



Bar Bending & Concreting Level II

Learning Guide - 62

Unit of Competence: - Develop Business Practice

Module Title: - Developing business practice

LG Code: EIS BBC2 M16 L01 -LG-62

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L0 1: Identify Business Opportunity and Business Skills



Instruction Sheet

Learning Guide #-62

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

- Investigating and identifying business opportunities.
- Feasibility study on business viability.
- Market research on product or service.
- Seeking assistance of specialist and relevant parties in feasibility study
- Impact of emerging or changing technology in business operations
- Assessing practicability of business opportunity in line with
 - ✓ Risk
 - ✓ Return
 - ✓ Resources available
- Completing business plan for operation

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 –**

- Elaborate the concept of paradigm shift and means of divergent thinking
- Discuss the strategies to look beyond the boundaries.
- Identify unusual business opportunities.
- Assess the feasibility on *business skills and personal attributes* and match against those perceived as necessary for a particular business opportunity.
- Elaborate new behavior on how problems can be the pivotal source of business opportunity and take experience.
- Discuss the assistance sought with feasibility study of *specialist and relevant parties*.
- Evaluate the Impact of emerging or changing technology, including e-commerce, on business operations.
- Assess the Practicability of business opportunity in line with perceived business risks, returns sought, personal preferences and resources available.
- Revise business plan in accordance with identified opportunities.



Learning Instructions:

1. Read the specific objectives of this Learning Guide.
2. Follow the instructions described in number 3 to 7.
3. Read the information written in the “Information Sheets 1”. Try to understand what are being discussed. Ask your teacher for assistance if you have a hard time understanding them.
4. Accomplish the “Self-check 1” **in page 6**.
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”. However, if your rating is unsatisfactory, see your teacher for further instructions or go back to Learning Activity #1.
7. Submit your accomplished Self-check. This will form part of your training portfolio.



Information Sheet-1	Investigating and identifying business opportunities
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1.1 Concept of paradigm shift

- **"Paradigm"** designates what the members of a certain scientific community have in common, that is to say, the whole of techniques, patents and values shared by the members of the community which may be consciously articulated or, more likely, simply assumed and not intentionally acknowledged.
- **Paradigm shift** is the decline of the old paradigm, when the paradigm begins to fail solving problems and the emergence of a new one paradigm.
- **A paradigm shift** is necessary in most cases in order to generate a new business

1.2 Meaning of a Business Idea

A business idea is the response of a person or persons, or an organization to solving an identified problem or to meeting perceived needs in the environment (markets, community, etc.).

1.3 Meaning of a Business Opportunity

- A business opportunity may be defined simply as an attractive investment idea or proposition that provides the possibility of a monetary return for the person taking the risk.

1.4 Criteria for identifying a business opportunity

1. **Real demand**; it should have the potential to fulfill the needs and wants of customers
2. Return on investment;
3. Availability of resources and skills
4. Meet objectives
5. Be competitive

1.5 Unusual business opportunities

- These are new types of business opportunities which are not the same as that of most business opportunities in terms of their nature as well as the way they are utilized in business operation.



- Unusual business opportunities may originate as a result of different occasions; some of these may be
 - ✓ Public holidays
 - ✓ Ceremonies
 - ✓ Natural disaster
 - ✓ Campaigns
 - ✓ Changing way of life
 - ✓ Changing culture
 - ✓ Changing technology
 - ✓ Economic growth
- **Unusual business opportunities** may differ from place to place, from culture to culture, as well as from country to country. This is because what may be unusual business opportunity in one culture or country may not be unusual business opportunity in another culture as a result of differences among two or more cultures and countries.



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. A Business idea is similar to a business opportunity
 - A. True
 - B. False
2. A factor for business opportunity
 - A. Real demand
 - B. Satisfied needs
 - C. Non availability of resources
 - D. Possible loss on investment

Short Answer Questions

1. Define a business opportunity
2. Mention at least three criteria of a business opportunity?

Note: Satisfactory rating - 6 points

Unsatisfactory - below 6 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____



Information Sheet-2	Feasibility study on business viability
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2.1 Concept of a Feasibility Study

- In general, a **feasibility study** is an analysis that takes all of a project's/business's relevant factors into account—including economic, technical, legal, and scheduling considerations—to ascertain the likelihood of completing the project successfully.

2.2 Business skills: are the necessary skills required by individuals to conduct business operation successfully.

- The followings are the common business skills
 - ✓ Communication skills
 - ✓ Planning skills
 - ✓ Productivity skills
 - ✓ Creativity skills

2.3 Personal attributes for business

- **Personal attributes** for undertaking a business are those characteristics of an individual that make him/her successful in the day to day activities of a business.
- Even if there are various attributes for an individual to be successful in business, the followings are the most common ones
 - ✓ Working Hard
 - ✓ Getting Family Support
 - ✓ Be Energetic
 - ✓ Having an Internal sense of responsibility for all actions,
 - ✓ Taking moderate risks
 - ✓ Having a high Need to Achieve
 - ✓ Getting Business Experience
 - ✓ Being Independent
 - ✓ Having a Self-employed Parent as a Role Model
 - ✓ Has Self-confidence
 - ✓ Has Determination
 - ✓ Adapts to Change



- ✓ Has a Good Network of Professionals

2.4 Importance of a feasibility study

The importance of Feasibility studies include the followings

- They can allow a business to address where and how it will operate
- Identify potential obstacles that may impede its operations
- Recognize the amount of funding it will need to get the business up and running.
- Lead to marketing strategies that could help convince investors or banks

2.5 Tools for Conducting a Feasibility Study

- Get feedback about the new concept from the appropriate stakeholders.
- Analyze and ask questions about your data to make sure that it's solid.
- Conduct a market survey or market research to enhance data collection.
- Write an organizational, operational, or a business plan.
- Prepare a projected income statement.
- Prepare an opening day balance sheet.
- Make an initial "go" or "no-go" decision about moving ahead with the plan.

2.6 Parts of a feasibility study report

The followings are the major elements of a feasibility study report

- **Executive summary**—Narrative describing details of the project, product, service, plan, or business.
- **Technological considerations**—what will it take? Do we have it? If not, can we get it? What will it cost?
- **Existing marketplace**—examine the local and broader markets for the product, service, plan, or business.
- **Marketing strategy**—describe it in detail.
- **Required staffing, including organizational chart**—what are the human capital needs for this project?
- **Schedule and timeline**, along with significant interim markers, for the project's completion date.
- **Project financials.**



- **Findings and recommendations**—break down into subsets of technology, marketing, organization, and financials.



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. A feasibility study does not include
 - A. Executive summary
 - B. Technological considerations
 - C. Manufacturing process
 - D. Schedule and timeline
2. A feasibility study takes into consideration only the economic aspect
 - A. True
 - B. False

Answer Questions

1. Why a feasibility study is undertaken?

Note: Satisfactory rating - 3 points

Unsatisfactory - below 3 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____ **Short**



Information Sheet-3

Market research on product or service

3.1 Meaning of a marketing

- **Marketing** is the process of planning and executing the pricing, promotion, and distribution of products and services in order to create exchanges that satisfy both the firm and its customers.
- **Focus areas of marketing**
 - (1) Getting the right goods and services
 - (2) To the right people,
 - (3) At the right place and time,
 - (4) With the right price, and
 - (5) Through the use of the right blend of promotional techniques.

3.2 Meaning of market research

- **Marketing research** is the function that links the consumer, customer and public to the marketer through information – information used to identify and define marketing opportunities and problems; generate, refine, and evaluate marketing actions; monitor marketing performance; and improve understanding of marketing as a process.
- **Marketing research** specifies the information required to address these issues; designs the method for collecting information; manages and implements the data-collection process; analyzes the results; and communicates the findings and their implications.
- **Marketing research** is a function that links the consumer, customer and public to the marketer through information for marketing purposes

3.3 Reasons for conducting a Marketing research

The goal of doing market research is to equip yourself with the information you need to make informed business decisions on the 4Ps (Product, Price, Placement and Promotion) of marketing activities listed below:

1. **Product** — Improve your product or service based on findings about what your customers really want and need. Focus on things like function, appearance and customer service or warranties.



2. **Price** — set a price based on popular profit margins, competitors' prices, financing options or the price a customer is willing to pay.
3. **Placement** — Decide where to set up and how to distribute a product. Compare the characteristics of different locations and the value of points of sale (retail, wholesale, on line).
4. **Promotion** — Figure out how to best reach particular market segments (teens, families, students, professionals, etc.) in areas of advertising and publicity, social media, and branding.

3.4. Major Elements of a marketing research report

- A market research should be prepared in terms of report which include the followings in sequential order
 - ✓ Cover page
 - ✓ Acknowledgement
 - ✓ Table of contents
 - ✓ List of tables
 - ✓ List of figures
 - ✓ Problem statement
 - ✓ Research objectives
 - ✓ Develop data collecting tools (questionnaires, interview)
 - ✓ Launch the study and collect the data
 - ✓ Data Analysis
 - ✓ Presentation of the results
 - ✓ Conclusions
 - ✓ Recommendations

**Self-Check -3****Written Test**

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

Short Answer Questions

1. What is a marketing research?
2. What are the steps of a marketing research process? (5 points)

Note: Satisfactory rating - 6 points

Unsatisfactory - below 6 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____



Information Sheet-4	Seeking assistance of specialist and relevant parties
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4.1. Deciding who should do the marketing research

- A marketing research may be undertaken by a firm's own research staff alone, given to an outside agency to perform, or some combination of both of these options.
- If the research is conducted in combination, the research proposal should identify who should do what.

4.2. Specialist and relevant parties in marketing research

The type of specialists who can assist in the marketing research process depends on the nature of the marketing research and its divisions. Therefore,

- Research experts
- Economists
- Accountants
- Marketing experts
- Psychologists
- Technical experts of the business whose data is used for conducting marketing research



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:

Short Answer Questions

1. What are the forms of conducting marketing research (3)
2. Mention two professionals who can help in conducting a marketing research.(2)

Note: Satisfactory rating - 5 points

Unsatisfactory - below 5 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____



Information Sheet-5

Impact of emerging or changing technology

5.1 Definition of technology and technological change

- The definition of the term 'technology' emanates from its various natures across many disciplines. The concept of technology can be grouped in to three major clusters as follows:
 - ✓ Technology could be taught as tools, machineries
 - ✓ Technology may be considered as the process of transforming inputs into outputs (production technology)
 - ✓ Technology may be also considered as a symbol and ideology (a key factor in transforming societies; it has become associated with modernity, progress and rationality)
- A technological change, from the definition of technology point of view, means change in tools, machineries, process of technology, symbol and ideology

5.2 Impact of changing technology on business operation

- It is clear that technological change bring either a positive or negative impact on the day to day activities of businesses.
- Some of the positive impacts of technological change in the day to day activities of businesses are
 - ✓ Increased productivity
 - ✓ Increased service quality
 - ✓ Faster production of goods and services
 - ✓ Better quality of products and services
 - ✓ Bring new products and services
 - ✓ More profitability
- Some of the negative impacts of technological change in the day to day activities of businesses are
 - ✓ Closure of businesses
 - ✓ Layoffs of workers
 - ✓ Increased prices of goods and services



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:

Short Answer Questions

1. Give one of the definitions of technology?
2. Mention two positive impacts of technological change on business.(2 points)
3. Mention two negative impacts of technological change on business.(2 points)

Note: Satisfactory rating - 5 points

Unsatisfactory - below 5 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____



Information Sheet-6

Assessing practicability of business opportunity in line with risk, return and resources available

- Before any new business is started its operation, the practicability of this operation should be checked in terms of risk, return and availability of resources.

6.1 Practicability of business opportunity in line with risk

- The types of risks to be taken based on the nature of business should be determined before launching a business venture.
- The mechanisms for reducing or eliminating those risks should be well developed for the smooth operation of the business.

6.2 Practicability of business opportunity in line with return

- Every business established the purpose of getting profit (return). Therefore, it should be clear that as a result of its day to day activities, a business should be assured that it will get the anticipated profit (return) otherwise it will not start operation.
- In this case, the business must clearly identify the resources required to start business as well the costs that should be incurred for these resources.

6.3 Practicability of business opportunity in line with available resources

- Every business needs resources of various types for conducting its activity.
- An appropriate effort should be made to assure the business that it will get these resources in adequate amount as required as well have the capability to obtain these resources i.e. the business enough finance for getting the necessary resources for its day to day activities.



Self-Check -6	Written Test
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Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

Short Answer Questions

1. What do we mean by assessing the practicability of business opportunity in line with return?

Note: Satisfactory rating - 1 point

Unsatisfactory - below 1 point

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____



Information Sheet-7	Revising/Completing business plan for operation
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7.1 Concept of a business plan

- **A business plan** is a detailed report on a company's products or services, production techniques, markets, human resources, organization, requirements of infrastructure, financing requirements, and sources and uses of funds.

7.2 Major components of a common business plan

- The followings are the parts of the common business plan
 - ✓ Executive Summary (summary of the full business plan)
 - ✓ Background (short historical background of the business)
 - ✓ Main products, Markets and Customers (of the business)
 - ✓ Market Analysis
 - ✓ Marketing Plan
 - ✓ Business operations Management
 - ✓ Management and Organization
 - ✓ SWOT Analysis
 - ✓ Financial planning (basic financial statements, breakeven point, cash flow statements...)

7.3 When is a business plan prepared?

- When thinking of going into business/startup of a new business
- When updating the business is required
- When new information/idea is obtained
- When new experiences are gained
- When there is a major decision

7.4 Who prepare a business plan?

- Prospective business owner/managers (CEO and, marketing, production, HR and finance managers)
- An advice/support agency, or a professional figure such as an accountant, may assist in writing certain areas of the business plan for it to look professional
- A computer programmed providing a model that can be modified to suit your business can also be utilized.

7.5 Basic considerations of a business plan?

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- **Market** (should be large enough for the business to survive profitably)
- **Financial projections** should be realistic
- **The return for the investors or lenders** should be clear and guaranteed
- **Size of the Business Plan** - Content of B/Plan - should be between 15-35 pages.
- **Period covered by the B/Plan** – 3-5 years projection.
- **Design-** use blank spaces between sentences. Use short sentences and paragraphs - 6-8 lines, and double space lines
- **Type of Fonts** – Times or Times New Roman size 10-12. Titles – Arial or Univers 12-16 bold face, italics or underlined.
- **Bullets** – Highlight important information with bullets. Reduce your sentences, use direct language and separate information into paragraphs
- **Images** – Colorful graphic, photograph, graphs and tables

7.6 Revision / updating/ of a business plan

- Revising/Updating a business plan is necessary as there are many factors changing from time to time.
- The followings are the common eight reasons for revising/updating a business plan.
 - ✓ A new financial period is about to begin
 - ✓ You need additional financing.
 - ✓ Significant markets change
 - ✓ New or stronger competitors are looking to your customers for their growth.
 - ✓ Your firm develops a new product, technology, service or skill
 - ✓ You have had a change in management
 - ✓ Your old plan doesn't seem to reflect the present reality anymore

Self-Check -7	Written Test
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Directions: Answer all the questions listed below. Use the Answer sheet provided in the next page:

1. An accountant may help in the preparation of a business plan
A. True
B. False
2. The content of a business plan should be from 25 to 35
A. True
B. False

Short Answer Questions

1. What is a business plan?
2. Mention at least 2 reasons for revising/updating business plan?(2 points)

Note: Satisfactory rating - 5 points

Unsatisfactory - below 5 points

Answer Sheet

Score = _____

Rating: _____

Name: _____

Date: _____

Operation Sheet-1

Marketing Research Process



- **The stages of a marketing research process**

Stage 1: Identifying the Problem

Stage 2: Designing the Study

Stage 3: Selecting a Sample

Stage 4: Gathering the Data

Stage 5: Analyzing the Results

Stage 6: Communicating the Findings and their Implications

Operation Sheet-2	Basic steps that apply to all feasibility studies.
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Step 1: Deciding if you need to do a Feasibility Study- Assessment Stage

Step 2: Performing Market Research and Analysis Stage

Step 3: Performing Organizational and Technical Analysis- Analysis Stage

Step 4: Performing Financial Analysis- Analysis Stage

Step 5: Completing the Feasibility Study- Interpretation Stage



List of Reference Materials

1- BOOKS

- **A practical guide to Market Research** by Paul Hague B2B International, Stockport March 2006
- **Critical Business Skills for success** by Tomas J. Goldsby; USA Virginia 2015-2299 Copyright © The Teaching Company, 2015
- **Basic marketing research:** Scott M. Smith | Gerald S. Albaum
© Copyright 2012, Qualtrics Labs, Inc. Qualtrics Labs, Inc. 2250 N. University Parkway #48C Provo, Utah, 84604, USA
- **Business Marketing: Present and Future** by Gary L. Lilien *Pennsylvania State University, USA*
- **Business Opportunity Identification and Selection: Dr. Neeraj Pandey**
Assistant Professor LM Thapar School of Management
- **The Business Plan** Gerald Schwetje · Sam Vaseghi Hamburger Beratungs-Kontor GmbH & Co. KG Neue ABC-Str. 8 20354 Hamburg Germany gschwetje@beratungskontor.de
- **Business Skills for a Changing World:** October 27. 2011
- **Impact of Technology on the Business Strategy Performance Relationship in Building Core Competence in Uganda Small Medium Enterprises (SME's);** Bright Donat School of Management, Wuhan University of Technology, Wuhan, P.R.China, 430070 (E-mail: donsbre@gmail.com, brightdonat@yahoo.com)
- **Shaping entrepreneurial opportunities: managing uncertainty and equivocality In the entrepreneurial process:** Michelle A. Barton ; A dissertation submitted in partial fulfilment of the requirements for the degree of Doctor of Philosophy (Business Administration) in The University of Michigan 2010
- **The impact of technology on business process operations; GENPACT Research Institute**
- **How Often Should You Update Your Business Plan?** Booway Balhaajav; Cayenne Consulting, LLC

2- WEB ADDRESSES (PUTTING LINKS)

- <https://www.researchgate.net/publication/303995051>
- aaicpa-cima.com/cipa-cima.co
- www.genpact.com/research-institute
- www.caycon.com.



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