determining and acquiring data for diagnosis

1. Determining and acquiring data for diagnosis

Many entrepreneurs often act by putting out fires. The feeling is that problems are being solved. But as time passes, the pile of problems only increases. This is because a business diagnosis it was not done before. It would help the manager know where to focus before starting to run.

1.1. What Types of Information Resources Does a Business Usually Need?

Every business needs information to help it succeed. A combination of internal and external business information resources can provide the background necessary to evaluate current performance and plan future progress. Knowing the types of information resources that are most critical to business can help companies plan for capturing, analyzing and using that information most effectively.

1. Internal

The first source of information that businesses should turn to is the information they already have. Every business will have the ability to gather information about employees, about sales and about customers. Setting up systems and processes for gathering the right information can help business owners track, trend, analyze and act upon business that gives them clues into such issues as what drives employee satisfaction, the products most demanded by customers, areas of employee and customers satisfaction and dissatisfaction.

2. Industry Information

Every business can consider itself part of at least one industry, if not more. And every industry has an association connected with it that can serve as a rich source of business information. Weddles.com is a site where businesses can go to find out about the associations that serve their industry. Joining the appropriate trade and professional associations can help businesses gather information about industry trends, best practices and resources.

3. Competitive Information

No business is without competition and gathering information about competitors is critical. Fortunately, this is easier than ever to do with the advent of the Internet. Through search and through participation in social media--sites including Twitter, Facebook and LinkedIn--businesses can gain competitive intelligence about what others are doing.

4. Government

The government provides an enormous amount of information of use to small businesses, much of it available online. Keeping up with legal and regulatory trends is a key area of business information need and one that can be managed effectively by visiting sites. Virtually every government agency has a website.

1.2. What is analyzed in a business diagnosis?

This will depend on business to business, but in general, there are some items that need to be analyzed in any business or reality because they are part of the 5 large areas of management. I am going to separate which are the main areas and sub groups (within those areas) that we analyze in our business diagnostic worksheet:

1) Strategy

- ❖ short-term
- ❖ medium term
- ❖ long term
- ❖ Environmental analysis

2) Finances

- ❖ financial control
- ❖ financial planning
- ❖ contribution margin and profitability
- ❖ financial indicators

3) Marketing

- ❖ marketing planning

- ❖ online media

- ❖ offline media

- ❖ customer relations

2. Human Resources

- ❖ recruitment and selection

- ❖ training and development

- ❖ retaining talent

3. Operations

- ❖ processes

- ❖ quality

- ❖ logistics

Self-Check #1	Written Test
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Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. What are the five main area of acquiring data for diagnosis? (2pts)
2. Describe the Benefits of making a business diagnosis? (2pts)
3. What Many entrepreneurs often act by putting out fires? (2pts)

Note: Satisfactory rating - 3 points

Unsatisfactory - below 3 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Information Sheet #3

Conducting Value chain analysis

1. Conducting Value chain analysis

1.1. What is Value chain analysis (VCA)?

- ❖ is a process where a firm identifies its primary and support activities that add value to its final product and then analyze these activities to reduce costs or increase differentiation.

1.2. The use of Value Chain analysis

- ❖ Value Chain analysis is essential to understand the production system, marketing channels and their relationships, the participation of different actors, and the critical constraints that limit the growth of poultry production and consequently the competitiveness of smallholder farmers.

1.3. The poultry chain

Poultry value chains link the actors and activities involved in delivering poultry and poultry products to the final consumer, with products increasing in value at every stage. **A poultry chain can involve production, transport, processing, packaging and storage, and retailing.** Activities require inputs – such as financing and raw materials – which are used to add value and to bring poultry and poultry products to consumers. Understanding how poultry value chains work is essential in order to develop them sustainably.

Larger-scale meat or egg production units are often vertically integrated, with breeding farms for grandparent and parent birds, hatcheries, feed mills, and egg or meat processing facilities. Production is generally located in, or near, cities and close to processing facilities and input providers. Such systems mainly supply urban and peri-urban populations. Small-scale commercial farmers often produce similar products, but less efficiently and with greater difficulty in securing quality inputs such as chicks and feed.

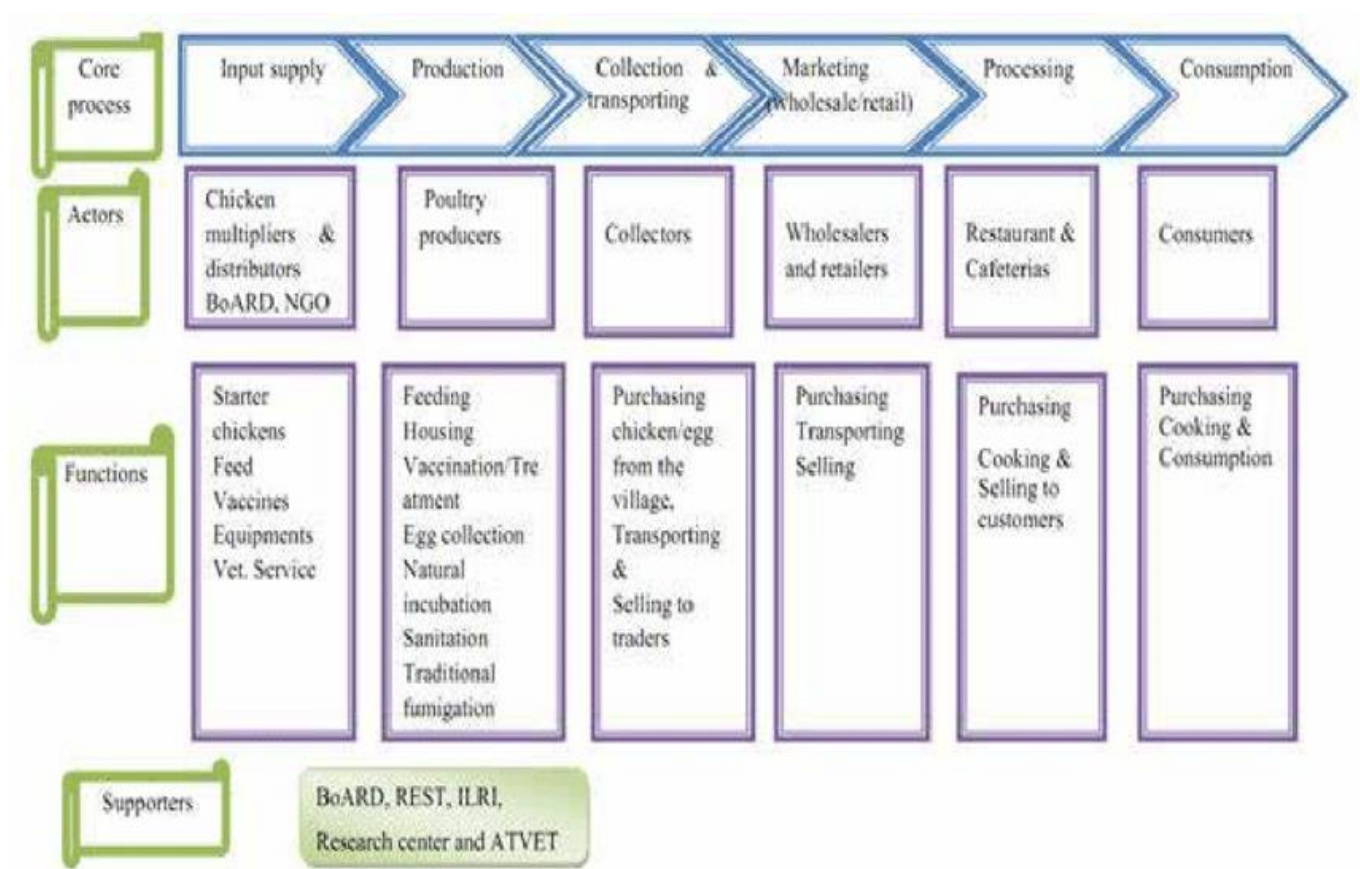
Demand from urban consumers for indigenous meat and eggs is increasing, and this could prove a major opportunity for small-scale family poultry producers, processors and retailers. However, they face a number of challenges, including: difficulties in establishing a viable

marketing system because of their limited production; the remoteness of production sites; poor transport infrastructure; and problems in setting up refrigerated supply chains

1.4. Some Poultry value chain mapping in Ethiopia

- ❖ defined as a graphical representation of a process by which poultry product of value could be created or modified and showed what should be done to create value and who should do it as taking in to account the mitigations and interventions in the whole value chain process explained as graphical scheme.

Figure1: Poultry value chain mapping in some areas of Ethiopia



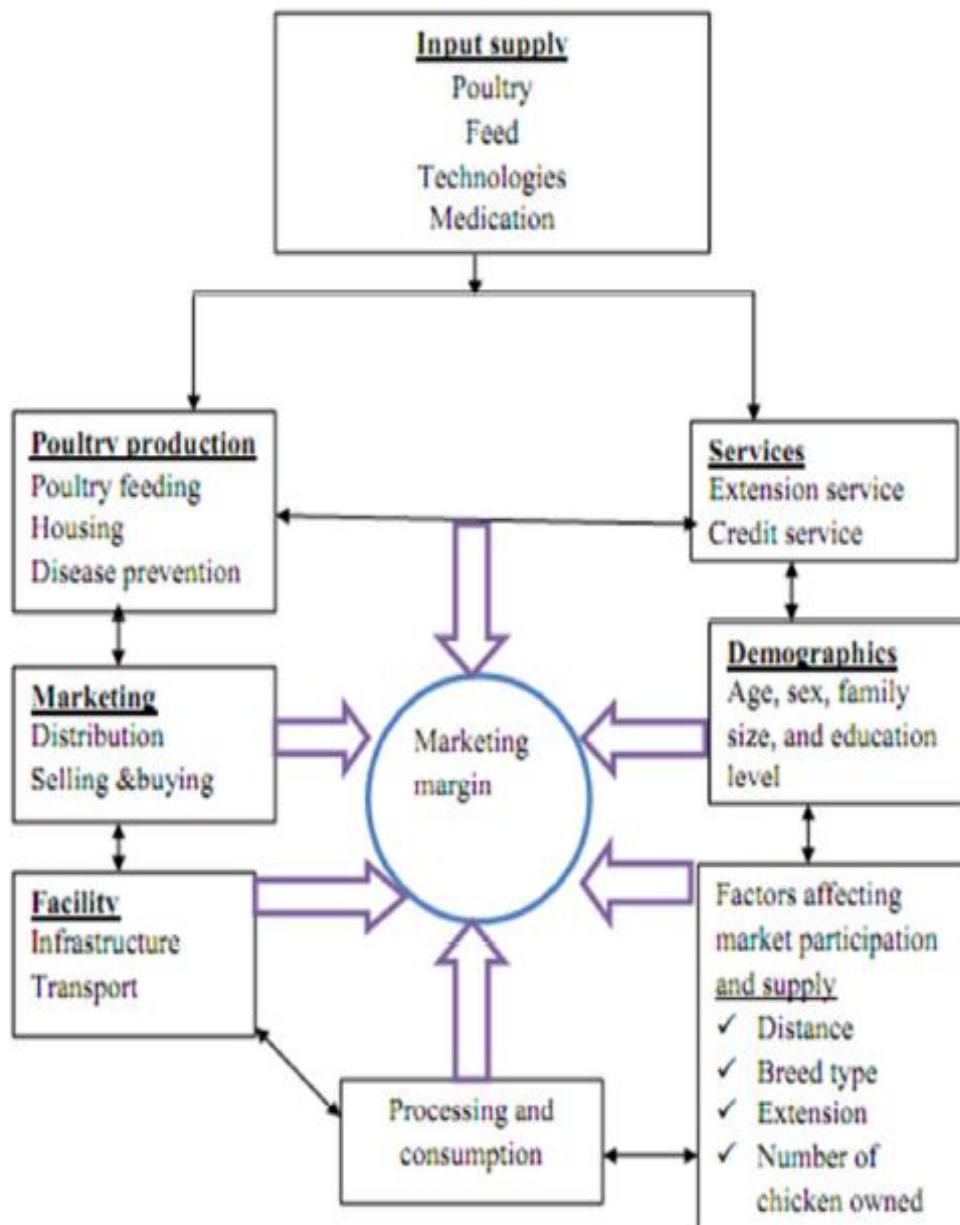


Figure.2. Poultry value chain frame work in Ethiopia

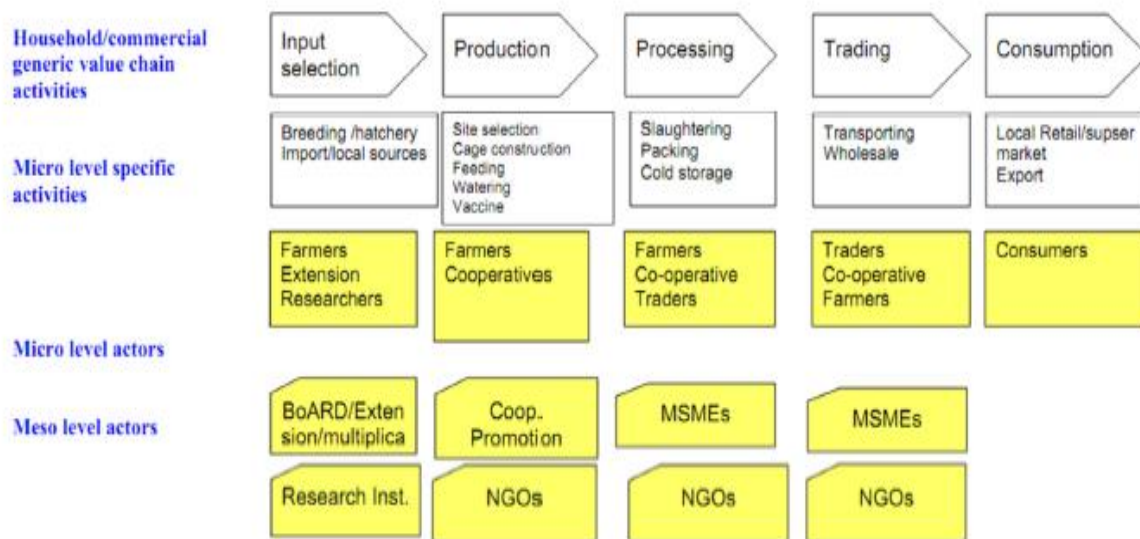


Figure.3. Poultry Value chain actors in Ethiopia

Self-Check #3	Written Test
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Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. What is Value chain analysis (VCA)? (2pts)
2. What is value chain? (2pts)
3. Describe The use of Value Chain analysis? 2pts
4. How to Conduct a Value Chain Analysis? (2pts)

Note: Satisfactory rating - 4 points

Unsatisfactory - below 4 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Information Sheet #4

Undertaking SWOT analysis of the data.

1. Undertaking SWOT analysis

To run a successful business, you should regularly analyze your processes to ensure you are operating as efficiently as possible. While there are numerous ways to assess your company, one of the most effective methods is to conduct a SWOT analysis.

A SWOT (strengths, weaknesses, opportunities and threats) analysis is a planning process that helps your company overcome challenges and determine what new leads to pursue.

The primary objective of a SWOT analysis is to help organizations develop a full awareness of all the factors involved in making a business decision.

A SWOT analysis is used to highlight both internal and external factors affecting the business. The Strengths and Weaknesses are Internal, whilst Opportunities and Threats are External.

1.1. When should you perform a SWOT analysis?

You can employ a SWOT analysis before you commit to any sort of company action, whether you are exploring new initiatives, revamping internal policies, considering opportunities to pivot or altering a plan midway through its execution. Sometimes it's wise to perform a general SWOT analysis just to check on the current landscape of your business so you can improve business operations as needed. The analysis can show you the key areas where your organization is performing optimally, as well as which operations need adjustment.

Don't make the mistake of thinking about your business operations informally, in hopes that they will all come together cohesively. By taking the time to put together a formal SWOT analysis, you can see the whole picture of your business. From there, you can discover ways to improve or eliminate your company's weaknesses and capitalize on its strengths.

While the business owner should certainly be involved in creating a SWOT analysis, it is often helpful to include other team members in the process. Ask for input from a variety of team members and openly discuss any contributions made. The collective knowledge of the team will allow you to adequately analyze your business from all sides.

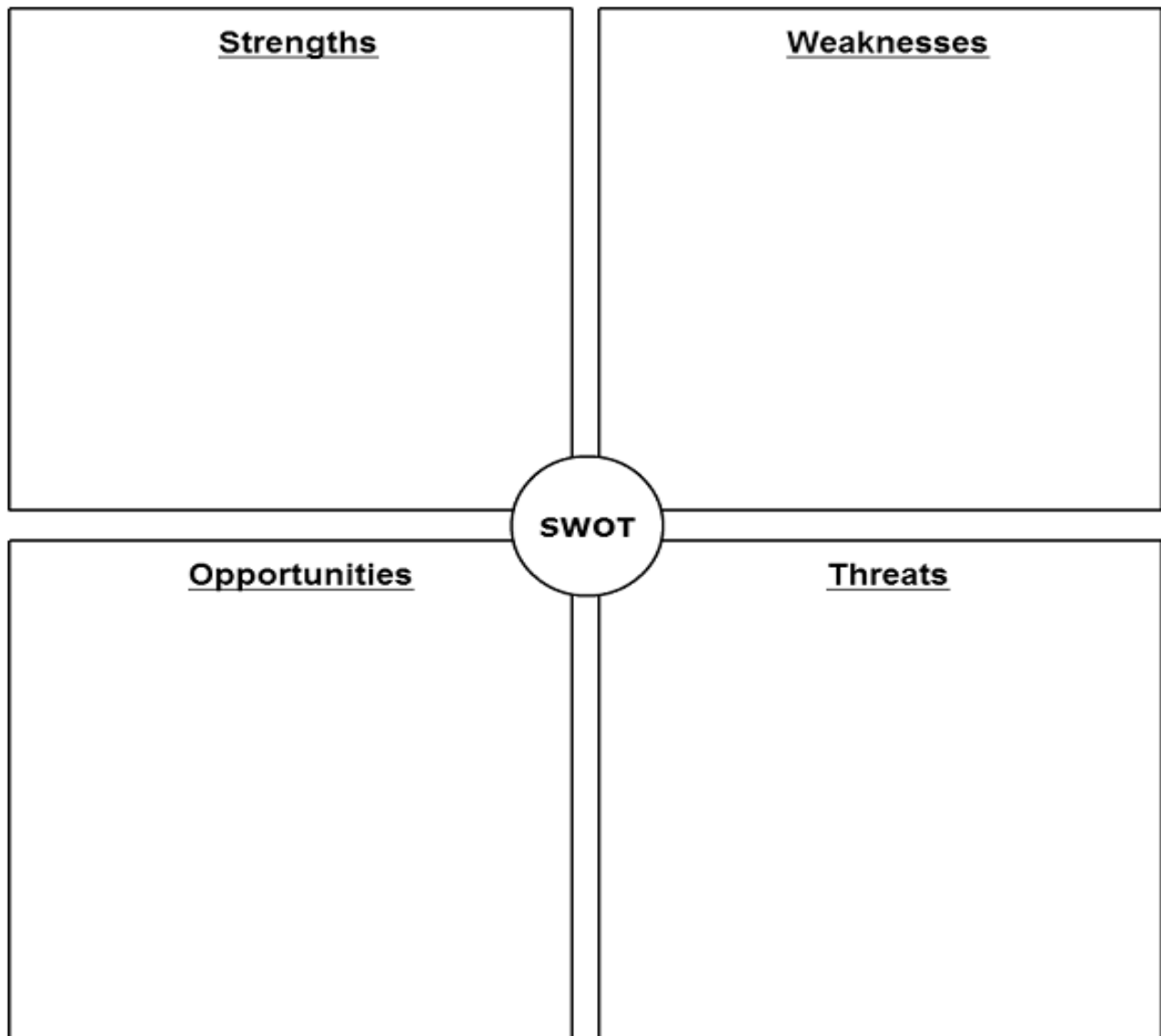
SWOT analysis, start by looking at the

1. Identify internal factors first.

- Strengths can be identified by asking what advantages the organization has and what its unique selling proposition (USP) is. It is important to consider what other people in your market see as your strengths i.e. a brand name, patient or a workforce with a particular skillset.
- Weaknesses would include: what your organization could do to improve, what you should avoid (be it due to brand name/reputation, resource etc.) and what factors ultimately lose your organization sales.
- When identifying strengths and weaknesses, it's important to compare your organization to its competitors.

2. Identified the external factors or macro factors –these are external opportunities and threats.

- You can use a PESTEL analysis to ensure you've covered all the factors.
- A PESTEL analysis identifies Political, Economic, Social, Technological, Environmental and Legal factors – these are all based on the macro environment.
- For the opportunities section, you need to identify what good opportunities are open to your business – some of these will come via the organization's strengths. You may find that through the PESTEL analysis you identify some interesting trends. And
- finally, your SWOT analysis should assess your threats. What are the threats facing your business right now, and what are your competitors doing? For example, how is technology affecting your business?



Self-Check #4	Written Test
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Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. What is the primary objective of a SWOT analysis? (2pts)
2. When should you perform a SWOT analysis? (2pts)
3. What is PESTEL analysis? 2pts

Note: Satisfactory rating - 2points

Unsatisfactory - below 2 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Information Sheet #5

Determining Competitive advantage of the business

1. Determining Competitive advantage of the business

1.1. What is a competitive advantage and why should it matter to you?

Competitive advantage is defined as the ability to stay ahead of present or potential competition. This is typically done by evaluating strengths and weaknesses of competitors and seeing where you can fill in the gap or step up and improve.

Companies develop a competitive edge when they produce attributes that allow them to outperform their competitors.

A competitive advantage is what makes an entity's goods or services superior to all of a customer's other choices. The term is commonly used for businesses. The strategies work for any organization, country, or individual in a competitive environment.

1.2. Three determinants of competitive advantage.

- **Benefit.** What is the real benefit your product provides? It must be something that your customers truly need. It must also offer real value. You must know your product's features, its advantages, and how they benefit your customers. You must stay up to date on the new trends that affect your product.
- **Target market.** Who are your customers? What are their needs? You've got to know exactly who buys from you and how you can make their life better. That's how you create demand, the driver of all economic growth. Newspapers' target market shrank to those older people who weren't comfortable getting their news online.
- **Competition.** Have you identified your real competitors? They aren't just similar companies or products. They also include anything else your customer could do to meet the need you can fulfill. To be successful, you need to be able to articulate the benefit you provide to your target market that's better than the competition. That's your competitive advantage. You must reinforce that message in every communication to your customers. That includes advertising, public relations, and sales aids. It even includes your storefront and employees.

1.3. 7 Strategies to Define your Competitive Advantage

1. **Cost Leadership Strategy.**

Companies may place themselves ahead of the pack by offering attractive pricing. Wal-Mart and Amazon are two companies that have risen to the forefront by this strategy. While this is effective for companies, low pricing is seldom a desirable method for individuals.

2. **Differentiation Strategy.** Branding is likely the most widely used method to differentiate one company from another. With this method, a name like

3. **Innovative Strategy.** Companies may move ahead of the competition by doing things in new and different ways.

4. **Operational Effectiveness Strategy.** Some companies just do what they do better than anyone else.

5. **Technology Based Competitive Strategy.**

6. **Adaptability Competitive Advantage.** As markets, economies, and other factors change in this increasingly unstable and unpredictable environment, companies that can adapt have a distinct advantage.

7. **The Information Advantage.** Almost all the other strategies benefit from excellent information.

Self-Check #2	Written Test
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Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. What is a competitive advantage and why should it matter to you? (2pts)
2. Describe the three determinants of competitive advantage? (2pts)
3. What are the 7 Strategies to Define your Competitive Advantage? (2pts)

Note: Satisfactory rating - 3points

Unsatisfactory - below 3 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Operation sheet #1

Steps in Poultry Value Chain Analysis

Steps in Poultry Value Chain Analysis

Step 1. Identify the firm's primary and support activities

- ❖ All the activities (from receiving and storing materials to marketing, selling and after sales support) that are undertaken to produce goods or services have to be clearly identified and separated from each other. This requires an adequate knowledge of company's operations because value chain activities are not organized in the same way as the company itself. The managers who identify value chain activities have to look into how work is done to deliver customer value.

Step 2. Establish the relative importance of each activity in the total cost of the product

- ❖ References have shown that the total costs of producing a product or service must be broken down and assigned to each activity. Activity based costing is used to calculate costs for each process. Activities that are the major sources of cost or done inefficiently (when benchmarked against competitors) must be addressed first.

Step 3. Identify cost drivers for each activity.

- ❖ References have shown that, only by understanding what factors drive the costs, managers can focus on improving cost driving factors. Costs for labor-intensive activities will be driven by work hours, work speed, wage rate, etc. Different activities will have different cost drivers.

Step 4. Identify links between activities

- ❖ References have shown that Reduction of costs in one activity may lead to further cost reductions in subsequent activities. For example, fewer components in the product design may lead to less faulty parts and lower service costs. Therefore, identifying the links between activities will lead to better understanding how cost improvements would affect the whole value chain. Sometimes, cost reductions in one activity lead to higher costs for other activities.

Step 5. Identify opportunities for reducing costs

- ❖ When the company knows its inefficient activities and cost drivers, it can plan on how to improve them. Too high wage rates can be dealt with by increasing production speed, outsourcing jobs to low wage countries or installing more automated processes.

Operation sheet #2

Steps to conduct a SWOT analysis

Steps to conduct a SWOT analysis.

- 1) Decide on the objective of your SWOT analysis
- 2) Research your business, industry and market
- 3) List your business's strengths
- 4) List your business's weaknesses
- 5) List potential opportunities for your business
- 6) List potential threats to your business
- 7) Establish priorities from the SWOT
- 8) Develop a strategy to address issues in the SWOT
- 9) **Review your 4 prioritized lists by asking:**
 - How can we use our strengths to take advantage of the opportunities identified?
 - How can we use these strengths to overcome the threats identified?
 - What do we need to do to overcome the identified weaknesses in order to take advantage of the opportunities?
 - How will we minimize our weaknesses to overcome the identified threats?

LAP Test	Practical Demonstration
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Name: _____ Date: _____

Time started: _____ Time finished: _____

Instructions: Given necessary templates, tools and materials you are required to perform the following tasks within --- hour.

Task 1. Undertaking a SWOT analysis

Task2. Conducting Poultry Value Chain Analysis

List of Reference Materials

1. WEB ADDRESSES (LINKS)

- <http://www.jbapartner.com/en/services/advisory-services/business-diagnosis#>
- <https://www.cdinsight.com.au/blog/10-reasons-business-diagnostics-important/>
- <http://www.ceobusinessdiagnostics.com/business-diagnostic-framework/>
- <http://www.ceobusinessdiagnostics.com/tools/>
- <https://smallbusiness.chron.com/types-information-resources-business-usually-need-4753.html>
- <https://blog.luz.vc/en/how-to/what-and-how-to-do-a-business-diagnostics/>
- <https://blog.oxfordcollegeofmarketing.com/2016/05/26/undertaking-a-swot-analysis/>
- <https://www.business.qld.gov.au/starting-business/planning/market-customer-research/swot-analysis/conducting>
- https://www.ourcommunity.com.au/marketing/marketing_article.jsp?articleId=1369
- <https://www.businessnewsdaily.com/4245-swot-analysis.html>
- <https://garfinkleexecutivecoaching.com/articles/business-intelligence-and-company-strategy/do-you-know-the-seven-strategies-to-define-your-competitive-advantage>
- <https://www.thebalance.com/what-is-competitive-advantage-3-strategies-that-work-3305828>
- <https://www.iiste.org/Journals/index.php/IEL/article/download/42802/44096>

Poultry Production

NTQF Level - III

Learning Guide -87

Unit of Competence: - Improve
Business Practice

Module Title: - Improving Business
Practice

LG Code: AGR PLP3 M21 LO1-LG-87

TTLM Code: AGR PLP3 TTLM01 20v1

LO 2: Benchmark the business

Instruction Sheet	Learning Guide #-87
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This learning guide is developed to provide you the necessary information regarding the following content coverage and topics –

- Identifying and Selecting product or service to be benchmarked
- Identifying Sources of relevant benchmarking data
- Selecting key indicators for benchmarking in consultation with key stakeholders.
- Comparing key indicators of own practice with benchmark indicators.
- Identifying areas of improvements

This guide will also assist you to attain the learning outcome stated in the cover page. Specifically, upon completion of this Learning Guide, you will be able to –

- Identify and Select product or service to be benchmarked
- Identify Sources of relevant benchmarking data
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10. Accomplish the “Self-check1, 2,3,4 and 5” in page 5,8,13 ,15 and 18.
11. Ask from your trainer the key to correction (key answers) or you can request your trainer to correct your work. (You are to get the key answer only after you finished answering the Self-check 1, 2,3,4 and 5).



12. Submit your accomplished Self-check. This will form part of your training portfolio.



Information Sheet #1	Identifying and Selecting product or service to be benchmarked
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1. Introduction

Benchmarking is used extensively in a range of industries to compare performance parameters and financial results among competitors or within components of an enterprise. Benchmarking is of value in assessing performance and evaluating expenditure in significant cost areas including feed, labor, fuel, transport, utilities and packaging material.

Benchmarking improves performance by identifying and applying best demonstrated practices to operations and sales. Managers compare the performance of their products or processes externally with those of competitors and best-in-class companies, and internally with other operations that perform similar activities in their own firms. The objective of Benchmarking is to find examples of superior performance and understand the processes and practices driving that performance. Companies then improve their performance by tailoring and incorporating these best practices into their own operations—not by imitating, but by innovating.

1.1. How Benchmarking works:

- Select a product, service or process to benchmark
- Identify the key performance metrics
- Choose companies or internal areas to benchmark
- Collect data on performance and practices
- Analyze the data and identify opportunities for improvement
- Adapt and implement the best practices, setting reasonable goals and ensuring companywide acceptance

1.2. Benchmarking tips

Think creatively about ways to improve your business

- Ask staff for their input
- Study other, similar, businesses and how their processes work
- Implement changes based on observations and research
- Evaluate the results of the changes you have implemented
- Review whether you have the business skills to improve your business
- Benchmarking before you buy

2. Identifying and Selecting product or service to be benchmarked

Establishing accurate measures and indicators is vital to the benchmarking process. Too many indicators will make the comparison difficult and time consuming. Too few indicators will not give sufficient information to help the farmers make decisions about ways to improve their performance. Successful benchmarking relies on

2.1. Identified Benchmark indicators

- Average live weight farm wise
- Mortality rate
- Average selling price /kg
- Average production / day - kgs- birds
- Feed cost / bird/meat
- Feed Conversion ratio
- Feed raw material cost vs Overall cost ratio
- Broiler bird Feed cost per day
- Feed consumption/ breeder hen
- Feed Cost trend
- Mortality category wise
- Average growth period
- Eggs to Broiler outturn ratio
- Overhead cost per broiler

2.2. Selecting indicators that are most appropriate for the comparison being made.

Deciding on indicators is not simple but it is a task of the utmost importance. The indicators should reflect the most critical problem of the farm business that prevents it from performing better. It should be possible to look comprehensively at all aspects of the farm to arrive at indicators that appear to be the most important. Taking a view of the farm business as a whole and examining the complete range of possibilities can without doubt be time consuming. A practical way is to list those aspects of the farm business that have a critical influence on the bottom line – farm profitability.

Participation of farmers in defining indicators is a vital part of the process. They need to select key performance indicators that reflect the problems identified at the beginning of the benchmarking process. This involves identifying those that best illustrate or describe farm performance. The skills needed to identify performance indicators require a basic knowledge of farm business management. The more farmers are involved the more likely they are to understand and make use of indicators for farm management decision-making.

2.3. Tips on indicators

- Select indicators that accurately measure the problem(s) identified.
- Indicate the types of data needed (e.g. land, labor, capital, production, market, input supply, infrastructure, enterprise and farm profitability).
- Remember that farmers need to have an in-depth understanding of the problems in order to select appropriate indicators.
- Make sure that you identify the main factors that influence farm or enterprise profitability and performance.
- Remember that input-output relationships are critical in analyzing farm or enterprise performance.
- Point out that either too many indicators or too few indicators could make comparison difficult.
- Ensure that all farmers understand the indicators and that there is agreement on those to be used.

- Ensure that all farmers in the learning group participate

Self-Check #1	Written Test
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Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. What is a competitive advantage and why should it matter to you? (2pts)
2. Describe the three determinants of competitive advantage? (2pts)
3. What are the 7 Strategies to Define your Competitive Advantage? (2pts)

Note: Satisfactory rating - 2points

Unsatisfactory - below 2 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Information Sheet #2

Identifying Sources of relevant benchmarking data

1. Identifying Sources of relevant benchmarking data

Benchmarking is based on data and information. **Data and information** are needed to help farmer groups identify factors that affect performance. Information is needed on the relationship between the inputs used, the production process and the output. This is the basis for identifying the critical areas of interest and the topics that should be covered by the benchmarking exercise.

1.1. Data and information

Data are raw numbers and facts such as breed type, egg yields, prices, costs and quantities. Information is data that is processed in a way that makes it useful. Data and information are crucial as they provide the basis for a successful benchmarking process.

Benchmarking requires that data and information be collected from both the learning group members and 'successful' farmers. This is needed to construct the indicators. The information collected should cover aspects of input provision, production and marketing.

You can obtain information by collecting data first hand from farmers. Some farmers may keep records and this is a valuable source of data. If records are not available, you will have to collect the information by interviewing the benchmark farmer and discussing selected issues.

You may have selected gross margin per poultry, yield per birds, percentage cost of feed from total cost of production and tones of feeds per batch as indicators for comparison.

When working with data collected from the study farm(s) or the benchmark farm, care must be taken to ensure the data is reliable and adequate. It is important to verify that there are no other factors that might hide the real situation and that no

mistakes were made in recording the data. The information should be organized and calculated in common units to enable comparison of different size farms.

1.2. Checklist of questions to ask benchmark farmers

2. Production

- What are the main poultry breeds reared?
- What are the egg yields per birds, the prices received and the volume produced?
- Is your produce graded? If so, into what grades?
- What is the break-even price for each enterprise?
- What are the costs of rearing and transporting livestock?
- What new technologies or practices have you introduced?
- Have they been successful?
- What are your main production problems?

3. Input supply and finance

- Can you receive inputs on credit?
- Are the inputs of good quality?
- Do you receive technical advice from your input suppliers? Is its good advice?
- Do you have the money to pay for these inputs?
- Do you have access to credit for working capital and long-term loans?
- What are your sources of credit? What types of collateral is required?

4. Marketing

- How do you market your produce?
- Who buys and when?
- What are your main markets for the produce sold?
- Who are your intermediaries or buyers?
- Which buyers have the best reputation?
- What prices are paid?
- Do you transport produce to the market?

- Who provides transport?
- What form of transport should be used to get the produce to the market?
- Is the transport pooled or is produce sent individually?
- How much contact do you have with the market?
- What is your source of information and how quickly do you get market information on prices, volumes and quality requirements?

1.3. There are several ways to find data that you can use to benchmark your business.

1. Speak to your business or industry association

Contact your relevant business or industry association and ask them to provide any information they have about performance standards (or benchmarks) for your industry. Many associations have detailed information that you can use to measure your business's performance against the standards set by your industry.

2. Use a commercial benchmarking business

Commercial benchmarking businesses can give you data for a fee. Always do your research to make sure that: the data you receive is accurate and up to date any data you provide is confidential and not linked to your business you are receiving value for money. You could also seek advice from your business networks to find a benchmarking company that will suit your needs.

Self-Check #2	Written Test
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Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. What is the purpose of Data and information? (2pts)
2. Discuss with ways to find data that you can use to benchmark your business (2pts)

Note: Satisfactory rating - 2points

Unsatisfactory - below 2 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Information Sheet #3	Selecting key indicators for benchmarking in consultation with key stakeholders
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1. Benchmark Indicators

Benchmarking compares other organizations in your industry to your own organization. Benchmarks are often measured by studying the results of other company operations that have best practices put in place to achieve exceptional results. The goal of benchmarking is to improve your processes to strengthen company performance, enhance customer satisfaction and increase revenue.

Performance benchmarking and strategic benchmarking are commonly used by firms. Performance benchmarking generally compares products and services with target companies in your industry allowing your firm to measure your economic position. Whereas strategic benchmarking involves observing and evaluating how other companies compete (which may include those outside of industry).

There is a significant amount of benchmarking data already gathered and available for companies to allow them to measure themselves against industry peers.

2. How to set a benchmark outcomes indicator

A benchmark is a reference point you can measure things against. Originally a benchmark was a mark in stone which helped surveyors to set a level from which they could accurately measure. If you are looking for an outcomes indicator that will help you understand how one of your programs is performing relative to other programs you provide, or how your services stand in relation to other services, then you might be interested in a benchmark outcomes indicator.

In the world of business, benchmarking means comparing yourself to your competitors or your peers. In the world of community services, it means comparing your practices, procedures and performance to services you think are doing really good work or with services that are similar to yours. You can set yourself a goal of being consistent with, or improving on, the average achievement of other services.

This could be an opportunity for you to work and build relationships with other organizations.

If your organization is large enough you can conduct benchmarking exercises internally, allowing parts of your organization to identify what they think is good practice from their colleagues and then set themselves the goal of achieving that benchmark level.

Successful benchmarking relies on selecting indicators that are most appropriate for the comparison being made. Too many indicators will make the comparison difficult and time consuming. Too few indicators will not give sufficient information to help the farmers make decisions about ways to improve their performance. Following are two useful guidelines.

Priority indicators. Indicators can be prioritized or ranked according to their contribution to farm and enterprise profitability. A small improvement in the indicators should result in a significant improvement in profitability.

Controllable indicators. Some indicators fall outside of the control of the farmer's influence. Thus, it is useful to divide indicators between those that can be affected by better management and those that cannot. It would not be worthwhile to collect data on indicators of which little can be done to improve performance.

Deciding on indicators is not simple but it is a task of the utmost importance. The indicators should reflect the most critical problem of the farm business that prevents it from performing better. It should be possible to look comprehensively at all aspects of the farm to arrive at indicators that appear to be the most important. Taking a view of the whole farm and examining the complete range of possibilities without doubt can be time consuming.

3. Benchmarking measures and indicators

can be found at all levels of the farm system. A full benchmarking analysis could follow a sequence that starts with a diagnosis of the performance of the farm as a whole and from there to move on to an examination of the performance of the individual enterprises of the farm. This breaks down the problem of diagnosis. It initially looks at the ‘big picture’ and moves to more detailed investigation of the individual enterprise and its parts.

A. General indicators

- The farm and its environment
- Household level:

B. Volume of business, level of production, costs and marketing indicators

- Volume of business
- Level and costs of production, sales and input supply

C. Performance indicators

- Profitability
- Efficiency (technical and economic efficiency)

D. Technical indicators

- Livestock management

Self-Check #2	Written Test
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Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. What is the purpose of Data and information? (2pts)
2. Discuss with ways to find data that you can use to benchmark your business (2pts)

Note: Satisfactory rating - 2points

Unsatisfactory - below 2 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Information Sheet #4	Comparing key indicators of own practice with benchmark indicators
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Compares your performance against that of the benchmark farm and identifies differences (gaps). These differences can suggest weaknesses within the farming system and its parts and the reasons for them. Performance comparisons lead to a better understanding of the problem and these in turn can lead to finding solutions and opportunities for improvement.

Key areas of comparison are:

- Physical and financial performance measures
- Gross margin performance of the enterprises
- Yields and selling prices
- Quantities of variable inputs used
- Total fixed costs
- Overall profitability of the farm
- Technical and management aspects of production and marketing.

Comparisons can be made of the whole farm business as well as individual enterprises. During this process ensure that there is a good basis for comparisons to be made. In order to do this, you may have to calculate the gross margin or enterprise profit of the benchmark farm for comparative purposes.

Examples of a format for data comparisons

Poultry inventory _____

Background characteristics

Indicators	Benchmark farm	Actual farm
	Layer management	
Mortality rate		
Feed Conversion ratio		



Total gross farm income

Average live weight gain

Average selling price /kg

Average production / day -
kgs- birds

Feed cost / bird

Laying percentage



Self-Check #4	Written Test
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Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. What are key areas of comparison? (4pts)

Note: Satisfactory rating - 2points

Unsatisfactory - below 2 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Information Sheet #5

Identifying areas of improvements

How Organizations Can Identify Areas for Improvement

Typically, organizations will identify a problem and then work to identify the root cause of the problem to come up with a solution for implementation. But what if there are several, few, or no problems in the organization, but you would like to improve your organization? How do you go about identifying areas for improvement? One of the best ways that I know how an organization can identify areas for improvement is to use a Lean assessment methodology.

The Lean assessment helps an organization identify potential opportunities for improvement at a high level and provides an understanding of the process before change occurs. It is a methodical evaluation that documents the current state of the business and what can be expected in the future state. Typical areas that are evaluated through a Lean assessment include the company's current culture, market expectations, customer satisfaction, employee skills requirements, readiness to change, and other areas that may be identified by management. Ultimately, any area can be evaluated. Here are the steps to performing a Lean assessment in your organization:

1. Meetings. Meet with key and controlling stakeholders to determine expectations and timeline for the Lean assessment.
2. Determine the project scope. Write a project charter to contain the project.
3. Conduct interviews with staff to gather answers to specific questions. What are the perceived levels of empowerment in the business? There is value in speaking to as many staff as possible to identify the strengths, weaknesses,

opportunities and threats to the business. Also include other situational topics specific to your business.

4. Develop benchmarking for several areas in your organization. For example, include strategic and operational planning in your review, workplace organization, IT systems, human resources development, current accounting practices, operational performance, sales and marketing, and other areas that you feel could or should be included in the assessment.
5. Prepare summary and detailed reports of your findings and include specific areas for initial improvement, reasons, and possible solutions. Estimate amount of internal and external resources and provide high level recommendations resulting from your findings.
6. Meet with the key and controlling stakeholders to present your findings and recommendations and determine steps forward.

But what should a company do now that you have all this information? At the beginning, start with a minimally intrusive area such as corporate culture or readiness for change. Then get stakeholder buy-in for change in that area. Your initial efforts should include a full-scale investigation in the area that you have chosen as well as extensive benchmarking as you establish your go-forward plan.

Whatever area you choose and however you choose to implement it, a crucial ingredient is and will be people. Include as many people from your organization as possible in the project. And remember to include them early in the planning stage, so that ideas are captured and heard. There is nothing worse than initiating a project and implementing it on your own in an effort to not make waves for staff. You need to make waves. You need to get staff involved. The more involved they are, the more accepting they will be of the change. And during the project, it will be much easier to implement the changes.

Ultimately, identifying areas for improvement in an organization is really dependent on what areas you choose to study and evaluate and what areas stakeholders agree



to be priority – those areas that, once improved, will markedly improve the organization's performance and bottom line.

And don't forget – no matter how you proceed, document your lessons learned, so that subsequent projects can be conducted even better.



Self-Check #5	Written Test
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Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. Why organizations will identify a problem and then work to identify the root cause of the problem? (5pts)
2. How do you identify areas for improvement? (3pts)
3. Write methodology used to identify area of improvement (2pts)

Note: Satisfactory rating – 5points

Unsatisfactory - below 5 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

List of Reference Materials

1. WEB ADDRESSES (PUTTING LINKS)

- <https://www.business.qld.gov.au/starting-business/planning/market-customer-research/benchmarking/improve-business>
- <https://www.business.qld.gov.au/starting-business/planning/market-customer-research/benchmarking/find-data>
- <https://www.business.qld.gov.au/starting-business/planning/market-customer-research/benchmarking/learn-data>
- <https://www.compare2compete.com/en/benchmarking/why-do-organisations-benchmark/how-to-source-data-for-benchmarking/>
- <http://www.fao.org/3/a-i3230e.pdf>
- <https://mncconsultinggroup.com/free-resources/white-papers/how-organizations-can-identify-areas-for-improvement/>

POULTRY PRODUCTION

Level III

Learning Guide -88

Unit of Competence: Improve Business Practice

Module Title: Improving Business Practice

LG Code: AGR PLP3 M210120 LO1LG- 88

TTLM Code: AGR PLP3 0120v1

LO 3: Develop plans to improve business performance

Instruction Sheet	Learning Guide # 88
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This learning guide is developed to provide you the necessary information regarding the following **content coverage** and topics –

- Developing a consolidated list of required improvements.
- Determining Cost-benefit analysis.
- Determining work flow changes.
- Ranking proposed improvements.
- Developing and agreeing an action plan.
- Checking Organizational structures.

This guide will also assist you to attain the learning outcome stated in the cover page. Specifically, upon completion of this Learning Guide, **you will be able to –**

- Develop a consolidated list of required improvements
- Determine cost-benefit analysis is for required improvements.
- Determine work flow changes resulting from proposed improvements
- Rank proposed improvements are according to agreed criteria.
- Develop and agreed an action plan to implement the top ranked improvements.
- Check organizational structures to ensure they are suitable.

Learning Instructions:

1. Read the specific objectives of this Learning Guide.
2. Follow the instructions described below 3 to 6.
3. Read the information written in the information “Sheet 1, - 6”.
4. Accomplish the “Self-check 1 - 4” in **page -4, 12, 14,17,20 and 23** respectively.
5. If you earned a satisfactory evaluation from the “Self-check” proceed to “Operation Sheet 1 in **page -24**.
6. Do the “LAP test” in **page – 25** (if you are ready).

Information Sheet-1	Developing a consolidated list of required improvements
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1. Listing required improvements for business performance

Performance improvement is the concept of measuring the output of a particular process or procedure, then modifying the process or procedure to increase the output, increase efficiency, or increase the effectiveness of the process or procedure. The concept of performance improvement can be applied to either individual performance such as an athlete or organizational performance such as a racing team or a commercial enterprise.

In Organizational development, **performance improvement** is the concept of organizational change in which the managers and governing body of an organization put into place and manage a program which measures the current level of performance of the organization and then generates ideas for modifying organizational behavior and infrastructure which are put into place to achieve higher output. The primary goals of organizational improvement are to increase organizational effectiveness and efficiency to improve the ability of the organization to deliver goods and or services. A third area sometimes targeted for improvement is organizational efficacy, which involves the process of setting organizational goals and objectives. At the organizational level, performance improvement usually involves softer forms of measurement such as customer satisfaction surveys which are used to obtain qualitative information about performance from the viewpoint of customers.

Performance improvement plan

Performance improvement plans are tools employers can use to identify areas of inadequate employee performance. PIPs can also establish a path employee can follow to boost their ability to meet expected performance standards. A plan's

ultimate goal is to enable an employee to reach his best performance level, which is key to any business reaching optimum performance.

Reasons of performance improvement plan

Identification

The first reason for developing a PIP is to identify substandard performance of an employee and help the worker recognize that his performance isn't meeting expectations. Plans are tailored to address specific performance deficiencies an employee is displaying.

Secondly, a plan provides a method to develop a systematic improvement program, which may include formal coaching or on-the-job training.

Documentation

The third reason for a PIP involves gathering the information necessary to document substandard performance. Employers aren't always in a position to know the exact strengths and weaknesses a particular employee is displaying. A good strategy may be to design a plan that documents performance over a specific period of time.

The fourth reason involves gathering feedback concerning a particular employee's performance. This may come from the employee being evaluated or from supervisors who are assigned to monitor employee performance.

Behaviors

The fifth reason for a developing a PIP is to identify employee behaviors that are contributing to substandard work performance. An employee may be habitually coming in late for work or skipping required training sessions. Sixth, placing an employee on a fair plan signals to other employees that the company is serious about maintaining acceptable levels of job performance. Substandard performance from one employee has the potential to spread if unchecked.

Skills and Ability

The seventh reason for a PIP centers around the idea of helping employees realize their own potential. Even though an employee has been displaying substandard

performance, the plan can help the employee improve on the skills he already has and show how he can gain new ones. The eighth reason involves identifying whether the employee has the skills to accomplish the job. The plan may help the employer identify the need to reassign an employee to a task he is better suited for.

Bottom Line

The ninth reason for implementing a PIP is to ensure every effort to improve performance, as required by an employment contract or other legal requirement, has been met before letting an employee go. A well-documented plan can be essential in protecting the employer from a lawsuit. The last and most important reason for implementing a plan is to encourage employees to work at their optimum performance level, since this can help increase the company's production levels and profits.

Self-Check -1	Written Test
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Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. What are the Reasons of performance improvement plan? (9pts)
2. Define performance improvement. (1pt)

Note: Satisfactory rating - 10 points

Unsatisfactory - below 10 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Information Sheet-2	Determining cost-benefits analysis for required improvements
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Cost-benefit analysis

Cost-benefit analysis is a formal analysis of the impacts of a measure or programme, designed to assess whether the advantages (benefits) of the measure or programme are greater than its disadvantages (costs). Cost-benefit analysis is one of a set of formal tools of efficiency assessment. Efficiency assessment refers to analyses made for the purpose of identifying how to use scarce resources to obtain the greatest possible benefits of them.

The main steps of a cost-benefit analysis are as follows:

- Develop measures or programs intended to help reduce a certain business problem.
- Develop alternative policy options for the use of each measure or programme.
- Describe a reference scenario (sometimes referred to as business-as-usual or the do-nothing alternative).
- Identify relevant impacts of each measure or programme. There will usually be several relevant impacts.
- Estimate the impacts of each measure or programme in “natural” units (physical terms) for each policy option.
- Obtain estimates of the costs of each measure or programme for each policy option.
- Convert estimated impacts to monetary terms, applying available valuations of these impacts.
- Compare benefits and costs for each policy option for each measure or programme. Identify options in which benefits are greater than costs.
- Conduct a sensitivity analysis or a formal assessment of the uncertainty of estimated benefits and costs.
- Recommend cost-effective policy options for implementation.

Cost-benefit analysis is typically applied to help find efficient solutions to business problems that are not solved by the market mechanism.

Table 1. Cost Benefits Analysis Template

Cost Benefits Analysis Template							
			Capital Costs	Yrs Depreciated over	Other Setup Costs	Per Annum Cost	
Costs						Revenue	Capital
	Office Infrastructure Setup						
	Server Costs						
	Server maintenance						
	Flex worker Support & Management						
	Training						
	ICT Remote Support						
	Flex worker Setup						
	Laptop x 3						
	Home Office furniture x 3						
	Training						
	Admin payments (3 x 104 - the HRM&C limit with no supporting info)						
	Home Broadband payments to staff x 3						
	Total Setup Costs		0		0		
	Alternative Per Annum Costs					0	0
	Total per annum costs						0
Benefits							

	Increased staff retention by 10% on expected staff annual turnover						
	Advertising costs saved on						
	Training costs saved on						
	Productivity increased						
	Extended office hours 15%						
	Additional Business won						
	Increased staff productivity 5%***						
	Office space released-per annum saving						
	Total Benefit Per annum						0

Table 2. Examples of cost benefit analysis.

Number of batches	3			
Number of chicks per batch	150			
Total birds purchased	450			
Birds expected to live to slaughter date	405			
		Which processing option to use:		
		Option B: Off-farm Processing		

Expenses				
Acquire Birds				
Per bird expenses		% of Annual		
		Annual total	Per bird xpenses	
Purchase price	\$1.10	\$495.00	\$1.10	5%
Vaccination	\$0.50	\$225.00	\$0.50	2%
		\$720.00	\$1.60	8%
Per batch expenses				
Shipping/transportation	\$40.00	\$120.00	\$0.27	1%
		\$0.00	\$0.00	0%
		\$0.00	\$0.00	0%
		\$120.00	\$0.27	1%
Annual or one-time expenses				
	\$0.00	\$0.00	\$0.00	0%
		\$0.00	\$0.00	0%
Total Bird Acquisition Expenses:		\$840.00	\$1.87	9%

Raise Birds				
Per bird expenses				
Feed costs	\$8.57	\$3,854.73	\$8.57	41%
(Auto-calculated based on expected feed per chick and cost of feed)		\$0.00	\$0.00	0%
		\$3,854.73	\$8.57	41%
Per batch expenses				
Hired Labor	\$0.00	\$0.00	\$0.00	0%
Veterinary/breeding/medicine	\$25.00	\$75.00	\$0.17	1%
Supplements (incl. grit, calcium)	\$15.00	\$45.00	\$0.10	0%
Electricity for brooders	\$30.00	\$90.00	\$0.20	1%
Bedding	\$10.00	\$30.00	\$0.07	0%
		\$240.00	\$0.53	3%
Annual or one-time expenses				
Small equipment/tools (brooder lamps, waterers, etc.)	\$75.00	\$75.00	\$0.17	1%
Additional Labor Costs	\$0.00	\$0.00	\$0.00	0%
Utilities	\$25.00	\$25.00	\$0.06	0%
Water	\$10.00	\$10.00	\$0.02	0%
New Structures or Capitalization of existing structures	\$100.00	\$100.00	\$0.22	1%
Shipping costs for poultry supplies	\$0.00	\$0.00	\$0.00	0%
Pasture enhancement: fertilizers and lime	\$0.00	\$0.00	\$0.00	0%
Equipment rental	\$0.00	\$0.00	\$0.00	0%
Repair/maintenance for coops/brooders	\$15.00	\$15.00	\$0.03	0%
Seeds/plants (for pasture)	\$0.00	\$0.00	\$0.00	0%
		\$225.00	\$0.50	2%
Total Bird Raising Expenses:		\$4,319.73	\$9.60	46%

Marketing					
Per bird expenses					
	\$0.00	\$0.00	\$0.00	0%	
		\$0.00	\$0.00	0%	
Per batch expenses					
	\$0.00	\$0.00	\$0.00	0%	
		\$0.00	\$0.00	0%	
Annual or one-time expenses					
Farmers market stall rental	\$0.00	\$0.00	\$0.00	0%	
Selling charges/commissions (i.e. charge card)	\$0.00	\$0.00	\$0.00	0%	
Website development/ hosting fees	\$75.00	\$75.00	\$0.17	1%	
Advertising/promotion	\$75.00	\$75.00	\$0.17	1%	
		\$150.00	\$0.33	2%	
Total Marketing Expenses:		\$150.00	\$0.33	2%	

Other expenses					
Per bird expenses					
	\$0.00	\$0.00	\$0.00	0%	
		\$0.00	\$0.00	0%	
Per batch expenses					
	\$0.00	\$0.00	\$0.00	0%	
		\$0.00	\$0.00	0%	
Annual or one-time expenses					
Rental fee for land/buildings	\$0.00	\$0.00	\$0.00	0%	
Car and truck repair/maintenance/other expenses	\$20.00	\$20.00	\$0.04	0%	
Fuel	\$500.00	\$500.00	\$1.11	5%	
Bank service charges	\$0.00	\$0.00	\$0.00	0%	
Travel/tolls (not processing-related)		\$0.00	\$0.00	0%	
Business licenses and permits	\$150.00	\$150.00	\$0.33	2%	
Dues, memberships and subscriptions		\$0.00	\$0.00	0%	
Charitable contributions and goodwill		\$0.00	\$0.00	0%	
Office supplies	\$20.00	\$20.00	\$0.04	0%	
Postage and delivery	\$30.00	\$30.00	\$0.07	0%	
Books and other publications	\$0.00	\$0.00	\$0.00	0%	
Telephone expenses		\$0.00	\$0.00	0%	
Legal/Administrative		\$0.00	\$0.00	0%	
Insurance	\$250.00	\$250.00	\$0.56	3%	
		\$970.00	\$2.16	10%	
Total Other Expenses:		\$970.00	\$2.16	10%	
Subtotal Expenses Before Processing:		\$6,279.73	\$13.95		

Costs for Processing option A: on-farm slaughter with the Mobile Poultry Processing Unit

Per bird expenses

Packaging materials (bags/labels)	\$0.40
-----------------------------------	--------

\$162.00	\$0.40	2%
\$162.00	\$0.40	2%

Per batch expenses

In-kind contribution for helpers (lunch, etc.)	\$50.00
Hourly paid labor	\$0.00
Ice	\$125.00
Electricity	\$20.00
Propane	\$35.00
Transportation of MPPU	\$150.00
Knives (replacement/sharpening)	\$10.00
Aprons	\$10.00
MPPU rental fee	\$150.00

\$150.00	\$0.37	2%
\$0.00	\$0.00	0%
\$375.00	\$0.93	4%
\$60.00	\$0.15	1%
\$105.00	\$0.26	1%
\$450.00	\$1.11	5%
\$30.00	\$0.07	0%
\$30.00	\$0.07	0%
\$450.00	\$1.11	5%
\$1,650.00	\$4.07	19%

Annual or one-time expenses

State slaughter license	\$225.00
Town licensing fees	\$75.00
Other regulatory charges	\$0.00
Small equipment (e.g. bag sealer)	\$15.00
Freezer for ice/processed birds	\$200.00
Bird transport crates	\$250.00

\$225.00	\$0.56	3%
\$75.00	\$0.19	1%
\$0.00	\$0.00	0%
\$15.00	\$0.04	0%
\$200.00	\$0.49	2%
\$250.00	\$0.62	3%
\$765.00	\$1.89	9%
\$2,577.00	\$6.36	29%
\$8,856.73	\$20.32	

Total Processing Expenses with MPPU:
Grand Total Expenses with MPPU processing:

Costs of Processing option B: off-farm slaughter

Per bird expenses

Bags/labels	\$0.25
Slaughter fee	\$5.00

\$101.25	\$0.25	1%
\$2,025.00	\$5.00	22%
\$2,126.25	\$5.25	23%

Per batch expenses

Transportation	\$180.00
----------------	----------

\$540.00	\$1.33	6%
\$540.00	\$1.33	6%

Annual or one-time expenses

Bag sealer	\$15.00
Freezer	\$200.00
Bird transport crates	\$250.00

\$15.00	\$0.04	0%
\$200.00	\$0.49	2%
\$250.00	\$0.62	3%
\$465.00	\$1.15	5%
\$3,131.25	\$7.73	33%
\$9,410.98	\$16.11	

Total Processing Expenses off-farm:
Grand Total Expenses with off-farm processing:

Revenue

		Annual total	Per bird
Number of birds sold	405		
Average dressed weight per bird (in lbs)	4.50		
Selling price \$/lb: retail	\$5.25	\$9,568.13	
Selling price \$/lb: wholesale	\$4.00	\$0.00	
Other income (such as selling organs / feet / stock)	\$150.00	\$150.00	
Total Revenue:		\$9,718.13	\$24.00

Profit in both scenarios

	Annual total	Per bird
Option A: On-farm Processing with MPPU	\$861.39	\$2.13
Option B: Off-farm Processing	\$307.14	\$0.76

Return on producer's labor

Expected annual hours of labor - production	400	
Expected annual hours of labor - processing w/ MPPU	100	
Option A: On-farm Processing with MPPU:	\$1.72	per hour
Option B: Off-farm Processing (custom exempt)	\$0.77	per hour

Self-Check -2	Written Test
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Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. Define cost benefit analysis. (2pts)
2. Describe the steps of cost benefit analysis. (5pts)

Note: Satisfactory rating - 7 points

Unsatisfactory - below 7 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Information Sheet-3	Determining work flow changes for required improvements
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Workflow is a term used to describe the tasks, procedural steps, organizations or people involved, required input and output information, and tools needed for each step in a business process.

A workflow consists of a sequence of connected steps. Emphasis is on the *flow* paradigm, where each step follows the precedent without delay or gap and ends just before the subsequent step may begin. This concept is related to non-overlapping tasks of single resources.

It is a depiction of a sequence of operations, declared as work of a person, a group of persons, an organization of staff, or one or more simple or complex mechanisms. Workflow may be seen as any abstraction of real work. For control purposes, workflow may be a view on real work under a chosen aspect, thus serving as a virtual representation of actual work. The flow being described may refer to a document or product that is being transferred from one step to another.

Self-Check -3	Written Test
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Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. Define work flow. (3pts).

Note: Satisfactory rating - 3 points

Unsatisfactory - below 3 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Information Sheet-4	Ranking proposed improvements
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Ranking/prioritizing proposed improvement

Prioritized improvement: Each day, a business person needs to list the things to be accomplished and then indicate their degree of importance using a simple scale such as

- 1) Being most important,
- 2) Somewhat important, and
- 3) Moderately important.

There are a variety of different criteria, methods, and analyses for prioritizing improvement.

- Stakeholder consultations
- Cost-benefit analysis
- Social and economic development impacts
- Greenhouse gas mitigation potential
- Technical, institutional and regulatory capacity for implementation
- Market acceptance
- Political and financial feasibility
- Applicability of international policy best practices and lessons learned
- Risk assessments

This prioritization, planning, and focus on the key issues is fundamental to time management as each individual is always able to accomplish the most important things when he or she is most efficient.

Some business person is most efficient in the morning, some during the afternoon, and some at night. The most efficient period of the day should be set aside by the businessmen to address the most important issues.

In organizational time management we can delineate the overall tasks in the form of the following

1. **Urgent and very important matters:** these are organizational matters or activities that require immediate concern or decision-making. They are regarded as urgent because they basically influence the overall performance of an organization.
2. **Less urgent and very important matters:** these are the activities that are crucial to the organization's performance but are dealt with over a wider range of time without any urgency.
3. **Urgent and less important matters:** these are activities that are not crucial to the organization but they require immediate concern. They are seen next to those activities, which are both urgent and more important.
4. **Less urgent and less important matters:** these are organization matters or activities that require the least attention both in urgency and importance of all the organizational activities. They are dealt with after all the above activities are executed.

Self-Check -3	Written Test
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Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. Why ranking proposed improvement is needed? (2 points)
2. In organizational time management, in what format you delineate the overall tasks? (2 points)

Note: Satisfactory rating - 4 points

Unsatisfactory - below 4points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Information Sheet-5

Developing action plan for business improvements

What is action planning?

Action planning is a process which will help you to focus your ideas and to decide what steps you need to take to achieve particular goals that you may have. It is a statement of what you want to achieve over a given period of time. Preparing an action plan is a good way to help you to reach your objectives in life: don't worry about the future, start planning for it!

It involves:

- Identifying your objectives
- Setting objectives which are achievable & measurable.
- Prioritizing your tasks effectively.
- Identifying the steps needed to achieve your goals using lists.
- Being able to work effectively under pressure.
- Completing work to a deadline.
- Having a contingency plan

An effective action plan should give you a concrete timetable and set of clearly defined steps to help you to reach your objective, rather than aimlessly wondering what to do next. It helps you to focus your ideas and provides you with an answer to the question “what do I do to achieve my objective?”.

Action planning model

There are many different models of action planning, but a good starting point is shown here. Action planning is a cyclical process, and once you have been through one cycle, you can start again at the beginning. Of course, in real life it's not quite as simple as this. The process is more organic and stages will overlap, or you may change your goals as you progress, and you must be prepared to revise your plan as circumstances dictate. The stages are as follows:

- WHERE AM I NOW? This is where you review your achievements and progress, and undertake self-assessment.
- WHERE DO I WANT TO BE? This is where you decide your goals.
- HOW DO I GET THERE? This is where you define the strategy you will use to achieve your goals, and to break down your goal into the smaller discreet steps you will need to take to achieve your target.
- TAKING ACTION. This is the natty gritty where you implement your plan!
- WHERE AM I NOW? evaluation

Why is action plan important?

- Action plans make your work more intentional.
- It is difficult to hold each other accountable for the project goals unless there is a written plan of work to be accomplished.

When action plan is useful?

Once you have clearly defined your problem, decided on what project to do, and power mapped.

Sample format for action plan is given below

Theme / Intermediate Goal	Objectives	Tasks	Responsibility	Timeline	Evaluation
Themes are the major areas or dimensions of your project. Goals are the long-term outcomes of your project.	Each goal can be divided into a set of clear objectives that detail how you will reach that goal.	Tasks are the specific steps needed to accomplish each objective.	Defines who is responsible for carrying out the various tasks.	Shows when each task needs to be completed.	Shows how you know that you have been successful in implementing each goal.

Self-Check -5

Written Test

Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. Define action plan. (1pt)
2. When we use action plan? (2pts)
3. Why we use action plan? (1pt)
4. What are the action plans involving? (4pts)

Note: Satisfactory rating - 8 points

Unsatisfactory - below 8 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Information Sheet-6	Checking organizational structures for business improvements
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An **organizational structure** consists of activities such as task allocation, coordination and supervision, which are directed towards the achievement of organizational aims. It can also be considered as the viewing glass or perspective through which individuals see their organization and its environment.

An organization can be structured in many different ways, depending on their objectives. The structure of an organization will determine the modes in which it operates and performs.

Organizational structure allows the expressed allocation of responsibilities for different functions and processes to different entities such as the branch, department, workgroup and individual.

Organizational structure affects organizational action in two big ways. First, it provides the foundation on which standard operating procedures and routines rest. Second, it determines which individuals get to participate in which decision-making processes, and thus to what extent their views shape the organization's actions.

Organizations are structured in different ways:

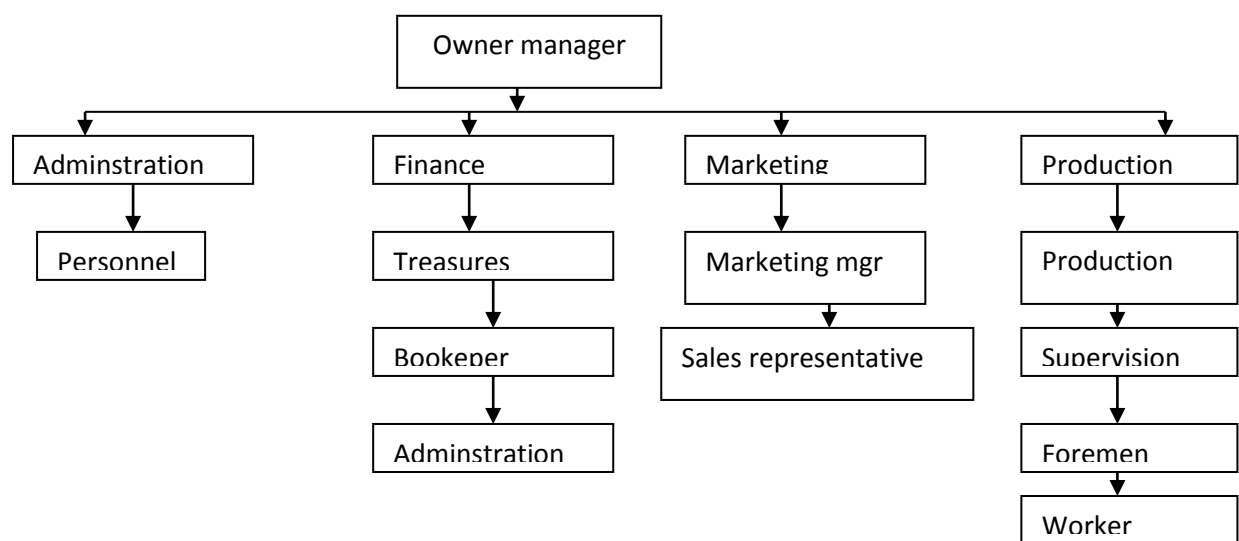
1. by function
2. By regional area - a geographical structure e.g. with a marketing manager North, marketing manager South etc.
3. By product e.g. Marketing manager crisps, marketing manager drinks, etc
4. Into work teams, etc.

Organizational structure consists of the following elements

- a) Identification of the major and key activities to be done to meet the project objectives

- b) Grouping these activities to related functions
- c) Assigning various functions to specific positions
- d) Determination of relationships of the various activities to achieve coordination and unity of effort.
- e) Fixing of responsibility and authority for each task.

To illustrate the organizational structure, an organizational chart (by function) is drawn showing the chains of a command relationship and positions.



Self-Check -6

Written Test

Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. List the elements of Organizational structure. (3pts)
2. How organizations are structured in different ways? (2pts)
3. What are the activities organizational structure consisting? (2pts)

Note: Satisfactory rating - 7 points

Unsatisfactory - below 7 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Operation Sheet 1	Developing organizational structure
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Procedure:

- Step 1. Identify tasks of the organization
- Step 2. Grouping similar tasks
- Step 4. Assigning duties and responsibilities
- Step 5. Develop organizational chart

LAP Test	Practical Demonstration
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Name: _____ Date: _____

Time started: _____ Time finished: _____

Instructions: Given necessary templates, tools and materials you are required to perform the following tasks within 30 mins.

Task 1. Developing organizational structure

List of Reference Materials

1. <http://templatelab.com/cost-benefit-analysis-templates/>
2. <https://creately.com/blog/diagrams/types-of-organizational-charts/>.
3. <https://www.forbes.com/.../the-5-types-of-organizational-structures-part-1-the-hierarchy/>.

POULTRY PRODUCTION

Level III

Learning Guide -89

Unit of Competence: - Improve Business

Practice

Module Title: - Improving Business Practice

LG Code: AGR PLP3 M21 0120 LO1LG- 89

TTLM Code: AGR PLP3 0120v1

LO 3: Develop marketing plan

Instruction Sheet	Learning Guide # 89
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This learning guide is developed to provide you the necessary information regarding the following **content coverage** and topics –

- Reviewing vision statement.
- Developing/ reviewing objectives.
- Identifying/refining target markets
- Obtaining market research data.
- Obtaining competitor analysis.
- Developing/ reviewing market position.
- Developing practice brand.
- Identifying benefits of products or services.
- Selecting and developing Promotion tools

This guide will also assist you to attain the learning outcome stated in the cover page. Specifically, upon completion of this Learning Guide, **you will be able to –**

- Review vision statement.
- Develop/ review objectives.
- Identify/refine target markets
- Obtain market research data.
- Obtain competitor analysis.
- Develop/ review market position.
- Develop practice brand.
- Identify benefits of products or services.
- Select and develop Promotion tools

Learning Instructions:

1. Read the specific objectives of this Learning Guide.
2. Follow the instructions described below 3 to 4.
3. Read the information written in the information “Sheet 1, - 9”.



4. Accomplish the “Self-check 1 - 4” in **page -5, 8, 14,16,20,28,31,36, and 40** respectively.



Information Sheet-1	Reviewing practical mission and vision statement
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Vision Statements for New and Small Firms

Vision statements and mission statements are very different. A vision statement for a new or small firm spells out goals at a high level and should coincide with the founder's goals for the business. Simply put, the vision should state what the founder ultimately envisions the business to be, in terms of growth, values, employees, contributions to society, and the like; therefore, self-reflection by the founder is a vital activity if a meaningful vision is to be developed. As a founder, once you have defined your vision, you can begin to develop strategies for moving the organization toward that vision. Part of this includes the development of a company mission.

Mission Statements for New and Small Firms

The mission statement should be a concise statement of business strategy and developed from the *customer's perspective* and it should fit with the vision for the business. The mission should answer three questions:

1. What do we do?
2. How do we do it?
3. For whom do we do it?

What do we do? This question should not be answered in terms of what is physically delivered to customers, but by the real and/or psychological needs that are fulfilled when customers buy your products or services. Customers make purchase decisions for many reasons, including economical, logistical, and emotional factors. An excellent illustration of this is a business in the Twin Cities that imports hand-made jewelry from east Africa. When asked what her business does, the owner replied, "We import and market east African jewelry." But when asked why customers buy her jewelry, she explained that, "They're buying a story in where the jewelry came from." This is an important distinction and answering this question from the need-fulfilled perspective will help you answer the other two questions effectively.

How do we do it? This question captures the more technical elements of the business. Your answer should encompass the physical product or service and how it is sold and delivered to customers, and it should fit with the need that the customer fulfills with its purchase. In the example above, the business owner had originally defined her business as selling east African jewelry and was attempting to sell it on shelves of boutique retail stores with little success. After modifying the answer to the first question, she realized that she needed to deliver the story to her customers along with the product. She began organizing wine parties that included a slide show of east Africa, stories of personal experiences there, and pictures and descriptions of the villagers who make the jewelry. This method of delivery has been very successful for her business.

For whom do we do it? The answer to this question is also vital, as it will help you focus your marketing efforts. Though many small business owners would like to believe otherwise, not everyone is a potential customer, as customers will almost always have both demographic and geographic limitations. When starting out, it is generally a good idea to define the demographic characteristics (age, income, etc.) of customers who are likely to buy and then define a geographic area in which your business can gain a presence. As you grow, you can add new customer groups and expand your geographic focus.

An additional consideration with mission statements is that most businesses will have multiple customer groups that purchase for different reasons. In these cases, one mission statement can be written to answer each of the three questions for each customer group or multiple mission statements can be developed. Also, as a final thought, remember that your vision and mission statements are meant to help guide the business, not to lock you into a particular direction. As your company grows and as the competitive environment changes, your mission may require change to include additional or different needs fulfilled, delivery systems, or customer groups. With this in mind, your vision and mission should be revisited periodically to determine whether modifications are desirable.

Mission Statement Creation

- To create your mission statement, first identify your organization's "winning idea".
- This is the idea or approach that will make your organization stand out from its competitors, and is the reason that customers will come to you and not your competitors (see tip below).

- Next identify the key measures of your success. Make sure you choose the most important measures (and not too many of them!)
- Combine your winning idea and success measures into a tangible and measurable goal.
- Refine the words until you have a concise and precise statement of your mission, which expresses your ideas, measures and desired result.

Example:

Take the example of a produce store whose winning idea is "farm freshness". The owner identifies two keys measures of her success: freshness and customer satisfaction. She creates her mission statement – which is the action goal that combines the winning idea and measures of success.

The mission statement of Farm Fresh Produce is:

"To become the number one produce store in Main Street by selling the highest quality, freshest farm produce, from farm to customer in under 24 hours on 75% of our range and with 98% customer satisfaction."

Vision Statement Creation

Once you've created your mission statement, move on to create your vision statement:

- First identify your organization's mission. Then uncover the real, human value in that mission.
- Next, identify what you, your customers and other stakeholders will value most about how your organization will achieve this mission. Distil these into the values that your organization has or should have.
- Combine your mission and values, and polish the words until you have a vision statement inspiring enough to energize and motivate people inside and outside your organization.

Using the example mission statement developed for Farm Fresh Produce, the owner examines what she, her customers and her employees' value about her mission.

The four most important things she identifies are: freshness, healthiness, tastiness and "localness" of the produce. Here's the Vision Statement she creates and shares with employees, customers and farmers alike:

"We help the families of Main Town live happier and healthier lives by providing the freshest, tastiest and most nutritious local produce: From local farms to your table in under 24 hours."

Self-Check -1	Written Test
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Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. Differentiate mission from vision. (2pts)
2. What are the three questions the mission should answer? (3pts)

Note: Satisfactory rating - 5 points

Unsatisfactory - below 5 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Information Sheet-2

Developing/reviewing practical objectives

Once you have developed your vision and mission, you can then develop the goals and objectives needed to achieve your vision.

Goals - Goals are general statements of what you want to achieve. So, they need to be integrated with your vision. They also need to be integrated with your mission of how you are going to achieve your vision. Examples of company goals are:

- To improve profitability
- To increase efficiency
- To capture a bigger market share
- To provide better customer service
- To improve employee training
- To reduce carbon emissions

A goal should meet the following criteria:

Suitable: Does it fit with the vision and mission?

Acceptable: Does it fit with the values of the company and the employees?

Understandable: Is it stated simply and easy to understand?

Flexible: Can it be adapted and changed as needed?

Make sure the goals are focused on the important properties of the business. Be careful not to set too many goals. You run the risk of losing focus. Also, design your goals so that they don't contradict and interfere with each other.

Objectives - Objectives are specific, quantifiable, time-sensitive statements of what is going to be achieved and when it will be achieved. They are milestones along the path of achieving your goals.

Examples of company objectives are:

- ✓ To earn at least a 20 percent after-tax rate of return on our net investment during the next fiscal year
- ✓ To increase market share by 10 percent over the next three years.
- ✓ To lower operating costs by 15 percent over the next two years by improving the efficiency of the manufacturing process.
- ✓ To reduce the call-back time of customers inquiries and questions to no more than four hours.

Objectives should meet the following criteria:

Measurable: What will happen and when?

Suitable: Does it fit as a measurement for achieving the goal?

Feasible: Is it possible to achieve?

Commitment: Are people committed to achieving the objective?

Ownership: Are the people responsible for achieving the objective included in the objective-setting process?

Table 1. Goals and objectives.

Goals	Corresponding Objectives
Improve Profitability	Net profit as a percent of sales Net profit as percent of investment Net profit per share of common stock
Increase Volume	Market share Percentage growth in sales Sales rank in the market Production capacity utilization
Provide Stability	Variance in annual sales volume Variance in seasonal sales volume Variance in profitability
Non-monetary	
• Improve company image	Contributions to community activities
• Enhance environment	Meet specific environmental requirements
• Enhance quality of life	Increase number of jobs

Self-Check -2	Written Test
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Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. Give 3 example of objectives. (3pts)
2. What are the criteria Objectives should meet? (3pts)

Note: Satisfactory rating - 6 points

Unsatisfactory - below 6 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Information Sheet-3

Identifying target markets

Target Markets

Target markets focus marketing and sales efforts towards the companies and people most likely to buy your products and services. A good target market selection creates an optimum environment for marketing campaigns to be successful.

However, most small and mid-size companies give only scant attention to the discipline of mining a target market. In more cases than not, highly segmented target markets get used that represent a small portion of the actual available market. Companies fail to properly slice up the whole before getting into the parts.

What are the variables for selecting target markets? We have to be realistic about our market selections. There are many models being promoted to assist in market selection. The reality is that five primary segmentations account for 90% of the differences in a market.

A good methodology is to introduce profiles of the four broadest markets. Each profile defines potential target markets for sales opportunities. From the profiles you create targeted lists. You apply lead generation techniques to convert sales cycles to transactions. The four broadest market profiles are **1) Non-Customers 2) First Time Buyers 3) Customers 4) Loyal Customers**

1. Non-Customer-Profile

The Non-customer profile is someone who has never been a customer of your company's. These are the companies who are in a demographic range of variables you think make them likely prospects for your products or services. Because the non-customer market is so broad, you may have several different sub-markets within the category of non-customer markets.

What are the variables for selecting target markets? We have to be realistic about our market selections. There are many models being promoted to assist in market selection. The reality is that five primary segmentations account for 90% of the differences in a market.

- Standard Industrial Codes
- Geography
- Population
- Type of Business
- Employee Size

2. First Time Buyer Market Profile

The First Time Buyer is a person or business has purchased your products for the first time. A First Time Buyer is a very unique relationship. It is actually the most perilous relationship in your company. The First Time Buyer has taken action but is generally not committed to your company or your product. The value of your product has yet to be fully adopted. The relationship is still tenuous and risky. You pay to acquire new buyers through your advertising, promotion and selling. A primary goal for First Time Buyers is to re-enter them into a sales cycle to convert them to customers.

3. Customer Market Profile

The Customer Market Profile consists of companies or people who have purchased from you more than once. Customers presumably have a deeper relationship with your company than First Time Buyers. There are several good methods for segmenting your customer base. Here are a few of the categories used to separate your customers and identify the most profitable relationships.

- Frequency. How frequently the customer purchases from you.
- Recency. How recently the customer purchased from you.
- Duration. How long the customer has been purchasing from you.
- Intensity. How much the customer purchases from you.

4. Loyal Customer Market Profile

A Loyal Customer is a customer with a successful track record with the company and has been purchasing from you for three years or longer. Loyal Customers are your best customers. They have the best track records in terms of frequency, recency, duration and intensity. They provide positive value return in the form of referrals and testimonials. A primary goal of every business is to build loyal customers.

The four market profiles presented are very broad but are powerful when applied to your marketing strategy. Each profile creates a powerful relationship opportunity. Within each of the profiles sub-divisions of marketing are easily created. It helps to create a broad brushstroke of target markets before getting to the fine detail.

Why Is Defining Target Customers Important?

Having a clear vision of your expected customer base will increase your business' chances of success. By defining your target customers you can:

- better determine if there are enough potential customers for your business (in other words, whether there is enough demand for your products or services)
- tweak your business idea to better meet the needs of your potential customer base
- tailor your products and services to better meet your customers' needs and desires
- target your marketing efforts to reach your most promising prospects, and craft your marketing messages appropriately -- using the right tone, language, and attitude to appeal to your best prospects.

How to Define Your Target Market

In a nutshell, defining your target customers means identifying the specific characteristics of the people or businesses who you believe are most likely to buy your product or service. These characteristics are sometimes called a demographic profile. Those characteristics used to classify customers include:

- age
- gender
- income level
- buying habits
- occupation or industry
- marital status
- family status (children or no children)
- geographic location
- ethnic group
- political affiliations or leanings, and
- Hobbies and interests.

The process of choosing the target Market are: -

Choosing the target market is related to, but not synonymous with, market segmentation.

Segmentation is the means or the tool; choosing the target market is the purpose.

Segmentation can also be viewed as the prelude to target market selection.

Choosing the target market usually follows multi-level segmentation using different bases.

Choosing the target market involves several other tasks in addition to segmentation.

Looking at each segment as a distinct marketing opportunity.

Evaluating the worth of each segment (sales/profit potential).

Evaluating whether the segment is:

1. Distinguishable.
 2. Measurable.
 3. Sizable.
 4. Accessible.
 5. Growing.
 6. Profitable.
- Compatible with the firm's resources.
 - Examining whether it is better to choose the whole market, or the only a few segment, and deciding which ones should be chosen.
 - Looking for segments, which are relatively less satisfied by the current offers in the market from competing brands.
 - Checking out if the firm has the differential advantage / distinctive capability for serving the selected segments.
 - Evaluating the firm's resources and checking whether it is possible to put in the marketing programmes required for capturing the spotted segments with those resources.
 - Finally selecting those segments that are most appropriate for the firm

Market targeting vs. positioning

Targeting is the actual selection of the segment you want to serve. The target market is the group of people or organizations whose needs a product is specifically designed to satisfy

Positioning is the use of marketing to enable people to form a mental image of your product in their minds (relative to other products)

Self-Check -3

Written Test

Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. What are the characteristics used to classify customers? (3pts).
2. What are the four broadest market profiles? (4pts).
3. Differentiate Market targeting vs. positioning. (2pts).

Note: Satisfactory rating - 9 points

Unsatisfactory - below 9 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Information Sheet-4	Obtaining market research data
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Data from internal sources

- data about existing clients
- data about possible new clients

Data from external sources such as:

- trade associations/journals
- libraries
- Internet
- Chamber of Commerce
- industry reports

Primary market research such as:

- telephone surveys
- personal interviews
- mail surveys

secondary market research

- trade associations/journals
- libraries
- Internet
- Chamber of Commerce
- industry reports

Self-Check -4

Written Test

Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. what are the Data we gate from internal sources? (2pts)
2. what are the Data we from external sources? (2pts)
3. what is the Primary we gate from market research? (2pts)
4. what is the secondary market research? (2pts)

Note: Satisfactory rating - 8 points

Unsatisfactory - below 8 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Information Sheet-5**Obtaining competitor analysis**

The competitive analysis is a statement of the business strategy and how it relates to the competition. The purpose of the competitive analysis is to determine the strengths and weaknesses of the competitors within your market, strategies that will provide you with a distinct advantage, the barriers that can be developed in order to prevent competition from entering your market, and any weaknesses that can be exploited within the product development cycle.

The first step in a competitor analysis is to identify the current and potential competition. There are essentially two ways you can identify competitors. The first is to look at the market from the customer's viewpoint and group all your competitors by the degree to which they contend for the buyer's dollar. The second method is to group competitors according to their various competitive strategies so you understand what motivates them.

Once you have grouped your competitors, you can start to analyze their strategies and identify the areas where they are most vulnerable. This can be done through an examination of your competitors' weaknesses and strengths. A competitor's strengths and weaknesses are usually based on the presence and absence of key assets and skills needed to compete in the market.

To determine just what constitutes a key asset or skill within an industry, David A. Aaker suggests concentrating your efforts in four areas:

1. The reasons behind successful as well as unsuccessful firms
2. Prime customer motivators
3. Major component costs
4. Industry mobility barriers

According to theory, the performance of a company within a market is directly related to the possession of key assets and skills. Therefore, an analysis of strong performers should reveal the causes behind such a successful track record. This analysis, in conjunction with an examination of unsuccessful companies and the reasons behind their failure, should provide a good idea of just what key assets and skills are needed to be successful within a given industry and market segment.

For instance, in the personal-computer operating-system software market, Microsoft reigns supreme with DOS and Windows. It has been able to establish its dominance in this industry because of superior marketing and research as well strategic partnerships with a large majority of the hardware vendors that produce personal computers. This has allowed DOS and Windows to become the operating environment, maybe not of choice, but of necessity for the majority of personal computers on the market.

Through your competitor analysis you will also have to create a marketing strategy that will generate an asset or skill competitors do not have, which will provide you with a distinct and enduring competitive advantage. Since competitive advantages are developed from key assets and skills, you should sit down and put together a competitive strength grid. This is a scale that lists all your major competitors or strategic groups based upon their applicable assets and skills and how your own company fits on this scale.

To put together a competitive strength grid, list all the key assets and skills down the left margin of a piece of paper. Along the top, write down two column headers: "weakness" and "strength." In each asset or skill category, place all the competitors that have weaknesses in that particular category under the weakness column, and all those that have strengths in that specific category in the strength column. After you've finished, you'll be able to determine just where you stand in relation to the other firms competing in your industry.

Once you've established the key assets and skills necessary to succeed in this business and have defined your distinct competitive advantage, you need to communicate them in a strategic form that will attract market share as well as defend it.

Competitive strategies usually fall into these four areas:

- ✓ Product
- ✓ Distribution
- ✓ Pricing
- ✓ Promotion

Self-Check -5

Written Test

Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. What is the first step in a competitor analysis? (1pt)
2. Competitive strategies usually fall into where areas? (3pts)

Note: Satisfactory rating - 4 points

Unsatisfactory - below 4 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Information Sheet-6**Review your business performance**

Once your business is established and running well, you may be inclined to let things continue to run as they are. However, it's actually time to plan again. After the crucial early stages, you should regularly review your progress, identify how you can make the most of the market position you've established and decide where to take your business next. You will need to revisit and update your business plan with your new strategy in mind and make sure you introduce the developments you've noted.

It's easy to focus only on the day-to-day running of your business, especially in the early stages. But once you're up and running, it can pay dividends to think about longer-term and more strategic planning. This is especially true as you take on more staff, create departments within the business, appoint managers or directors and become distanced from the everyday running of the business.

Reviewing your progress will be particularly useful if you feel:

- ✓ uncertain about how well the business is performing
- ✓ unsure if you're getting the most out of the business or making the most of market opportunities
- ✓ your business plan may be out of date, e.g. you haven't updated it since you started trading
- ✓ your business is moving in a direction different to the one you had planned
- ✓ the business may be becoming unwieldy or unresponsive to market demands

It is also useful if you have decided that your company is ready to move on to another level.

Setting the direction

A clear business strategy will help to answer any concerns and show practical ways forward.

Questions you might want to ask include:

What's my direction? To answer this you need to look at where you are now, where you want to go over the next three to five years and how you intend to get there.

What are my markets - now and in the future? Which markets should I compete in, how will they change and what does the business need in order to be involved in these sectors?

How do I gain market advantage? How can the business perform better than the competition in my chosen markets?

What resources do I require to succeed? What skills, assets, finance, relationships, technical competence and facilities do I need to compete? Have these changed since I started?

What business environment am I competing in? What external factors may affect the business' ability to compete?

How am I measuring success? Remember, measures of performance may change as your business matures.

It's doubtful whether you will be able to answer these questions on your own - involving your professional advisers, your fellow directors and your senior staff will all help to make your review more effective.

Assess your core activities

A good starting point for your review is to evaluate what you actually do - your core activities, the products that you make, or services that you provide. Ask yourself what makes them successful, how they could be improved and whether you could launch new or complementary products or services.

Key questions about your products or services

It's useful to address these questions:

How effectively are you matching your goods and services to your customers' needs? If

you're not quite sure what those needs are, you could carry out further market or customer analysis. See the page in this guide on how to conduct a customer and market analysis.

Which of your products and services are succeeding? Which aren't performing as planned? Decide which products and services offer both a high percentage of sales and high profit margins.

What's really behind the problems of a product or service? Consider areas such as pricing, marketing, sales and after-sales service, design, packaging and systems during your review. Look for "quick wins" that give you the breathing space to make more fundamental improvements.

Are you reviewing costs frequently? Are you keeping a close enough eye on your direct costs, your overheads and your assets? Are there different ways of doing things or new materials you could use that would lower your costs? Consider ways in which you can negotiate better deals with your suppliers.

Answering these questions will give you the basis on which to improve performance and profitability.

Updating your original business plan is a good place to start.

When reviewing your finances, you might want to consider the following:

Cash flow - this is the balance of all of the money flowing in and out of your business. Make sure that your forecast is regularly reviewed and updated.

Working capital - have your requirements changed? If so, explain the reasons for any movement. Compare this to the industry norm. If necessary, take steps to source additional capital.

Cost base - keep your costs under constant review. Make sure that your costs are covered in your sale price - but don't expect your customers to pay for any business inefficiencies.

Borrowing - what is the position of any lines of credit or loans? Are there more appropriate or cheaper forms of finance you could use?

Growth - do you have plans in place to adapt your financing to accommodate your business' changing needs and growth?

Conduct a customer and market analysis

When you started your business, you probably devised a marketing plan as part of your overall business plan. This would have defined the market in which you intended to sell and targeted the nature and geographical distribution of your customers.

From that strategy you would have been able to produce a marketing plan to help you meet your objectives. When you're reviewing your business' performance, you'll need to assess your customer base and market positioning as a key part of the process. You should update your marketing plan at least as often as your business plan.

Revisiting your markets

A business review offers you the opportunity to stand back from the activity outlined in your plan and look again at factors such as:

- ✓ changes in your market
- ✓ new and emerging services
- ✓ changes in your customers' needs
- ✓ external factors such as the economy, imports and new technology
- ✓ changes in competitive activity

Asking your customers for feedback on your business' performance will help to identify where improvements can be made to your products or services, your staffing levels or your business procedures.

At the same time, it is important to remember that while reviews of this kind can be very effective - they can give your business the flexibility it needs to beat off stiff competition at short notice - it is important to think through the implications of any changes. In the new phase of your business you'll need to plan your finances and resourcing carefully at all times.

Use your review to redefine your business goals

To remain successful, it's vital that you regularly set time aside to ask the following key strategic questions:

- ✓ Where is the business now?
- ✓ Where is it going?
- ✓ How is it going to get there?

Often businesses are able to work out where they want to go but don't draw up a roadmap of how to get there. If this happens, a business will lack the direction needed to turn even carefully laid plans into reality.

At the end of any review process, therefore, it's vital that work plans are prepared to put the new ideas into place and that a timetable is set. Regularly reviewing how the new plan is working and allowing for any teething problems or necessary adjustments is important too. Today's business environment is exceptionally dynamic and it is likely that you will need regular reviews, updates and revisions to your business plan in order to maintain business success.

Continuous improvement

In addition, a simple planning cycle can greatly enhance your ability to make changes in your business routine if necessary. Good planning helps you anticipate problems and adapt to change more easily.

Breaking down your strategic review

As owner-manager of your business or as a member of its management team, you should stand back once in a while and review your business' performance.

The areas you need to look at are:

Your market performance and direction - how well you are performing through your sales results, which markets to aim for next and how to improve your performance.

Your products and services - how long your existing products will meet your customers' needs and any plans for renewal.

Operational matters - your premises, your methods, technologies used, your processes, IT and quality. Are there any internal issues that are holding your business back?

Financial matters - how your business is financed, levels of retained profit, the sales income generated and your cash flow.

Your organisation and your people - your structures, people planning issues, training and development.

If you feel all of the areas above are strong, you can start to plan for the next phase and build a cohesive strategy to develop your business. However, if there are areas that need attention, deal with them now so that you can move forward. There are a variety of growth options for every business - it's important that you settle on the right one for you. Also, once you've isolated your best route for developing your business, you can boost your chances of success by planning it carefully and monitoring your progress against an updated business plan.

Self-Check -6

Written Test

Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. What is the importance of reviewing business performance? (4pts)
2. When reviewing your finances, what are the point you consider? (3pts)

Note: Satisfactory rating – 7 points

Unsatisfactory - below 7 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Information Sheet-7	Identifying benefit product
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Poultry are commonly raised in and around the farm homestead or in its immediate vicinity. This provides for easy, convenient and daily accessibility to food, such as eggs for example. Poultry thus not only provides more food security, but also increases the diversity of food consumed by the farm family.

Poultry products, such as down and feathers, can be of household use, for example in pillow making; by – products such as egg shells can be feed to other farm animals, for example pigs, and contribute to their nutrition; manure can be used to fertilize the home garden around the homestead and increase yields.

Women have easy access to such an enterprise and are commonly left in charge of raising poultry and managing the poultry enterprise.

Women not only derive easy access to food from such an enterprise, but can also earn cash from selling poultry products and become more involved in family economic matters, increasing there say and status within.

A poultry enterprise provides immediate access to saleable product and its easy commercialization also can mean easy access to cash for the farming family. It can contribute to increasing production diversity of the farm's enterprises, lowering risk, reducing fluctuations in cash flow and enabling a more regular income.

■ **Benefits to the farming system** Poultry can easily be integrated into local farming systems. Commonly poultry relies on feedstuffs that can be locally procured, and more then often crop by-products not fit for human consumption, are fed to poultry.

Poultry also with their scavenging, especially after harvest time, provide to be effective and efficient in 'combing' areas where grains have been threshed or rice cleaned. Poultry also recycle nutrients from crop waste and return them to the soil. Poultry manure is also used as a fertilizer and is commonly used to grow crops, which later poultry will themselves feed on. Overall crop and livestock interaction are positive as per the complementary nature of poultry.

Importantly the cost of poultry is a lot less then goats, sheep and cattle, and can hence be

introduced more easily into a farming system, not burdening excessively other choices that the farmer may want to take for the farm business.

Poultry in many cases does not require specialized housing and other complex farm structures and have good reproductive rates, so long as they are managed appropriately and kept in good health. Poultry interact with other livestock, as well as with farm ponds and in many cases can provide to be good parasite reapers on larger livestock.

Self-Check -7

Written Test

Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. What is the advantage of poultry business over other livestock business? (3pts)

Note: Satisfactory rating – 3 points

Unsatisfactory - below 3 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Information Sheet-8	Developing practical brand
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Branding

Brand is a "Name, term, design, symbol, or any other feature that identifies one seller's goods or service as distinct from those of other sellers. *Branding* began as a way to tell one person's cattle from another by means of a hot iron stamp.

Advantages of Brands

A strong brand offers many advantages for marketers including:

- Brands provide multiple sensory stimuli to enhance customer recognition. For example, a brand can be visually recognizable from its packaging, logo, shape, etc. It can also be recognizable via sound, such as hearing the name on a radio advertisement or talking with someone who mentions the product.
- Customers who are frequent and enthusiastic purchasers of a particular brand are likely to become Brand Loyal. Cultivating brand loyalty among customers is the ultimate reward for successful marketers since these customers are far less likely to be enticed to switch to other brands compared to non-loyal customers.
- Well-developed and promoted brands make product positioning efforts more effective. The result is that upon exposure to a brand (e.g., hearing it, seeing it) customers conjure up mental images or feelings of the benefits they receive from using that brand. The reverse is even better. When customers associate benefits with a particular brand, the brand may have attained a significant competitive advantage.
- Firms that establish a successful brand can extend the brand by adding new products under the same "family" brand. Such branding may allow companies to introduce new products more easily since the brand is already recognized within the market.

Strong brands can lead to financial advantages through the concept of Brand Equity in which the brand itself becomes valuable. Such gains can be realized through the out-right sale of a brand or through licensing arrangements. For example, Company A may have a well-recognized brand (Brand X) within a market but for some reason they are looking to concentrate their efforts in other markets. Company B is looking to enter the same market as Brand X. If circumstances are right Company A could sell to Company B the rights to use the Brand X name without selling any other part of the company. That is, Company A simply sells the legal rights to the Brand X name but retains all other parts of Brand X, such

as the production facilities and employees. In cases of well-developed brands such a transaction may carry a very large price tag. Thus, through strong branding efforts Company A achieves a large financial gain by simply signing over the rights to the name. But why would Company B seek to purchase a brand for such a high price tag? Because by buying the brand Company B has already achieved an important marketing goal – building awareness within the target market. The fact the market is already be familiar with the brand allows the Company B to concentrate on other marketing decisions.

Labeling

Label is a concise explanation of any product given for purpose of identification. The word labeling is used more as a symbol, than a real idea. The general functions of labels are extensively predictable and familiar as a method of distinction that helps people recognize one product from another. Labeling are bar codes, labels and seals of approval. Labeling is widely used in food and beverages products, bulk mailing, pharmaceutical products, cosmetic, electronic, etc.

Packaging is the science, art, and technology of enclosing or protecting products for distribution, storage, sale, and use. Packaging also refers to the *process* of design, evaluation, and production of packages. Packaging can be described as a *coordinated system* of preparing goods for transport, warehousing, logistics, sale, and end use. Packaging contains, protects, preserves, transports, informs, and sells. In many countries it is fully integrated into government, business, and institutional, industrial, and personal use.

Labeling is any written, electronic, or graphic communications on the packaging or on a separate but associated label.

The purposes of packaging and labeling

Packaging and labeling have several objectives

Physical protection – The objects enclosed in the package may require protection from, among other things, mechanical shock, vibration, electrostatic, compression, temperature.

Barrier protection – A barrier from oxygen, water vapor, dust, etc., is often required. Permeation is a critical factor in design. Some packages contain desiccants or Oxygen absorbers to help extend shelf life. Modified atmospheres or

controlled atmospheres are also maintained in some food packages. Keeping the contents clean, fresh, sterile and safe for the intended shelf life is a primary function.

Containment or agglomeration – Small objects are typically grouped together in one package for reasons of efficiency. For example, a single box of 1000 pencils require less physical handling than 1000 single pencils. Liquids, powders, and granular materials need containment.

Information transmission – Packages and labels communicate how to use, transport, recycle, or dispose of the package or product. With pharmaceuticals, food, medical, and chemical products, some types of information are required by governments. Some packages and labels also are used for track and trace purposes.

Marketing – The packaging and labels can be used by marketers to encourage potential buyers to purchase the product. Package graphic design and physical design have been important and constantly evolving phenomenon for several decades. Marketing communications and graphic design are applied to the surface of the package and (in many cases) the point of sale display.

Security – Packaging can play an important role in reducing the security risks of shipment. Packages can be made with improved tamper resistance to deter tampering and also can have tamper-evident features to help indicate tampering. Packages can be engineered to help reduce the risks of package pilferage: Some package constructions are more resistant to pilferage and some have pilfer indicating seals. Packages may include authentication seals and use security printing to help indicate that the package and contents are not counterfeit. Packages also can include anti-theft devices, such as electronic article surveillance tags that can be activated or detected by devices at exit points and require specialized tools to deactivate. Using packaging in this way is a means of loss prevention.

Convenience – Packages can have features that add convenience in distribution, handling, stacking, display, sale, opening, reclosing, use, dispensing, reuse, recycling, and ease of disposal

Portion control – Single serving or single dosage packaging has a precise amount of contents to control usage. Bulk commodities (such as salt) can be divided into packages that are a more suitable size for individual households. It is also aids the control of inventory:

selling sealed one-liter-bottles of milk, rather than having people bring their own bottles to fill themselves.

Self-Check -8	Written Test
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Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. Define branding. (2pts).
2. Write the advantage of branding. (3pts)
3. Define labeling and packaging. (2pts)

Note: Satisfactory rating - 7 points

Unsatisfactory - below 7 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Information Sheet-9

Selecting and developing promotional tools

Promotion is a communication process that takes place between a business and its various publics. Publics are those individuals and organizations that have an interest in what the business produces and offers for sale. Thus, in order to be effective, businesses need to plan promotional activities with the communication process in mind. The elements of the communication process are: sender, encoding, message, media, decoding, receiver, feedback, and noise. The sender refers to the business that is sending a promotional message to a potential customer. Encoding involves putting a message or promotional activity into some form. Symbols are formed to represent the message. The sender transmits these symbols through some form of media. Media are methods the sender uses to transmit the message to the receiver. Decoding is the process by which the receiver translates the meaning of the symbols sent by the sender into a form that can be understood. The receiver is the intended recipient of the message. Feedback occurs when the receiver communicates back to the sender. Noise is anything that interferes with the communication process.

There are four basic promotion tools: *advertising, sales promotion, public relations, and personal selling.* Each promotion tool has its own unique characteristics and function. For instance, advertising is described as paid, non-personal communication by an organization using various media to reach its various publics. The purpose of advertising is to inform or persuade a targeted audience to purchase a product or service, visit a location, or adopt an idea. Advertising is also classified as to its intended purpose. The purpose of product advertising is to secure the purchase of the product by consumers. The purpose of institutional advertising is to promote the image or philosophy of a company. Advertising can be further divided into six subcategories: pioneering, competitive, comparative, advocacy, reminder, and cooperative advertising. Pioneering advertising aims to develop primary demand for the product or product category. Competitive advertising seeks to develop demand for a specific product or service. Comparative advertising seeks to contrast one product or service with another. Advocacy advertising is an organizational approach designed to support socially responsible activities, causes, or messages such as helping feed the homeless. Reminder advertising seeks to keep a product or company name in the mind of consumers by its repetitive nature. Cooperative advertising occurs when wholesalers

and retailers work with product manufacturers to produce a single advertising campaign and share the costs. Advantages of advertising include the ability to reach a large group or audience at a relatively low cost per individual contacted. Further, advertising allows organizations to control the message, which means the message can be adapted to either a mass or a specific target audience. Disadvantages of advertising include difficulty in measuring results and the inability to close sales because there is no personal contact between the organization and consumers.

The second promotional tool is sales promotion. Sales promotions are short-term incentives used to encourage consumers to purchase a product or service. There are three basic categories of sales promotion: consumer, trade, and business. Consumer promotion tools include such items as free samples, coupons, rebates, price packs, premiums, patronage rewards, point-of-purchase coupons, contests, and games. Trade-promotion tools include discounts and allowances directed at wholesalers and retailers. Business-promotion tools include conventions and trade shows. Sales promotion has several advantages over other promotional tools in that it can produce a more immediate consumer response, attract more attention and create product awareness, measure the results, and increase short-term sales.

Public relations are the third promotional tool. An organization builds positive public relations with various groups by obtaining favorable publicity, establishing a good corporate image, and handling or heading off unfavorable rumors, stories, and events. Organizations have at their disposal a variety of tools, such as press releases, product publicity, official communications, lobbying, and counseling to develop image. Public relations tools are effective in developing a positive attitude toward the organization and can enhance the credibility of a product. Public relations activities have the drawback that they may not provide an accurate measure of their influence on sales as they are not directly involved with specific marketing goals.

The last promotional tool is personal selling. Personal selling involves an interpersonal influence and information-exchange process. There are seven general steps in the personal selling process: prospecting and qualifying, pre-approach, approach, presentation and demonstration, handling objections, closing, and follow-up. Personal selling does provide a measurement of effectiveness because a more immediate response is received by the salesperson from the customer. Another advantage of personal selling is that salespeople

can shape the information presented to fit the needs of the customer. Disadvantages are the high cost per contact and dependence on the ability of the salesperson.

For a promotion to be effective, organizations should blend all four promotion tools together in order to achieve the promotional mix. The promotional mix can be influenced by a number of factors, including the product itself, the product life-cycle stage, and budget. Within the promotional mix there are two promotional strategies: pull and push. Pull strategy occurs when the manufacturer tries to establish final consumer demand and thus pull the product through the wholesalers and retailers. Advertising and sales promotion are most frequently used in a pulling strategy. Pushing strategy, in contrast, occurs when a seller tries to develop demand through incentives to wholesalers and retailers, who in turn place the product in front of consumers.

Self-Check -9	Written Test
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Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. Define promotion. (2pts).
2. List basic promotion tools. (4pts)

Note: Satisfactory rating - 6 points

Unsatisfactory - below 6 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

List of Reference Materials

1. <https://www.infoentrepreneurs.org/en/guides/review-your-business-performance/>.
2. http://www.fao.org/fileadmin/user_upload/slm_agronoticias/2012/0615/Publicacion1.pdf.

Poultry Production

Level-III

Learning Guide-90

Unit of Competence: - Improve Business Practice

Module Title: - Improving Business Practice

LG Code: AGR PLP3 M21 LO5-LG-91

TTLM Code: AGR PLP3 M21 TTLM 0120v1

LO 5: Develop business growth plans

Instruction Sheet

Learning Guide 90

This learning guide is developed to provide you the necessary information regarding the following **content coverage** and topics –

- **Developing Plans to increase profitability**
- **Ranking Proposed plans**
- **Developing and Agreeing an action plan to implement**
- **Reviewing Business work practices**

This guide will also assist you to attain the learning outcome stated in the cover page. Specifically, upon completion of this Learning Guide, **you will be able to –**

- **Develop Plans to increase profitability**
- **Rank Proposed plans**
- **Develop and Agree an action plan to implement**
- **Review Business work practices**

Learning Instructions:

7. Read the specific objectives of this Learning Guide.
8. Follow the instructions described in number 3 to 24.
9. Read the information written in the “Information Sheets 1”. Try to understand what are being discussed. Ask you teacher for assistance if you have hard time understanding them.
10. Accomplish the “Self-check 1, 2, 3 and 4” in page -9, 12, 15 and 24 respectively.
11. Ask from your teacher the key to correction (key answers) or you can request your teacher to correct your work. (You are to get the key answer only after you finished answering the Self-check 1, 2, 3 and 4).
12. If you earned a satisfactory evaluation proceed to “Information Sheet 2”. However, if your rating is unsatisfactory, see your teacher for further instructions or go back to Learning Activity #1, 2, 3 and 4.
13. Submit your accomplished Self-checks. This will form part of your training portfolio.

Information Sheet-1

Developing Plans to increase profitability

1.1. Meaning and importance of strategic plan

Definition of Strategic Planning

Clear definition of strategic planning avoids the common confusion with business planning, budgeting, and marketing strategies.

1.1.1. What is Strategic Planning?

A systematic, formally documented process for deciding what is the handful of key decisions that an organization, viewed as a corporate whole must get right in order to thrive over the next few years. The process results in the production of a corporate strategic plan.

Strategic Plan

A set of statements describing the purpose and ethical conduct for an organization together with the specific strategies designed to achieve the targets set for each of these.

Every organization or major part of a complex organization occasionally has to make some momentous decisions- the sort of decisions that affect the entire destiny of the organization for years into the future. These decisions are designed to address the really biggest and most important issues facing an organization – issues so significant we might call them 'strategic elephants'. So our definition of strategic planning must have something about big decisions.

Such decisions are not simply about small adjustments to activity levels, but are the kind of decisions that may lead to a substantially different organizational structure, or major changes in the relationships among key stakeholders, competitive position, or strategic partners of the organization.

Sometimes the outside world forces such decisions on the organization. Such forces may include major shifts in the market, big changes in government policy, and radical moves by competing organizations.

Sometimes, it is something inside the organization that demands a major reappraisal. Technological change driving new methods of carrying out its work, or weakening of its financial structure, or a change in the senior management of the organization requiring a large re-organization are examples of such internal forces.

Organizations have always faced such pressures to make huge decisions. In recent years, the pressure has risen to the point where a systematic yet flexible process of dealing with such decisions is called for.

Such a process is variously and sometimes confusingly described as: corporate planning, strategic planning, business planning, and variations such as corporate strategic planning, or strategic business planning. Other labels make the subject more industry specific such as military strategic planning, hospital strategic planning, and in some jurisdictions what others know as urban and regional planning is sometimes called strategic planning.

Strategic Planning is Different from Business Planning

Strategic plan differs from a Business Plan in three ways;

1. It looks much further ahead;
2. It consists largely of words with just a few figures to indicate the scale of the planners' intentions.

A Business Plan, on the other hand, consists largely of figures. Because these are often unreliable beyond a few months, managers are reluctant to look ahead as far as they may need to. Strategic plans can look further ahead because so few figures are employed, and also

3. What few figures they do contain are tested by risk analysis techniques.

Importance of strategic planning

The strategic plan is the master of other plans

What determine the importance of strategic planning is the small number and the long term, organization-wide impact of the decisions in the strategic plan. The strategic planning sits above and informs all other plans in the organization.

|"Failing to plan is planning to fail". This often-heard quote from Alan Lakein, the popular author on time management, is a reminder that many of the day-to-day operational struggles we face in organizational life had their seeds sown in the past, when we failed to think ahead.

You cannot predict the future

Truly, you cannot predict the future. No manager has a crystal ball in his or her brief case. Every day has its own "we couldn't see it coming". Nevertheless, many severe day-to-day operating problems have, as their origin, a failure from months or years earlier- a failure in strategic planning. Simply, absence of strategic planning, or poor strategic plans, usually

lead to tactical “days you’d rather forget” of operating nightmares, some of which can last months.

The importance of strategic planning in reducing these "days you would rather forget" cannot be overemphasized.

Note that in this definition it speaks of the strategic plan being for the organization ‘viewed as a corporate whole’. The kind of strategic planning we are talking about used to be called ‘corporate planning’. In a sense this makes the importance of strategic planning blindingly obvious. Get it right and the whole organization is impacted, and strengthened towards better long term performance, get it wrong and...!

Strategic planning gives overall direction

Strategic planning can provide an overall strategic direction to the management of the organization and gives a specific direction to areas like financial strategy, marketing strategy, organizational development strategy and human resources strategy, to achieve success. These other kinds of planning, some of which are confused with strategic planning are intended for parts of the organization, or specific functions or processes within the organization. All of these other types of planning should be guided and informed by the strategic plan.

Strategic planning is planning for the organization as a whole

To repeat strategic planning involves planning for an organization as a whole - as a corporate whole. So corporate strategic planning is not product planning, production planning, cash flow planning, workforce planning or any of the many of other sorts of planning conducted in today's organizations. All these are designed to plan parts or sections or departments of organizations. Most companies, even quite small ones, already employ product development managers, marketing directors, production planners and finance controllers to look after the planning of these various parts, and when you do strategic planning you certainly do not want to do all these again under a fancy new name.

Strategic planning is corporate. You can only have a strategic plan for an autonomous or quasi-autonomous organization; you should not have one for any section, part or fragment of an organization unless it is quasi-autonomous, like a profit center, or a wholly owned subsidiary.

However, an indirect tribute to the importance of strategic planning is made by the common appropriation of the term 'strategic' to describe all manner of other partial plans.

1.2 Developing plans to increase yield per existing client/customer

1.2.1. Benefits of Business Planning

The systematic business planning helps the business to derive its advantages and get benefits out of them. The benefits of business planning include.

1. Business planning helps the company to formulate objectives and goals clearly. The company formulates objectives after discussing thoroughly with superiors, colleagues and subordinates. These objectives help the company to achieve stability of business and maximize profits.
2. Business planning helps to avoid piece-meal approach and to have integrated approach.
3. Business planning helps to view the organization in total rather than department-wise.
4. Business planning aims at the long-range plan rather than short-range plan.
5. Business planning integrates the company plan with the national plans and priorities.
6. Business planning takes into consideration the environmental factors.
7. Business planning helps the company to anticipate the political changes and developments in the national and international scenarios and their possible impact on the business.
8. Effective business planning helps the company to achieve its objectives and goals.
9. Effective business planning certainly contributes for the achievement of high rate of profits and increases in earnings per share.
10. Business planning helps to determine potential growth and profit.

Plans to increase your revenue per customer

The Company might try to expand the market for its product by working with the factors that make up sales volume:

Volume = number of brand users/customers x usage rate per user/customer

The company can try to expand the number of brand users in three ways:

Convert nonusers: the company can try to attract nonusers to the product. For example, the key to the growth of airfreight service is the constant search for new users to whom air carriers can demonstrate the benefits of using airfreight rather than ground transportation.

- Enter new market segments: the company can try to enter new market segments-geographic, demographic, and so on; that use the product but not the brand. For example, Johnson and Johnson successfully promoted its baby shampoo to adult users.
- Win competitors' customers: the company can attract competitors' customers to try or adopt the brand. For example, Pepsi-Cola is constantly tempting Coca-Cola users to switch to Pepsi-Cola, throwing out one challenge after another.
- Revenue can also be increased by convincing current brand users to increase their annual usage of the brand. Here are three strategies:
- More frequent use: the company can try to get customers to use the product more frequently. For example, orange juice marketers try to get people to drink orange juice at occasions other than breakfast time.
- More usage per occasion: the company can try to interest users in using more of the product on each occasion. Thus a shampoo manufacturer might indicate that the shampoo is more effective with two rinsing than one.
- New and more varied uses: the company can try to discover new product uses and convince people to use the product in more varied ways. Food manufacturers, for example, list several recipes on their packages to broaden the consumers' uses of the product.

In general, every business needs new customers, but don't ever forget that your easiest and most predictable source of new revenue is right under your nose: It comes from the loyal customers who already know your company. Acquiring new customers is expensive (five to ten times the cost of retaining an existing one), and the average spend of a repeat customer is a whopping 67 percent more than a new one. So, sure, put some energy into new business development, but make sure your salespeople know that coming up with creative ways to sell more to your current customers is just as important.

Self-Check -1	Written Test
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Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. How strategic plan differs from a Business Plan? (2 points)
2. Write the Importance of strategic planning? (2 points)

Note: Satisfactory rating - 8 points

Unsatisfactory - below 8 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Information Sheet-2	Ranking proposed plans
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2.1. Ranking/prioritizing proposed plans

Prioritized planning: Each day, a business person needs to list the things to be accomplished and then indicate their degree of importance using a simple scale such as

- 1) Being most important,
- 2) Somewhat important, and
- 3) Moderately important.

There are a variety of different criteria, methods, and analyses for prioritizing planning.

- Stakeholder consultations
- Cost-benefit analysis
- Social and economic development impacts
- Greenhouse gas mitigation potential
- Technical, institutional and regulatory capacity for implementation
- Market acceptance
- Political and financial feasibility
- Applicability of international policy best practices and lessons learned
- Risk assessments

This prioritization, planning, and focus on the key issues is fundamental to time management as each individual is always able to accomplish the most important things when he or she is most efficient.

Some business person is most efficient in the morning, some during the afternoon, and some at night. The most efficient period of the day should be set aside by the businessmen to address the most important issues.

In organizational time management we can delineate the overall tasks in the form of the following

5. **Urgent and very important matters:** these are organizational matters or activities that require immediate concern or decision-making. They are regarded as urgent because they basically influence the overall performance of an organization.

6. **Less urgent and very important matters:** these are the activities that are crucial to the organization's performance but are dealt with over a wider range of time without any urgency.
7. **Urgent and less important matters:** these are activities that are not crucial to the organization but they require immediate concern. They are seen next to those activities, which are both urgent and more important.
8. **Less urgent and less important matters:** these are organization matters or activities that require the least attention both in urgency and importance of all the organizational activities. They are dealt with after all the above activities are executed.

Self-Check -2	Written Test
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Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

- Why ranking proposed plans is needed? (2 points)
- In organizational time management, in what format you delineate the overall tasks? (2 points)

Note: Satisfactory rating - 4 points

Unsatisfactory - below 4points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Information Sheet-3

Developing and agreeing an action plan is to implement

3.1. What is action plan?

In some ways, an action plan is a "heroic" act: it helps us turn our dreams into a reality. An action plan is a way to make sure your organization's vision is made concrete. It describes the way your group will use its strategies to meet its objectives. An action plan consists of a number of action steps or changes to be brought about in your community.

Each action step or change to be sought should include the following information:

- ☐ What actions or changes will occur?
- ☐ Who will carry out these changes?
- ☐ By when they will take place, and for how long?
- ☐ What resources (i.e., money, staff) are needed to carry out these changes?
- ☐ Communication (who should know what?)

What are the criteria for a good action plan?

The action plan for your initiative should meet several criteria.

Is the action plan:

- **Complete?** Does it list all the action steps or changes to be sought in all relevant parts of the community (e.g., schools, business, government, faith community)?
- **Clear?** Is it apparent who will do what by when?
- **Current?** Does the action plan reflect the current work? Does it anticipate newly emerging opportunities and barriers?

Why should you develop an action plan?

There is an inspirational adage that says, "People don't plan to fail. Instead they fail to plan." Because you certainly don't want to fail, it makes sense to take all of the steps necessary to ensure success, including developing an action plan.

There are lots of good reasons to work out the details of your organization's work in an action plan, including:

- To lend credibility to your organization. An action plan shows members of the community (including grant makers) that your organization is well ordered and dedicated to getting things done.
- To be sure you don't overlook any of the details
- To understand what is and isn't possible for your organization to do
- For efficiency: to save time, energy, and resources in the long run
- For accountability: To increase the chances that people will do what needs to be done

Once everyone is present, go over your poultry organization's:

- Vision
- Mission
- Objectives
- Strategies
- Targets and agents of change (e.g., youth, parents and guardians, clergy)
- Proposed changes for each sector of the community (e.g., schools, faith community, service organizations, health organizations, government)

Self-Check -3	Written Test
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Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. Why should you develop an action plan? (2 points)
2. What are the criteria for a good action plan? (2 points)

Note: Satisfactory rating - 8 points

Unsatisfactory - below 8 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Information Sheet-4	Reviewing business work practices
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4.1. Reviewing/evaluating work practices/performance

Performance evaluations, which provide employers with an opportunity to assess their employees' contributions to the organization, are essential to developing a powerful work team.

Performance evaluation system that includes a

- ✓ Standard evaluation form,
- ✓ Standard performance measures, and
- ✓ Guidelines for delivering feedback, and disciplinary procedures,
- ✓ Performance evaluations can enforce the acceptable boundaries of performance, promote staff recognition and effective communication and
- ✓ Motivate individuals to do their best for themselves and the practice.

The primary goals of a performance evaluation system are

- ✓ To provide an equitable measurement of an employee's contribution to the workforce,
- ✓ Produce accurate appraisal documentation to protect both the employee and employer, and
- ✓ Obtain a high level of quality and quantity in the work produced.

To create a performance evaluation system in your practice, follow these five steps:

1. Develop an evaluation form.
2. Identify performance measures.
3. Set guidelines for feedback.
4. Create disciplinary and termination procedures.
5. Set an evaluation schedule.

It is also advisable to run the finished system by your attorney to identify any potential legal problems that should be fixed.

Note that

- A performance evaluation system can motivate staff to do their best for themselves and the practice by promoting staff recognition and improving communication.
- Evaluations should be conducted fairly, consistently and objectively to protect your employees and your practice.
- An effective performance evaluation system has standardized evaluation forms, performance measures, feedback guidelines and disciplinary procedures.

1. Develop an evaluation form

Performance evaluations should be conducted fairly, consistently and objectively to protect your employees' interests and to protect your practice from legal liability. One way to ensure consistency is to use a standard evaluation form for each evaluation. The form you use should focus only on the essential job performance areas. Limiting these areas of focus makes the assessment more meaningful and relevant and allows you and the employee to address the issues that matter most. You don't need to cover every detail of an employee's performance in an evaluation.

For most staff positions, the job performance areas that should be included on a performance evaluation form are job knowledge and skills, quality of work, quantity of work, work habits and attitude. In each area, the appraiser should have a range of descriptors to choose from (e.g., far below requirements, below requirements, meets requirements, exceeds requirements, far exceeds requirements). Depending on how specific the descriptors are, it's often important that the appraiser also have space on the form to provide the reasoning behind his or her rating.

Performance evaluations for those in management positions should assess more than just the essential job performance areas mentioned above. They should also assess the employee's people skills, ability to motivate and provide direction, overall communication skills and ability to build teams and solve problems. You should have either a separate evaluation form for managers or a special managerial section added to your standard evaluation form.

2. Identify performance measures.

Standard performance measures, which allow you to evaluate an employee's job performance objectively, can cut down on the amount of time and stress involved in filling out the evaluation form. Although developing these measures can be one of the more time-consuming parts of creating a performance evaluation system, it's also one of the most powerful.

If you have current job descriptions for each position in your practice, you've already taken the first step toward creating standard performance measures, which are essentially specific quantity and quality goals attached to the tasks listed in a job description. A job description alone can serve as a measurement tool during an evaluation if, for example, you're assessing whether an employee's skills match the requirements of the position. Standard performance measures can even objectively measure some of the more subjective job performance areas, such as work habits. For example, you can establish an objective measure for attendance by defining the acceptable number of times an employee can be tardy or absent during a specific time frame.

However, standard performance measures don't always work for other subjective areas, such as attitude. In these cases, it's still important to be as objective as possible in your evaluation. Don't attempt to describe attitude, for instance; instead, describe the employee's behavior, which is what conveys the attitude, and the consequences of that behavior for the practice.

To begin developing standard performance measures in your practice, review the job descriptions for each position and select the key components of the job that can be specifically measured. Then, work with the employees in each position to gather quantitative data, examine historical patterns of volume and determine qualitative measurements that reflect the practice's mission and goals. Depending on how large your practice is and how many positions need standard performance measures, you may want to select a committee to develop them. Then, with help from the employees in each position, the supervisors should maintain them. It's important to keep job descriptions and standard performance measures as current as possible. Otherwise, when an employee doesn't measure up to the standards you've set, you can't be sure whether he or she has a performance problem or

whether your expectations of the position have become unrealistic based on increased volume or a change in circumstances.

Rewarding performance with pay

If your practice's pay increases are based on merit, it may be appropriate and efficient to review an employee's salary at the time of the performance evaluation. Such a direct link between performance and pay could make you and your employees take the performance evaluations even more seriously than you might have otherwise. However, if your pay increases are based only partially on merit and partially on annual changes in the Consumer Price Index, it may not be quite as easy to review and change individual salaries at various times during the year.

Whether you plan to include a review of the employee's salary during each performance evaluation should be communicated to all employees verbally and in writing when they are hired. It is important that employees understand this so that their expectations are realistic and they are not disappointed.

3. Set guidelines for feedback.

Feedback is what performance evaluations are all about. So before you implement your performance evaluation system, make sure that everyone who will be conducting evaluations knows what kind of feedback to give, how to give it and how to get it from the employee in return.

Give balanced feedback. Don't make the common error of glossing over an employee's deficiencies and focusing only on his or her strengths. It is by understanding their weaknesses that employees can take ownership of their performance and role in the practice. And when given the support they need to make improvements in these areas, employees learn to take pride in their work and are willing to take on new challenges with confidence

Outline expectations for improvement. When you address areas where improvement is needed, outline your expectations for improvement and how you intend to help the employee meet them. For example, if an employee is speaking harshly with other employees and does not seem tolerant with patients, give the employee some examples of his or her behavior and offer some suggestions to resolve the problem, such as role-playing sessions or a

communication skills/customer-service workshop or seminar. Define the boundaries by letting the employee know what is acceptable and what will not be tolerated, and then establish a plan for monitoring performance and re-evaluating the employee.

Encourage feedback from the employee. After you've discussed the results of the evaluation with the employee, encourage him or her to give you some non defensive feedback. Ask the employee whether he or she agrees with your assessment, and/or invite suggestions for improvement. For example: "You seem to become impatient and short with patients when the physician is running late. Since there are times when running late cannot be avoided, how do you suggest we handle this to avoid such a reaction?" This should lead to an open exchange of information that will allow you and the employee to better understand each other's perspective.

4. Create disciplinary and termination procedures

In some cases, even after a thorough performance evaluation and a discussion of expected improvements, an employee will continue to perform poorly. You need to be prepared to handle such a situation by having well-defined, written disciplinary and termination procedures in place. These procedures should outline the actions that will be taken when performance deteriorates – a verbal warning, a written warning if there is no improvement or a recurrence, and termination if the situation is not ultimately resolved.

Verbal warning: This should be given in private, with the behavior or reason for the discipline clearly stated. For example: "I observed you talking disrespectfully to another employee at the front desk. You said she was brain-dead and tossed a chart at her. We will not tolerate disrespect in the work-place. Furthermore, this outburst could be overheard from the reception room. If this occurs again, a report will be written up and placed in your file. Do you understand the importance of this?" After the verbal warning is given, allow the employee to respond, but keep the exchange brief.

Written warning: How you handle the written warning plays a critical role in the success of your disciplinary and termination procedures. This is the time to make it clear to the employee just how serious his or her performance problem is. Unfortunately, many practices fail to do this and/or to follow through with termination if necessary. Once the written warning is mishandled in this way, it no longer has any merit. A standard, written, warning form should include the following:

- A description of the behavior or problem that includes objective findings,
- The measurable actions and changes expected of the employee,
- The support the employer will provide for improvement,
- A description of what will occur (e.g., unpaid time off or termination) and when (e.g., after one more occurrence or two) if the warning is not heeded,
- The signature of the employee and appraiser and the date of the warning.

Termination: Explain the reason for the termination but do so briefly and objectively to avoid getting into an elaborate discussion that puts you in a defensive position. Validate the employee as a person, perhaps by giving a positive slant to the employee's potential in the job market. For example, although an employee might have been a poor file clerk for you because he or she didn't pay attention to detail, the employee may have a friendly personality that would make him or her good telephone operator. Also, let the employee know what will become of any accrued vacation or sick leave, pension benefits, etc. Know your state's laws on these issues. Finally, ask if the employee has any further questions and then assist the employee in retrieving all of his or her belongings and leaving with as much dignity as possible. If you handle termination well, you are less likely to have an employee who wants to "get even" by badmouthing you in the community or seeking legal revenge.

5. Set an evaluation schedule.

Once you've built your performance evaluation system – the evaluation form, the performance measures, the feedback guidelines and the disciplinary procedures – you just need to decide when to conduct the performance evaluations. Some practices do all employee evaluations at the same time of year, while others conduct them within 30 days of each employee's anniversary of employment (the latter may work better since it spreads the work of the evaluations out for employer and employee). However you decide to schedule the evaluations, ensure that each appraiser consistently meets the deadline. Ignoring employees' overdue evaluations will make them feel devalued and may hurt morale and performance.

The last analysis

A performance evaluation system should be a key component of your practice structure. When implemented effectively, it ensures fairness and accountability, promotes growth and

development and encourages a sense of pride in your employees' contributions to the practice.

Self-Check -4	Written Test
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Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. To create a performance evaluation system in your practice, what are five steps? (2 points)

Note: Satisfactory rating - 8 points

Unsatisfactory - below 8 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

References

- Indicator development and the planning cycle
- Guidelines and Resources for Implementation Phase of Consulting
- Improving business performance

Poultry Production

Level-III

Learning Guide -91

Unit of Competence: - Improve Business Practice

Module Title: - Improving Business Practice

LG Code: AGR PLP3 M21 LO6-LG-91

TTLM Code: AGR PLP3 M21 TTLM 0120v1

LO 6: Implement and monitor plans

Instruction Sheet	Learning Guide 91
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This learning guide is developed to provide you the necessary information regarding the following **content coverage and** topics –

- **Developing implementation plan**
- **Identifying Indicators of success plan**
- **Monitoring Implementation**
- **Adjusting implementation plan**

This guide will also assist you to attain the learning outcome stated in the cover page.

Specifically, upon completion of this Learning Guide, you will be able to –

- **Develop implementation plan**
- **Identify Indicators of success plan**
- **Monitor Implementation**
- **Adjust implementation plan**

Learning Instructions:

1. Read the specific objectives of this Learning Guide.
2. Follow the instructions described in number 27 to 39.
3. Read the information written in the “Information Sheets 1”. Try to understand what are being discussed. Ask you teacher for assistance if you have hard time understanding them.
4. Accomplish the “Self-check 1, 2, 3 and 4” in page -30, 32, 36 and 39 respectively.
5. Ask from your teacher the key to correction (key answers) or you can request your teacher to correct your work. (You are to get the key answer only after you finished answering the Self-check 1).
6. If you earned a satisfactory evaluation proceed to “Information Sheet 2 and 3”. However, if your rating is unsatisfactory, see your teacher for further instructions or go back to Learning Activity #1.
7. Submit your accomplished Self-checks. This will form part of your training portfolio.

Information Sheet-1	Developing Implementation Plan
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1.1. Implement and monitor plans

Implementation planning explains the details of the policies and procedures, which are required to accomplish the strategies of the firm. These plans produce immediate and tangible results in relatively shorter period.

Sound implementation planning is a key element in ensuring the successful delivery services. The following guidelines are designed to organization with the implementation planning process.

What is an Implementation Plan?

An Implementation plan is a management tool for a specific policy measure, or package of measures, designed to assist organizations to manage and monitor implementation effectively.

Implementation plans are intended to be scalable and flexible; reflecting the degree of urgency, innovation, complexity and/or sensitivity associated with the particular policy measure.

In other words, implementation Planning is the process of determining how a policy will be implemented in sufficient detail for an organization to make an informed judgement about whether to proceed in the light of the risks and requirements involved.

Implementation planning has a strong management focus which requires best practice approaches, skills and experience to be applied in the following seven areas:

1. Management Control and Program/Project Management
2. Governance and Accountability
3. Planning
4. Resource Management
5. Risk Management

6. Stakeholder Engagement
7. Review, Monitoring and Evaluation

Effective implementation planning requires a structured approach to thinking and communicating in these seven areas.

This will create a shared understanding among those who will drive implementation, from the most senior leaders to the most junior managers, and across boundaries between and within an organization.

An implementation plan breaks each strategy into identifiable steps, assigns each step to one or more people and suggests when each step will be completed.

If there is no effective method to carry out the strategic plan, the strategic plan is likely to collect dust and can lead to planning backlash, the feeling that planning is a waste of time. In an industry where the scarcity of resources is always a key limiting factor, good planning is essential.

However, creating an implementation plan is challenging. It requires the planner to identify each step required to mount a particular strategy. This activity in itself is a good test of the plan. If one does not know how to implement a given strategy, then the strategy is likely not going to be implemented.

Creating an implementation plan does far more than simply test the ability of the organization to make a strategy happen.

1.2. Involvement of stakeholders

Stakeholders should be engaged at an early stage of planning in order to promote wider ownership of indicators that are important at all stages of policy-making. The process of indicator development has itself proved to be an effective way of ensuring public participation in sustainable development planning. Communities and nongovernmental organizations often have a major stake in developing indicators, not only for their own activities but also for ensuring that policies are implemented and that government and other partners meet their obligations and remain accountable.

This is normally most productive where communities and governments do their planning in partnership.

In the development of indicators, various levels of participation may be achieved in the approaches chosen by the authority or community.

These may include:

- A large working group to consider all the chosen indicators, with additional expertise in data gathering from the most appropriate sector
- Choosing specific issue-based indicators and working in issue/sector working groups
- examining linkages between indicators across broad groupings and encouraging different sectors to work together, and
- Working with various community groups and individuals to tackle different issues independently, canvassing responses from constituents, pooling results to form an overall picture and reporting back to the authority

Self-Check -1	Written Test
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Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. What is an Implementation Plan? (2 pts)

Note: Satisfactory rating - 6points

Unsatisfactory - below 6 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Information Sheet-2

Identifying Indicators of success plan

Successful businesses are those that have a clear purpose, set goals aimed at achieving that purpose and established procedures designed to meet those goals consistently.

Good practice business planning will formalize these activities through regular review of both strategic and financial planning processes in the business.

The implementers and planners have to agree on monitoring indicators. Monitoring indicators are quantitative and qualitative signs (criteria) for measuring or assessing the achievement of project activities and objectives. The indicators will show the extent to which the objectives of every activity have been achieved. Monitoring indicators should be explicit, pertinent and objectively verifiable.

Monitoring Indicators are of four types, namely;

- Input indicators: describe what goes on in the project (eg number of bricks brought on site and amount of money spent);
- Output indicators: describe the project activity (eg number of classrooms built);
- Outcome indicators: describe the product of the activity (eg number of pupils attending the school); and
- Impact indicators: measure change in conditions of the community (eg reduced illiteracy in the community).

Writing down the structures and strategies helps in project monitoring because they specify what will be done during project implementation. Planning must indicate what should be monitored, who should monitor, and how monitoring should be undertaken.

Self-Check -2	Written Test
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Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. What are common monitoring indicators? (2 pts)

Note: Satisfactory rating - 4 points

Unsatisfactory - below 4 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Information Sheet-3	Monitor Implementation
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3.1. Implementation

Implementation is the stage where all the planned activities are put into action. Before the implementation of a project, the implementers should identify their strength and weaknesses (internal forces), opportunities and threats (external forces).

The strength and opportunities are positive forces that should be exploited to efficiently implement a project.

The weaknesses and threats are hindrances that can hamper project implementation. The implementer's should ensure that they devise means of overcoming them.

Monitoring is important at this implementation phase to ensure that the project is implemented as per the schedule. This is a continuous process that should be put in place before project implementation starts.

As such, the monitoring activities should appear on the work plan and should involve all stake holders. If activities are not going on well, arrangements should be made to identify the problem so that they can be corrected.

Monitoring is also important to ensure that activities are implemented as planned. This helps the implementers to measure how well they are achieving their targets. This is based on the understanding that the process through which a project is implemented has a lot of effect on its use, operation and maintenance.

Relationship among monitoring, planning and implementation

The close relationship between monitoring, planning and implementation demonstrates that:

- Planning describes ways which implementation and monitoring should be done;
- Implementation and monitoring are guided by the project work plan; and
- Monitoring provides information for project planning and implementation.

There is a close and mutually reinforcing (supportive) relationship between planning, implementation and monitoring. One of the three cannot be done in isolation from the other two, and when doing one of the three, the planners and implementers have to cater for the others.

Advantages of Monitoring and Evaluation

Monitoring and evaluating the planning activities and status of implementation of the plan is - for many organizations -- as important as identifying strategic issues and goals. One advantage of monitoring and evaluation is to ensure that the organization is following the direction established during strategic planning.

The above advantage is obvious. You can learn a great deal about your organization and how to manage it by continuing to monitor the implementation of strategic plans.

Note that plans are guidelines. They aren't rules. It's OK to deviate from a plan. But planners should understand the reason for the deviations and update the plan to reflect the new direction.

Responsibilities for Monitoring and Evaluation

The strategic plan document should specify who is responsible for the overall implementation of the plan, and also who is responsible for achieving each goal and objective.

The document should also specify who is responsible to monitor the implementation of the plan and made decisions based on the results.

Key Questions While Monitoring and Evaluating Status of Implementation of the Plan

1. Are goals and objectives being achieved or not? If they are, then acknowledging, reward and communicate the progress. If not, then consider the following questions.
2. Will the goals be achieved according to the timelines specified in the plan? If not, then why?
3. Should the deadlines for completion be changed (be careful about making these changes - know why efforts are behind schedule before times are changed)?
4. Do personnel have adequate resources (money, equipment, facilities, training, etc.) to achieve the goals?
5. Are the goals and objectives still realistic?
6. Should priorities be changed to put more focus on achieving the goals?
7. Should the goals be changed (be careful about making these changes -- know why efforts are not achieving the goals before changing the goals)?
8. What can be learned from our monitoring and evaluation in order to improve future planning activities and also to improve future monitoring and evaluation efforts?

Frequency of Monitoring and Evaluation

The frequency of reviews depends on the nature of the organization and the environment in which its operating. Organizations experiencing rapid change from inside and/or outside the organization may want to monitor implementation of the plan at least on a monthly basis.

Reporting Results of Monitoring and Evaluation

Always write down the status reports. In the reports, describe:

1. Answers to the above key questions while monitoring implementation.
2. Trends regarding the progress (or lack thereof) toward goals, including which goals and objectives
3. Recommendations about the status
4. Any actions needed by management

Deviating from Plan

It's OK to deviate from the plan. The plan is only a guideline, not a strict roadmap which must be followed.

Usually the organization ends up changing its direction somewhat as it proceeds through the coming years. Changes in the plan usually result from changes in the organization's external environment and/or client needs result in different organizational goals, changes in the availability of resources to carry out the original plan, etc.

The most important aspect of deviating from the plan knows why you're deviating from the plan, i.e., having a solid understanding of what's going on and why.

Self-Check -3	Written Test
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Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. Write common relationship among monitoring, planning and implementation? (2 pts)
2. What are demerits of monitoring and Evaluation? (2 pts)

Note: Satisfactory rating - 4 points

Unsatisfactory - below 4 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

Information Sheet-4	Adjusting implementation plan
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4. 1. Purpose of adjusting implementation plan

The purpose of the project implementation plan is to provide stakeholders with the confidence that accomplishment of current project has been well considered, and to list the tasks, activities and processes involved in producing deliverables. ... Manage changes according to change management plan.

Be sure some mechanism is identified for changing the plan, if necessary. For example, regarding changes, write down:

- What is causing changes to be made?
- Why the changes should be made (the "why" is often different than "what is causing" the changes).
- The changes to made, including to goals, objectives, responsibilities and timelines.

Manage the various versions of the plan (including by putting a new date on each new version of the plan).

Always keep old copies of the plan. Always discuss and write down what can be learned from recent planning activity to make the next strategic planning activity more efficient.

Adjusting Plans

Plans are rarely implemented as designed. That is not a problem – it is acceptable to adjust plans. The plan is only a guideline – not a strict roadmap, which must be followed exactly as specified when first written. Plans must be flexible. Changes can be done systematically, including to:

1. Recognize the need for a deviation from the plan.
2. Understand the reason for the deviation.
3. Decide what the change should be.
4. Communicate the need for the change to the plan and what the change should be (before making the change to the plan).
5. Obtain approval to make the change.
6. Make the change to the plan.
7. Update the version of the plan, for example, changing the date on each of the pages and adding commentary that explained the change.

8. Track the status of the plan.

What are the steps in an implementation plan?

Step 1: Review and refine your action plan(s)

Step 2: Prepare for implementation

Step 3: Prepare for evaluation

Step 4: Make mid-course corrections based on evaluation results

Step 5: Develop a plan to communicate about implementation and evaluation

Self-Check -4	Written Test
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Directions: Answer all the questions listed below.

1. What changes Adjusting Plans include? (3 point)

Note: Satisfactory rating - 3points

Unsatisfactory –below 3

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Short Answer Questions

1. _____

2. _____

References

- Indicator development and the planning cycle
- Guidelines and Resources for Implementation Phase of Consulting
- Improving business performance

