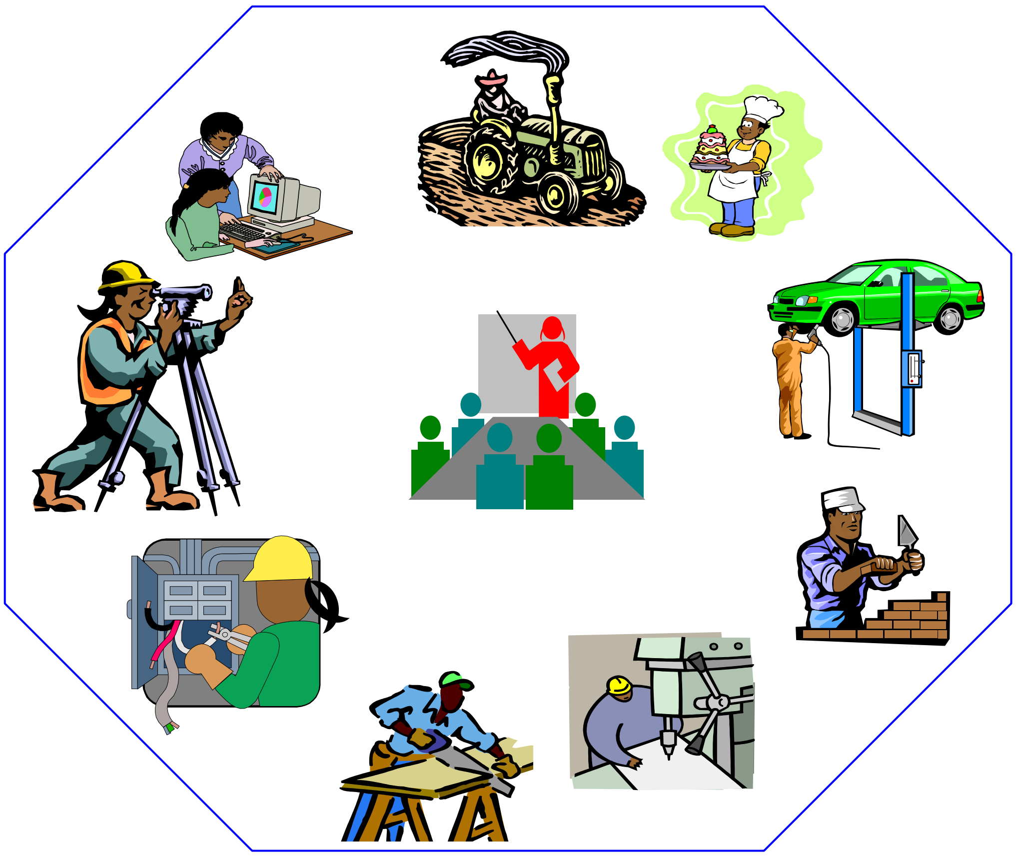
**ETHIOPIA TVET SYSTEM**
**Advanced Leather Goods Production Level III**
**Based on January 2012 OS Version 4 and December 2020 Version 1 Curriculum**



**Module Title: Improving Business practice**
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## L G# 54 LO #1- Diagnose the business

*Instruction sheet*

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 outcomes stated in the cover page. Specifically, upon completion of this learning guide, you will be able to:

- Identify Sources data
- Determine and acquiring data for diagnosis.
- Conduct Value chain analysis.
- Undertake SWOT analysis of the data.
- Determine Competitive advantage of the business.

Read the specific objectives of this Learning Guide.

1. Follow the instructions described below.
2. Read the information written in the “Information Sheets”. Try to understand what are being discussed. Ask your trainer for assistance if you have hard time understanding them.
3. Accomplish the “Self-checks” which are placed following all information sheets.
4. 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-checks).

## Information Sheet-1.1: Identifying Sources data

### 1. Identify source of data

The bedrock of data analysis and interpretation is formed by the collection of data. 'Data' is basically unorganized statistical facts and figures collected for some specific purposes, such as analysis. There can be different sources of data, such as statistical and non-statistical sources.

Also, there are different methods of data collection, depending on the type of data. There are two main types of data: primary and secondary. Understanding the difference between the two is important in deciding which method of data collection to use. Tremendous amounts of statistical analyses are carried out continuously in countries for publication purposes or even for policy framing. In program evaluation, methods of data collection beyond first-hand research exist. Data retrieved first-hand is known as primary data, but data retrieved from preexisting sources is known as secondary data.

### 1.1. Types of Data and Data Collection

Like stated earlier, there are two types of data: primary and secondary.

#### 1.1.1. Primary data

As the name suggests, are first-hand information collected by the surveyor. The data so collected are pure and original and collected for a specific purpose. They have never undergone any statistical treatment before. The collected data may be published as well. The Census is an example of primary data.

Methods of primary data collection:

- Personal investigation: The surveyor collects the data himself/herself. The data so collected is reliable but is suited for small projects.

- Collection Via Investigators: Trained investigators are employed to contact the respondents to collect data.
- Questionnaires: Questionnaires may be used to ask specific questions that suit the study and get responses from the respondents. These questionnaires may be mailed as well.
- Telephonic Investigation: The collection of data is done through asking questions over the telephone.to give quick and accurate information.

### 1.1.2. Secondary data

Secondary data are opposite to primary data. They are collected and published already (by some organization, for instance). They can be used as a source of data and used by surveyors to collect data from and conduct the analysis. Secondary data are impure in the sense that they have undergone statistical treatment at least once.

Methods of secondary data collection:

- Official publications such as the Ministry of Finance, Statistical Departments of the government, Federal Bureaus, Agricultural Statistical boards, etc. Semi-official sources include State Bank, Boards of Economic Enquiry, etc.
- Data published by Chambers of Commerce and trade associations and boards.

Articles in the newspaper, from journals and Summary

Public and private datasets are expanding and becoming available for organizations. This thrives the innovation and new brand solutions to fix the unknown errors in the world. In today's time, private initiatives are being launched; these marketplaces collect public and private datasets for the aspiring companies. Organizations which are smoothly running their business through websites can also sell their datasets, whereas visitors benefit from accessing and downloading data without spending huge amount of money.

*Self-check 1*

Name: ___________________________ Date: ________________

1. Write Methods of primary and secondary data collection:

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***Note:*** **Satisfactory rating – 100%**

**Answer Sheet**

| |
|---|
| Score = ____________ |
| Rating: _____________ |

Name: ___________________________ Date: ________________

## Information Sheet-1.2 : Determining and acquiring data for diagnosis

### 1. Acquiring/determining data required

Data acquisition has been understood as the process of gathering, filtering, and cleaning data before the data is put in a data warehouse or any other storage solution. The acquisition of big data is most commonly governed by four of the Vs: volume, velocity, variety, and value. Most data acquisition scenarios assume high-volume, high-velocity, high-variety, but low-value data, making it important to have adaptable and time-efficient gathering, filtering, and cleaning algorithms that ensure that only the high-value fragments of the data are actually processed by the data-warehouse analysis.

Prior to the Big Data revolution, companies were inward-looking in terms of data. During this time, data-centric environments like data warehouses dealt only with data created within the enterprise. But with the advent of data science and predictive analytics, many organizations have come to the realization that enterprise data must be fused with external data to enable and scale a digital business transformation.

This means that processes for identifying, sourcing, understanding, assessing and ingesting such data must be developed. This brings us to two points of terminological confusion. First, "data acquisition" is sometimes used to refer to data that the organization produces, rather than (or as well as) data that comes from outside the organization. This is a fallacy, because the data the organization produces is already acquired.

Second, the term "ingestion" is often used in place of "data acquisition." Ingestion is merely the process of copying data from outside an environment to inside an environment and is very much narrower in scope than data acquisition. It seems to be a term that is more commonplace, because there are mature ingestion tools in the marketplace. (These are extremely useful, but ingestion is not data acquisition.)

**The data acquisition process**

Consider a basic set of tasks that constitute a data acquisition process:

- A need for data is identified, perhaps with use cases
- Prospecting for the required data is carried out
- Data sources are disqualified, leaving a set of qualified sources
- Vendors providing the sources are contacted and legal agreements entered into for evaluation
- Sample data sets are provided for evaluation
- Semantic analysis of the data sets is undertaken, so they are adequately understood
- The data sets are evaluated against originally established use cases
- Legal, privacy and compliance issues are understood, particularly with respect to permitted use of data
- Vendor negotiations occur to purchase the data
- Implementation specifications are drawn up, usually involving Data Operations who will be responsible for production processes
- Source on boarding occurs, such that ingestion is technically accomplished
- Production ingest is undertaken.

## *Self-check 2*

Name: ___________________________ Date: ________________

1. Write at least 5 basic set of tasks that constitute a data acquisition process

_____________________________________________________________________

_____________________________________________________________________

_____________________________________________________________________

_____________________________________________________________________

_____________________________________________________________________

***Note:*** **Satisfactory rating – 100%**

**Answer Sheet**

Score = ___________

Rating: ____________

Name: ___________________________ Date: ________________

## Information Sheet-1.3 : Conducting Value chain analysis

### 1.3.1. Value and Value Chain

Value is the total amount (i.e. total revenue) that buyers are willing to pay for a firm's product. The difference between the total value and the total cost performing all of the firm's activities provides the margin.

A value chain is a business model that describes the full range of activities needed to create a product or service. Margin implies that organizations realize a profit margin that depends on their ability to manage the linkages between all activities in the value chain. In other words, the organization is able to deliver a product / service for which the customer is willing to pay more than the sum of the costs of all activities in the value chain.

A value chain concentrates on the activities starting with raw materials till the conversion into final goods or services. The sources of the competitive advantage of a firm can be seen from its discrete activities and how they interact with one another. The ultimate goals in performing value chain analysis are to maximize value creation while also monitoring and minimizing costs.

### Value Chain Analysis

Value chain analysis is the process of looking at the activities that go into changing the inputs for a product or service into an output that is valued by the customer. The purpose of a value-chain analysis is to increase production efficiency so that a company can deliver maximum value for the least possible cost. Value chain analysis is a way to visually analyze a company's business activities to see how the company can create a competitive advantage for itself. Value chain analysis helps a company understands how it adds value to something and subsequently how it can sell its product or service for more than the cost of adding the value, thereby generating a profit margin. In other words, if they are run efficiently the value obtained should exceed the costs of running them i.e. customers should return to the organization and transact freely and willingly.

## Elements of Value Chain Analysis

Most organizations engage in hundreds, even thousands, of activities in the process of converting inputs to outputs. These activities can be classified generally as either primary or support activities that all businesses must undertake in some form.

### Primary Activities

Primary activities are directly concerned with creating and delivering a product. They can be grouped into five main areas: inbound logistics, operations, outbound logistics, marketing and sales, and service. Each of these primary activities is linked to support activities which help to improve their effectiveness or efficiency.

**The primary activities are:**

- **Inbound logistics** Refers to goods being obtained from the organization's suppliers and to be used for producing the end product.
- **Operations** Raw materials and goods are manufactured into the final product. Value is added to the product at this stage as it moves through the production line.
- **Outbound logistics** once the products have been manufactured they are ready to be distributed to distribution centers, wholesalers, retailers or customers. Distribution of finished goods is known as outbound logistics.
- **Marketing and Sales** Marketing must make sure that the product is targeted towards the correct customer group. The marketing mix is used to establish an effective strategy any competitive advantage is clearly communicated to the target group through the promotional mix.
- **Services** After the product/service has been sold what support services does the organization offer customers? This may come in the form of after sales training, guarantees and warranties.

**Support Activities**

Support activities assist the primary activities in helping the organization achieve its competitive advantage. There are four main areas of support activities:

- procurement,
- technology development (including R&D),
- human resource management, and
- Infrastructure (systems for planning, finance, quality, information management etc.). They include:

**1. Firm infrastructure**

Every organization needs to ensure that their finances, legal structure and management structure work efficiently and helps drive the organization forward. Inefficient infrastructures waste resources, could affect the firm's reputation and even leave it open to fines and sanctions.

**2. Human resource management**

The organization will have to recruit, train and develop the correct people for the organization to be successful. Staff will have to be motivated and paid the 'market rate' if they are to stay with the organization and add value.

**3. Technology development**

The use of technology to obtain a competitive advantage is very important in today's technological driven environment. Technology can be used in many ways including production to reduce cost thus add value, research and development to develop new products and the internet so customers have 24/7 access to the firm.

**4. Procurement**

This department must source raw materials for the business and obtain the best price for doing so. The challenge for procurement is to obtain the best possible quality available (on the market) for their budget.

### Link between Primary and Support Activities

As mentioned before, primary activities add value directly to the production process, but they are not necessarily more important than support activities. Nowadays, competitive advantage mainly derives from technological improvements or innovations in business models or processes. Therefore, such support activities as 'information systems', 'R&D' or 'general management' are usually the most important source of differentiation advantage. On the other hand, primary activities are usually the source of cost advantage, where costs can be easily identified for each activity and properly managed.

## *Self-check 3*

Name: ________________________ Date: ______________

Directions:Matching (2pts each)

**Column AColumn B**

| | |
|---|---|
| 1. Value | A. total amount of revenue |
| 2. Value chain | B. analyze a company's business activities |
| 3. Value chain analysis | C. describes the full range of activities |
| 4. Primary activity | D. service |
| 5. Supporting activity | E. technology development |
| | F. total amount of cost |

***Note:* Satisfactory rating – 100%**

**Answer Sheet**

Score = ___________

Rating: ____________

Name: ________________________ Date: ______________

**Short Answer Questions**

## Information Sheet-1.4: Undertaking SWOT analysis of the data.

### Introduction

SWOT analysis (strengths, weaknesses, opportunities and threats analysis) is a framework for identifying and analysing the internal and external factors that can have an impact on the viability of a project, product, place or person. SWOT (strengths, weaknesses, opportunities, and threats) analysis is a framework used to evaluate a company's competitive position and to develop strategic planning. SWOT analysis assesses internal and external factors, as well as current and future potential.

- **Strengths:** characteristics of the business or project that give it an advantage over others.
- **Weaknesses:** characteristics of the business that place the business or project at a disadvantage relative to others.
- **Opportunities:** elements in the environment that the business or project could exploit to its advantage.
- **Threats:** elements in the environment that could cause trouble for the business or project.

### When and why you should do a SWOT analysis

A SWOT analysis is often used at the start of or as part of a strategic planning exercise. The framework is considered a powerful support for decision-making because it enables an entity to uncover opportunities for success that were previously unarticulated or to highlight threats before they become overly burdensome. For example, this exercise can identify a market niche in which a business has a competitive advantage or help individuals plot career success by pinpointing a path that maximizes their strengths while alerting them to threats that can thwart achievement.

## Elements of a SWOT analysis

As its name states, a SWOT analysis examines four elements:

- **Strengths**: Internal attributes and resources that support a successful outcome.
- **Weaknesses:** Internal attributes and resources that work against a successful outcome.
- **Opportunities:** External factors that the entity can capitalize on or use to its advantage.
- **Threats:** External factors that could jeopardize the entity's success.

## SWOT analysis

A SWOT analysis generally requires decision-makers to first specify the objective they hope to achieve for the business, organization, initiative or individual.

From there, the decision-makers list the strengths and weaknesses as well as opportunities and threats.

A. Internal strength

Strengths: good communication skills, on time for shifts, handles customers well, gets along well with all departments, physical strength, good availability.Some common employee strengths include loyalty, hard work ethic, humour, flexibility, ambition, excellent written communication, excellent verbal communication, creativity, tech-savvy, thinking outside of the box, strong interpersonal skills, persuasiveness and industry-specific skills and knowledge. The best managers place employees in positions in which they can best use their strengths and build on them. Revise job descriptions, switch employees' positions, add or change responsibilities, and do what you need to in order to place employees in positions where they can succeed and use their skills. Focus on the positives and how you can build on each employee's unique strengths. If an employee is good with people, for instance, devise ways the employee can become more involved with people in your business, like working in customer service to answer calls or replay to emails.

B. Internal weakness

Weaknesses: takes lengthy smoke breaks, low technical skill, very prone to spending time chatting. Evaluate your employees' weaknesses as well. Consider factors such as tardiness, communication problems, lack of enthusiasm or drive, poor comprehension of materials or programs, and difficulty getting along with others. Work with each employee to come up with measurable goals for improvement. Devise a system to track each employee's progress and check in regularly.

If an employee has a problem with attendance or tardiness, for instance, create an attendance chart and offer positive reinforcement – such as praise or recognition – for good attendance each week. For employees with technical problems or a lack of understanding, offer training on computer programs or systems. Other ways to track employees' progress may include having employees keep track of their daily or weekly sales numbers.

For more subjective areas, such as people skills, consider holding office seminars on topics such as diversity, compromise or communication or paying for employees to attend training. Offer incentives for the training – such as lunch for all participants or a certificate. If you need help offering feedback to employees, have your managers work with employees to set and track goals.

C. External opportunity

Opportunities store front worker, greeting customers and assisting them find product, helping keep customers satisfied, assisting customers post purchase with items and ensuring buying confidence, stocking shelves. Opportunities are openings or chances for something positive to happen, but you'll need to claim them for yourself!

They usually arise from situations outside your organization, and require an eye to what might happen in the future. They might arise as developments in the market you serve, or in the technology you use. Being able to spot and exploit opportunities can make a huge difference to your organization's ability to compete and take the lead in your market.

Think about good opportunities you can spot immediately. These don't need to be game-changers: even small advantages can increase your organization's competitiveness. What interesting market trends are you aware of, large or small, which could have an impact?

You should also watch out for changes in government policy related to your field. And changes in social patterns, population profiles, and lifestyles can all throw up interesting opportunities.

D. External threats

Threats include anything that can negatively affect your business from the outside, such as supply chain problems, shifts in market requirements, or a shortage of recruits. It's vital to anticipate threats and to take action against them before you become a victim of them and your growth stalls.

Think about the obstacles you face in getting your product to market and selling. You may notice that quality standards or specifications for your products are changing, and that you'll need to change those products if you're to stay in the lead. Evolving technology is an ever-present threat, as well as an opportunity.

Always consider what your competitors are doing, and whether you should be changing your organization's emphasis to meet the challenge. But remember that what they're doing might not be the right thing for you to do, and avoid copying them without knowing how it will improve your position.

Be sure to explore whether your organization is especially exposed to external challenges. Do you have bad debt or cash-flow problems, for example, that could make you vulnerable to even small changes in your market? This is the kind of threat that can seriously damage your business, so be alert.

**Using a SWOT analysis**

A SWOT analysis should be used to help an entity, whether it is an organization or an individual, to gain insight into its current and future position in the marketplace or against a stated goal. The idea is that because entities can see competitive advantages and positive prospects, as well as existing and potential problems, they can develop plans to capitalize on positives, address deficits or do both.

In other words, once the SWOT factors are identified, decision-makers should be better able to ascertain if an initiative, project or product is worth pursuing and what is required to make it successful. As such, the analysis aims to help an organization match its resources to the competitive environment in which it operates.

## *Self-check 4*

Name: ___________________________ Date: ________________

**Directions:** Matching (The column B may or may not be answer 1 or more than 1 for column A) (2 points each)

| **Column A** | **Column B** |
|---|---|
| 1. SWOT analysis | A. External factors |
| 2. Strengths | B. Internal factors |
| 3. Threats | C. Assess internal and external factors |
| 4. Opportunities | D. purpose of SWOT |
| 5. Weaknesses | |

***Note:*** **Satisfactory rating –100%**

Score = ____________

Rating: _____________

## Information Sheet-1.5: Determining Competitive advantage of the business.

**Introduction**

Competitive advantage refers to factors that allow a company to produce goods or services better or more cheaply than its rivals. These factors allow the productive entity to generate more sales or superior margins compared to its market rivals. In business, a competitive advantage is the attribute that allows an organization to outperform its competitors. A competitive advantage may include access to natural resources, such as high-grade ores or a low-cost power source, highly skilled labour, geographic location, high entry barriers, and access to new technology.

- **Factors of competitive advantage**

The six factors of competitive advantage are: Price, location, quality, selection, speed, turnaround and service. These factors are important because, your desire as an entrepreneur is to ensure that customers come into your firm or business so that their desires can be satisfied fully and they will keep on coming to you.

✓ **Prices**

The prices that you charge for different goods or services that you offer should be reasonable and favour the consumers. We know that consumers would like to acquire equality goods at affordable costs and as entrepreneurs we should put this into consideration.

✓ **Location**

We should ensure that our businesses are located in strategic places where we are easily accessible to many consumers or reach a wider market.

✓ **Quality**

The quality of the goods or services that we offer to our consumers should at no point be compromised. Consumers would rather acquire a quality good at a higher cost that a low quality one at a low cost. Entrepreneurs should therefore ensure that they strive to ensure that they produce quality goods at all times.

- ✓ **Speed**

The rate at which we produce goods or provide services should meet the pace at which the goods move. We should also select the items that we are sure that their demand is high in the market and thus we are sure of making profits. The way we provide our services also should be in a way that pleases the consumers.

- ✓ **Technology**

In any company, technology has a powerful effect on competitive advantage in either cost or differentiation. The technology affects value activities themselves or allows companies to gain competitive advantage by exploiting changes in competitive scope. Lowering cost

- ✓ **Promotion**

Sales promotions are often conceived as having tactical, rather than strategic, potential. This is accounted for by the sheer diversity of promotions, together with the hectic nature of marketing management. Proposes that promotions can provide strategic direction in guiding, targeting and positioning decisions, and can help to develop and maintain competitive advantage. This can be sustained by building a steady stream of promotions, which support each other, within a strategic plan. Competitive advantage can be achieved through cost leadership or differentiation.

## *Self-Check 5*

Name: ___________________________ Date: ________________

**Directions:**Give short answer

1. --------- refers to factors that allow a company to produce goods or services better or more cheaply than its rivals.(2 point)
2. Least at least 4 factors of competitive advantage and discuss each precisely. (6 point)

***Note:* Satisfactory rating –100%**

**Answer Sheet**

| |
|---|
| Score = ____________ |
| Rating: _____________ |

Name: ___________________________ Date: ________________

| L G# 55 LO #2- Benchmark the business |
| --- |
| **Instruction sheet** |
| This learning guide is developed to provide you the necessary information regarding the following content coverage and topics:<br>- identifying relevant benchmarked source data.<br>- Selecting key indicators for benchmarking<br>- Comparing like indicators of own practice<br>- Identifying areas for improvement<br>This guide will also assist you to attain the learning outcomes stated in the cover page. Specifically, upon completion of this learning guide, you will be able to:<br>-identifying relevant benchmarked source data.<br>- Selecting key indicators for benchmarking<br>- Comparing like indicators of own practice<br>- Identifying areas for improvement |
| Read the specific objectives of this Learning Guide.<br>1. Follow the instructions described below.<br>2. Read the information written in the “Information Sheets”. Try to understand what are being discussed. Ask your trainer for assistance if you have hard time understanding them.<br>3. Accomplish the “Self-checks” which are placed following all information sheets.<br>4. 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-checks). |

## Information Sheet-2.1: identifying relevant benchmarked source data.

**Introduction**

Benchmarks are used as reference points to help businesses understand their own performance in the context of the wider market. Benchmarking can provide vital data to establish the effectiveness of processes and operational efficiency and is often used as a way to compare customer satisfaction, product quality and cost.

Benchmarking is the process of comparing your company's results with those of others in your industry to get a better understanding of your position among your competitors. There are many compelling reasons to include benchmarking as one of your essential business activities, primarily because it is an effective way to identify best practices in your sector.

Benchmarking can help identify effective marketing strategies, inform product development and encourage new business ideas. Benchmarking can also be used to collect data to inform long-term business strategies, including reviewing critical functions to increase efficiency and improve performance.

Benchmarking your business by measuring it against competitors is an important tool for any business and is becoming increasingly popular as a way to understand an organization's position in the marketplace. Effective benchmarking can be a vital part of long-term planning and can help identify areas for growth. Understanding the different types of benchmarking can help you to use it more effectively in your business.

**Benchmarking**

In business, benchmarking is a process used to measure the quality and performance of your company’s products, services, and processes.

For example, suppose it takes 30 minutes to produce your product. Is the 30-minute measurement good or bad? The only way for you to know is to compare against other data, such as the time it takes another organization to produce a similar product. If another organization can produce the same type of product in less than 30 minutes, you can use their time as a benchmark for measuring your own processes and procedures.

The objective of benchmarking is to use the data gathered in your benchmarking process to identify areas where improvements can be made by:

- Determining how and where other companies are achieving higher performance levels than your company has been able to achieve.
- Comparing the competition's processes and strategies against your own.
- Using the information you gather from your analyses and comparisons to implement changes that will improve your company's performance, products, and services.

**Importance of benchmark**

The goal of your business should be to grow, improve processes, increase quality, decrease costs, and earn more money. Benchmarking is one of many tools you can use as part of any continuous improvement model used within your organization.

**Consistent benchmarking can help you:**

- Improve processes and procedures.
- Gauge the effectiveness of past performance.
- Give you a better idea of how the competition operates, which will help you to identify best practices to increase performance.
- Increase efficiency and lower costs, making your business more profitable.

Improve quality and customer satisfaction.

**How does benchmarking work?**

Some of the most popular benchmarking methods include:

- **Peer benchmarking:** Companies look at their closest competitors and establish whether their products or services are in-line with what else is being offered in the marketplace.
- **Best practice benchmarking:** Businesses examine the process of the companies that they aspire to be like in their industry, usually those at the cutting

edge of their sector. This allows them to compare results, establish best practices and identify areas in which they can improve their own processes.

- **SWOT analysis:** The SWOT process of benchmarking against competitors has a broader scope and works by establishing a business's strengths, weaknesses, opportunities and threats. By taking a more holistic look at competitor activity, you can get an accurate picture of the sector's landscape and how you fit into the wider market.
- **Process benchmarking:** Larger businesses can look internally to obtain process benchmark data by comparing metrics from different branches of their operations or even different methods of completing the same process.
- **Performance benchmarking:** Organizations usually look at one particular aspect of their business in order to establish performance metrics which allow them to measure their output against their own previous results as well as seeing how they compare to their competitors.
- **Collaborative benchmarking:** Some industries have trade bodies or consumer groups associated with them and these are an example of how collaborative benchmarking can work. These associations collect and publish data from all their members, allowing them to identify industry-wide trends and enabling effective reviews of best practice.

**How to use benchmarking**

Benchmarking is an interesting process in its own right as it gives some insight into the way markets work. There is also a huge amount to be learned for businesses that want to improve their efficiency, increase their profit margins or increase their market share. Best practice benchmarking examples follow this process:

**1. Set a goal**

The process of benchmarking must start with a goal in mind. This can be something industry or even company-specific, or it could mean collecting data about the wider market and identifying long-term trends. It is hugely useful as a tool to inform planning and as a means to assess the potential for expansion or diversification and any measurable metric that can inform those processes can be used to create a benchmarking strategy.

**2. Choose your metrics**

Once you know what you want to achieve, you can ascertain which metrics are going to give you the data you need. If you want to improve your online reputation, you need to assess the effectiveness of your complaints procedures, conduct customer satisfaction surveys and identify the areas in which your competitors excel. This kind of data allows you to identify any weaknesses in your systems and signpost ways in which you can improve your standing among customers.

**3. Select collection methods**

Consider which ways of collecting data will give you the best results. Some internal systems have their own analytics systems such as email providers, website user data, databases and call management systems. This data can provide valuable insight into an organization's efficiency which, in turn, reflects the quality of its staff training and the effectiveness of its existing processes.

There are many external agencies that collect data on behalf of trade associations and industry groups and these can provide valuable insight as to the position of a business within the market landscape. They can also provide data on market and industry trends and information about the type of person who is most likely to use their products or services.

**4. Analyze the data**

Once you have collected the figures, the next step is analysis. Thorough interrogation of the information reveals important information about the metrics you're assessing, so it is important to cross-check the results in order to ensure that the analysis draws useful conclusions. Professional analysts can extract data from large sets and generate recommendations and predictions that can form the basis of an action plan to improve in areas where gaps are identified.

**5. Use the information to improve**

The benchmarking process should reveal areas in which you can make improvements and provide some insight into the best way to make them. The resultant action plan should address any gaps in performance with measurable and time-sensitive targets put in place to improve the effectiveness of the internal processes. An effective action plan is specific and results-focused with regular reviews built in to allow you to address additional opportunities and make improvements through new operational initiatives.

**Benchmarking Process**

Businesses are always striving for high performance, from creating more efficient processes to selling more of their products and services. The following are steps to benchmarking selected organization to improve the productivity of the business.

**1. Select a subject to benchmark**

Executives and other senior management should be involved in deciding which processes are critical to the company's success. The processes should then be prioritized based on which metrics are most important to all stakeholders. After prioritizing, select and define the measures you want to collect.

**2. Decide which organizations or companies you want to benchmark**

Determine if you are going to benchmark processes within your own company, a competitor, or a company outside of your industry.

It may be hard to collect all the data you want if you benchmark a direct competitor. So you should select several different organizations to study in order to get the data you need. Gather information from several sources to get the most detailed information about the organization you select to study.

**3. Document your current processes**

Map out your current processes so you can identify areas that need improvement and more easily compare against the chosen organization.

### 4. Collect and analyze data

This step is important but it can prove difficult when you are trying to gather data from a competitor because a lot of that information may be confidential. Gather information through research, interviews, casual conversations with contacts from the other companies, and with formal interviews or questionnaires.

You can also collect secondary information from websites, reports, marketing materials, and news articles. However, secondary information may not be as reliable.

After you have collected enough data, get all stakeholders together to analyze the data.

### 5. Measure your performance against the data you've collected

Look at the data you've collected side by side with the metrics you gathered from your analysis of your own processes. You may want to layer your performance metrics on top of your process diagrams or map out your competitor's processes to more easily see where you're falling behind.

As you analyze the comparisons, try to identify what causes the gaps in your process. For example, do you have enough people and are they sufficiently trained to perform assigned tasks? Brainstorm ideas to effectively and efficiently fill those gaps.

### 6. Create a plan

Create a plan to implement changes that you have identified as being the best to close performance gaps. Implementation requires total buy-in from the top down. Your plan must include clearly defined goals and should be written with the company's culture in mind to help minimize any pushback you may get from employees.

### 7. Implement the changes

Closely monitor the changes and employee performance. If new processes are not running smoothly as expected, identify areas that need to be tweaked. Make sure all employees understand their jobs, are well trained, and have the expertise to complete their assigned tasks.

Document all processes and make sure all employees have access to documentation and instructions so that all are on the same page working toward the same goal.

**8. Repeat the process**

After successfully implementing a new process, it's time to find other ways to improve. Review the new processes you've implemented and see if there are any changes that need to be made. If everything is running smoothly, look to other areas or more ambitious projects that you may want to benchmark and start the process again.

**Self-Check 1**

Name: ___________________________ Date: ________________

**Directions I:Choose the best answer (2 points each)**

1. Benchmarking process is to identify areas where improvements can be made by **except**
   A. Determining how and where other companies are achieving higher performance
   B. Comparing the competition's processes and strategies against your own
   C. Using the gathered information from your analyses and comparisons to implement changes
   D. All
2. Which one of the following is **not** purpose of benchmark
   A. Improve processes and procedures
   B. Identify best practices to increase performance
   C. Increase efficiency and costs
   D. Improve quality and customer satisfaction

**Directions II: Fill the blank space (2 point)**

1. ----------- is the process of comparing your company's results with those of others in your industry.

***Note:* Satisfactory rating – 100%**

**Answer Sheet**

Name: ___________________________ Date:

Score = ____________

Rating: _____________

# Information Sheet-2.2: Selecting key indicators for benchmarking

**Introduction**

Key Performance Indicators define factors the institution needs to benchmark and monitor. Assessment techniques provide the mechanism for measuring and evaluating the defined factors to evaluate progress or impact. KPIs specify what is measured and assessment techniques detail how and when it will be measured. KPI is a measure used to define and evaluate how successful an organization is. Typically is expressed in terms of making progress towards its long-term organizational goals. KPI incorporates information on the sources, calculations and definitions for each measure and sets out the timetable for submission of monthly data.

KPIs assist an organization to define and measure progress toward organizational goals and objectives. Once an organization has analyzed its mission and defined its goals, it needs to measure progress towards those goals. KPIs provide a measurement tool.

- **Key performance indicators**
  - ✓ **Staffing**

It's critical to evaluate staff strengths and weaknesses, training, education and the company's current and long-term needs to determine which information and benchmarks are critical for defining progress or indicating that remediation is needed. The ability to generate custom HR reports is critical because the benchmarking process varies widely among departments and company stakeholders.

- ✓ **Cost and expenses**

Cost is "an amount that has to be paid or spent to buy or obtain something." Cost can be specific. The definition of expense sounds similar to that of cost: "an amount of money that must be spent especially regularly to pay for something.

The difference between cost and expense is that cost identifies expenditure, while expense refers to the consumption of the item acquired. These terms are frequently intermingled, which makes the difference difficult to understand for those people training to be accountants. These concepts are expanded upon below.

Cost most closely equates to the term expenditure, so it means that you have expended resources in order to acquire something, transport it to a location, and set it up. However, it does not mean that the acquired item has yet been consumed. Thus, an item for which you have expended resources should be classified as an asset until it has been consumed. Examples of asset classifications into which purchased items are recorded are prepaid expenses, inventory, and fixed assets.

- ✓ **Personnel productivity**

Employee productivity is the value employees are producing on an individual level every hour they work. The more productive they are, the more value they produce for their employers. Productivity may be evaluated in terms of the output of an employee in a specific period of time. Typically, the productivity of a given worker will be assessed relative to an average for employees doing similar work. Because much of the success of any organization relies upon the productivity of its workforce, employee productivity is an important consideration for businesses.

- ✓ **Goodwill**

Goodwill is an intangible asset that is associated with the purchase of one company by another. Specifically, goodwill is the portion of the purchase price that is higher than the sum of the net fair value of all of the assets purchased in the acquisition and the liabilities assumed in the process. The value of a company's brand name, solid customer base, good customer relations, good employee relations, and proprietary technology represent some reasons why goodwill exists.

- ✓ **Profitability**

Profitability is the primary goal of all business ventures. Without profitability the business will not survive in the long run. So measuring current and past profitability and projecting future profitability is very important. Profitability is measured with income and expenses. Income is money generated from the activities of the business.

**Profit** is an absolute number determined by the amount of income or revenue above and beyond the costs or expenses a company incurs. It is calculated as total revenue minus total expenses and appears on a company's income statement. **Profitability** is closely related to profit – but with one key difference. While profit is an absolute amount, profitability is a relative one. It is the metric used to determine the scope of a company's profit in relation to the size of the business. Profitability is a measurement of efficiency and ultimately its success or failure.

- ✓ **Pricing structure**

Your pricing structure defines your pricing setup for products or services, including your core price points plus discounts, offers, and strategy. Your pricing structure is powerfully influential over how your company is perceived from the outside and how fast it's likely to grow.

- ✓ **Customer's base**

The customer base is the group of customers who repeatedly purchase the goods or services of a business. These customers are a main source of revenue for a company. The customer base may be considered the business's target market, where customer behaviors are well understood through market research or past experience. Relying on a customer base can make growth and innovation difficult.

- ✓ **Quality**

In business, engineering, and manufacturing, quality has a pragmatic interpretation as the non-inferiority or superiority of something; it's also defined as being suitable for its intended (fitness for purpose) while satisfying customer expectations. Quality is a perceptual, conditional, and somewhat subjective attribute and may be understood differently by different people. Consumers may focus on the specification quality of a product/service, or how it compares to competitors in the marketplace. Producers might measure the conformance quality, or degree to which the product/service was produced correctly.

- ✓ **System**

A business system is a combination of policies, personnel, equipment and computer facilities to co-ordinate the activities of a business organization. Business system decides how data must be handled and is methodically processed. It also controls the procedures of the processed data and the results to be displayed. For e.g. a system may automatically order parts for an inventory, monitor future corporate profits or post credit card sales to the on line customer accounts. The overall nature of the business system will reflect the efficiency of its designers.

## Self-Check 2

Name: ________________________ Date: _______________

**Directions I:Choose the best answer contains 2pts each**

1. --------- is factors that institution needs to benchmark and monitor.
   A. Performance indicators
   B. Monitoring and evaluation
   C. Performance assessment
   D. Performance analysis
2. **---------** is an amount of income or revenue above and beyond the costs or expenses a company incurs.
   A. Profitability C. Profit
   B. Expense D. Cost
3. Controls the procedures of the processed data and the results to be displayed.
   A. Quality C. Goodwill
   B. System D. Cost-benefit analysis
4. An amount that has to be paid or spent to buy or obtain something.
   A. Cost C. Income
   B. Revenue D. Profit

***Note:*** **Satisfactory rating –100%**

**Answer Sheet**

| |
|---|
| Score = ___________ |
| Rating: ____________ |

## Information Sheet-2.3: Comparing like indicators of own practice

**Key indicators Vs benchmark**

Benchmarks are reference points to compare your performance with that of others. KPIs help you chart your progress against your company's strategic goals. But let's look into this in a bit more detail.

When you compare your performance or processes with other entities including competitors, other companies or industry best practices, it's called benchmarking. Therefore, a benchmark is a reference point that allows you to compare your own levels of performance with the performance levels of others.

Although you can benchmark any business approach, product or process, it's commonly deployed to compare:

- customer satisfaction,
- costs,
- quality and
- how much time things take to complete.

Rather than comparing your progress toward a strategic goal, as is the case with key performance indicators, when you benchmark you compare yourself with others with the intent to improve processes and technologies. Ultimately, when you uncover opportunities for improvement through benchmarking, you can reduce costs and time and increase profits and customer satisfaction.

While a benchmark has a company comparing its processes, products and operations with other entities, a key performance indicator (KPI) measures how well an individual, business unit, project and company performs against their strategic goals.

Any meaningful KPI needs to indicate levels of performance and therefore requires targets or thresholds to put results into context and show if performance is on track or not. This is where benchmarking comes in because benchmarks can help to establish the appropriate targets and performance thresholds.

Benchmarking is a powerful management tool for companies to build winning plans and strategies as well as to continuously improve. Successful organisations are those that don't just look internally for improvement, but get inspired by benchmarking themselves against others, their competitors and who also learn from best business practices no matter where they come from.

## Self-Check 3

Name: ___________________________ Date: ________________

**Direction I: short answer**

1. Write the difference between key performance indicators and benchmark. ( 6 point)

***Note:*** **Satisfactory rating–100%**

**Answer Sheet**

Score = ___________

Rating: ____________

Name: ___________________________ Date: ________________

**Short Answer Questions**

1.______________________________________________________________________

______________________________________________________________________

______________________________________________________________________

______________________________________________________________________

## Information Sheet-2.4: Identifying areas for improvement

**Identifying areas of improvements**

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.

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.

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.

**Self-check 4**

Name: ___________________________ Date: ________________

**Directions**: Answer all the questions listed below.

1. ---------- is used to identify potential opportunities for improvement and provides an understanding of the process before change occurs. (2 point)
2. List at least 4 measuring parametrs that are evaluated through an assessment. (4 point)
3. Write the necessary steps to perform improvment assessment in your organization. (6 point)

**Note: Satisfactory rating – 100%**

**Answer Sheet**

Score = ____________

Rating: _____________

Name: ___________________________ Date: ________________

**Short Answer Questions**

1. ----------------------------------------------------------------------------------------------------
2. ----------------------------------------------------------------------------------------------------
3. ----------------------------------------------------------------------------------------------------

## L G# 56 LO #3- Develop plans to improve business performance

## Instruction sheet

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 outcomes 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
- Determine work flow changes
- Rank proposed improvements
- Develop and agreeing an action plan
- Check organizational structures

Read the specific objectives of this Learning Guide.

1. Follow the instructions described below.
2. Read the information written in the "Information Sheets". Try to understand what are being discussed. Ask your trainer for assistance if you have hard time understanding them.
3. Accomplish the "Self-checks" which are placed following all information sheets.
4. 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-checks).

# Information Sheet-3.1: Developing a consolidated list of required improvements

**Business Consolidation**

The term business consolidation refers to the combination of several business units or different companies into a single, larger organization. Business consolidation is used to improve operational efficiency by reducing redundant personnel and processes. Business consolidation can result in long-term cost savings and a concentration of market share, but in the short-term can be expensive and complex.

Performance Improvement offering helps you attain increased performance by improving the efficiency and effectiveness of your company's key business operations. Using our deep understanding of finance, risk management/compliance, IT systems, operations and human resources, we help our clients identify and implement cost saving initiatives, improve management and control, identify and manage risk and improve quality. We also use our proven experience and expertise to provide hands-on assistance to improve financial under-performance and cash-flow management. Performance Improvement offering helps you attain increased performance by improving the efficiency and effectiveness of your company's key business operations. Using our deep understanding of finance, risk management/compliance, IT systems, operations and human resources, we help our clients identify and implement cost saving initiatives, improve management and control, identify and manage risk and improve quality. We also use our proven experience and expertise to provide hands-on assistance to improve financial under-performance and cash-flow management.

- **Business improvement**

Business improvement is the process of measuring, changing and measuring again to improve the revenue efficiency and reputation of a firm. The following are basic types of business improvement. The following are main types of improvement in the business improvement.

- **Management improvement**

It is improvement to the leadership capabilities and controls of a firm. This can include approaches such as management training, improvements to strategic planning process and internal controls such as budget approval.

- **Process improvement**

Processes are repeated patterns of work that can be formalized and optimized to achieve efficiency, reduce risk and improve quality. An organization may devote most of its resources to operational processes such that minor improvements can yield material results.

- **Quality improvement**

Improve the quality of products, services, processes and practices.

- **Marketing**

Increasing revenue by improving products, pricing, promotion, distribution and customer experience.

- **Capital improvement**

Capital improvement to increase capacity, derive efficiency, reduce risk or raise quality.

- **Information technology**

Information is used to increases efficiency and tools that improve productivity or customer experience.

- **Organizational culture**

Organizational culture is the set of norms, expectations and symbols that emerge in an organization as a result of the shared experiences of teams. The process of improving organizational culture is primarily a leadership function with controls such as performance management playing a role.

## Self-check 1

Name: _________________________ Date: _______________

**Directions:**Choose the best answer (2 point each)

1. The combination of several business units or different companies into a single, larger organization.
   A. Business organization
   B. Business consolidation
   C. Business activity
   D. Business improvement
2. It is the process of measuring, changing and measuring again to improve the revenue efficiency and reputation of a firm.
   A. Business improvement
   B. Business consolidation
   C. Business activity
   D. Business organization
3. is improvement to the leadership capabilities and controls of a firm.
   A. Quality improvement
   B. Process improvement
   C. Management improvement
   D. Capital improvement
4. To increase capacity, derive efficiency, reduce risk or raise quality.
   A. Quality improvement
   B. Process improvement
   C. Management improvement
   D. Capital improvement

Score = ___________

Rating: ____________

**Note: Satisfactory rating 100%**

## Information Sheet-3.2: Determining cost-benefit analysis

**Introduction**

Cost benefit analysis is a process used primarily by businesses that weighs the sum of the benefits, such as financial gain, of an action against the negatives, or costs, of that action. The technique is often used when trying to decide a course of action, and often incorporates dollar amounts for intangible benefits as well as opportunity cost into its calculations.

The cost-benefit analysis reviews the overall value of a proposed project or initiative. Understanding the benefits of investing in a project is not always easily defined in revenues or monetary values. Some benefits are defined in qualitative terms, meaning how it impacts a specific community or group. When it comes to business strategic planning, a strategic plan often discusses the cost-benefit ratio in terms of a return on investments.

- **Cost-Benefit analysis**

A cost-benefit analysis is a process businesses use to analyze decisions. The business or analyst sums the benefits of a situation or action and then subtracts the costs associated with taking that action.

✓ **Understanding cost-benefit analysis**

Before building a new plant or taking on a new project, prudent managers conduct a cost-benefit analysis to evaluate all the potential costs and revenues that a company might generate from the project. The outcome of the analysis will determine whether the project is financially feasible or if the company should pursue another project.

In many models, a cost-benefit analysis will also factor the opportunity cost into the decision-making process. Opportunity costs are alternative benefits that could have been realized when choosing one alternative over another. In other words, the opportunity cost is the forgone or missed opportunity as a result of a choice or decision.

Factoring in opportunity costs allows project managers to weigh the benefits from alternative courses of action and not merely the current path or choice being considered in the cost-benefit analysis.

- **Conduct a cost-benefit analysis**

  ✓ **Establish a framework for your analysis**

For your analysis to be as accurate as possible, you must first establish the framework within which you're conducting it. What, exactly, this framework looks like will depend on the specifics of your organization.

Identify the goals and objectives you're trying to address with the proposal. What do you need to accomplish to consider the endeavor a success? This can help you identify and understand your costs and benefits, and will be critical in interpreting the results of your analysis.

Similarly, decide what metric you'll be using to measure and compare the benefits and costs. To accurately compare the two, both your costs and benefits should be measured in the same "common currency." This doesn't need to be an actual currency, but it does frequently involve assigning a dollar amount to each potential cost and benefit.

  ✓ **Identify your costs and benefits**

Your next step is to sit down and compile two separate lists:

- One of all of the projected costs and
- The expected benefits of the proposed project or action.

When tallying costs, you'll likely begin with direct costs, which include expenses directly related to the production or development of a product or service (or the implementation of a project or business decision). Labor costs, manufacturing costs, materials costs, and inventory costs are all examples of direct costs.

But it's also important to go beyond the obvious. Other cost categories you must account for include:

- Indirect Costs: These are typically fixed expenses, such as utilities and rent that contribute to the overhead of conducting business.

- Intangible Costs: These are any costs that are difficult to measure and quantify. Examples may include decreases in productivity levels while a new business process is rolled out, or reduced customer satisfaction after a change in customer service processes that leads to fewer repeat buys.
- Opportunity Costs: This refers to lost benefits, or opportunities, that arise when a business pursues one product or strategy over another.

✓ **Assign a dollar amount or value to each cost and benefit**

Once you've compiled exhaustive lists of all costs and benefits, you must assign a dollar amount to each one. If you don't give all the costs and benefits a value, then it will be difficult to compare them accurately.

Direct costs and benefits will be the easiest to assign a dollar amount to Indirect and intangible costs and benefits, on the other hand, can be challenging to quantify.

✓ **Compare the total value of benefits and costs and compare**

Once every cost and benefit has a dollar amount next to it, you can tally up each list and compare the two. If total benefits outnumber total costs, then there is a business case for you to proceed with the project or decision. If total costs outnumber total benefits, then you may want to reconsider the proposal.

Beyond simply looking at how the total costs and benefits compare, you should also return to the framework established in step one. Does the analysis show you reaching the goals you've identified as markers for success, or does it show you falling short?

If the costs outweigh the benefits, ask yourself if there are alternatives to the proposal you haven't considered. Additionally, you may be able to identify cost reductions that will allow you to reach your goals more affordably while still being effective.

- **Advantages of Cost-Benefit Analysis**
  - ✓ **It is data-driven:** Cost-benefit analysis allows an individual or organization to evaluate a decision or potential project free of opinions or personal biases. As such, it offers agnostic and evidence-based evaluations of your options, which can help your business, become more data-driven and logical in how it operates.

- ✓ **It makes decisions simpler:** Business decisions are often complex by nature. By reducing a decision to costs versus benefits, the cost-benefit analysis can make them less complex.
- ✓ **It can uncover hidden costs and benefits:** Cost-benefit analysis forces you to sit down and outline every potential cost and benefit associated with a project, which can help you uncover less-than-obvious factors, such as indirect or intangible costs.

**Self-check 2**

Name: ___________________________ Date: ________________

Directions: Answer all the questions listed below. Illustrations may be necessary to aid some explanations/answers.

1. -------is a review the overall value of a proposed project or initiative. (2 point)
2. Write down and explain each steps of cost- benefit analysis. (5 point)
3. Write 3 advantages of cost-benefit analysis work. (3 point)

**Note: Satisfactory rating –100%**

**Answer Sheet**

Score = ____________

Rating: _____________

Name: ___________________________ Date: ________________

**Short Answer Questions**

1. ----------------------------------------------------------------------------------------------------
2. ----------------------------------------------------------------------------------------------------

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## Information Sheet-3.3: Determining work flow changes

### Workflows and Processes

Workflow is defined as a series of steps, frequently performed by different staff members and often dependent on related workflows, that accomplishes a particular task. Workflows represent how work actually gets done, not the protocols that have been established to do the work.

Workflow mapping is the process of documenting the specific steps and actions that take place in completing a particular task. Creating a workflow map enables you and the practice to see what is currently happening, identify opportunities for improvement or change, and design new, more effective processes.

**The quality improvement (QI) team will need to consider workflows associated with the following three processes:**

- Perceived process (what we think is happening);
- Reality process (what the process actually is); and
- Ideal process (what the process could be).

The perceived process can be obtained by having the group map what they believe the current process is. The reality process is obtained by having various group members validate the former through direct observation; the ideal process should reflect the workflow the improvement group aspires to and wants to implement.

First, though: a primer on workflows and processes. Although the two terms can be used interchangeably in some workplace environments, they have different connotations.

Processes refer to the steps, actions and accountabilities taken within a department or across multiple departments to complete a task. Most processes begin with an input and end with some type of output. A good example is how a new marketing brochure is created within a large organization. The project process begins with the product manager, moves to the marketing manager and then moves into the design or creative services department. The process map describes the who, what, where, when and how a project moves along each point within the company, with clearly defined roles, responsibilities, timelines and accountabilities.

Workflow refers to the movement of work within a department. Using the process example above, the process map shows who is accountable for which task, and by when it will be completed. The workflow for the project demonstrates how the work “flows” or moves through the project. It may indicate that a project request form must be initiated on the company’s intranet, outline who reviews each phase of the marketing brochure and note where the final piece is archived on the company’s servers.

The term processes and workflow are often used synonymously in a manufacturing or industrial environment, and in a different sense within creative departments and IT infrastructures. If the difference between the two isn’t apparent to you, usually the term “process map” will help make the project understandable to others who need to be involved in its creation.

## Self-check 3

Name: ___________________________ Date: ________________

**Directions:**Give short answer

1. What is the difference between workflow and work process. (6 point)

**Note: Satisfactory rating - 100%**

**Answer Sheet**

Score = ___________

Rating: ____________

Name: ___________________________ Date: ________________

**Short Answer Questions**

1.______________________________________________________________________

______________________________________________________________________

______________________________________________________________________

______________________________________________________________________

## Information Sheet-3.4: Ranking proposed improvements

**Ranking proposed improvements by understanding the current and future business performance**

To improve performance, you'll need to understand the business's current performance and future potential using tools and resources such as the following. A SWOT analysis reveals the weaknesses and strengths of the business—as well as threats and opportunities. A benchmarking analysis compares your business's performance against similar businesses. Market research and trend analyses look at large-scale business data to discover how to better serve your customers. Finally, a consultant could help you create a new business model taking trends and other data into account.

- **Pick a Few Well-Defined Goals---Prioritize one to five goals**

Usually, a business with more than five major goals won't be able to focus enough resources on any one of them to accomplish it well. To make your business more efficient, pick only three to five goals. Make them specific, measurable, achievable, relevant (improving your business), and attached to a deadline. Finally, put them in order of priority, because it's efficient to focus on some goals before others, rather than trying to do all of them at once. Some are more urgent, and some can only be achieved with a methodical, long-term plan.

- **Create a Plan-Detail the time it covers, actions, responsibilities, resources, and specific outcomes**

To move toward achieving your goals, you'll need to create a plan composed of the following elements. First, list the necessary actions and tasks in detail. Next, define a length of time for each, with start and end dates. Next, list personnel who are responsible for the completion of each task. Also, list all the staff, supplies, and other resources needed—including budget. Finally, define the desired result of each task and how it will be measured.

- **Get the Right People on the Job-Fit the best people to responsibilities**

Your success will be based on having the best people for each task in place. You'll also need to build a culture that supports the kind of people the plan needs and which encourages them to collaborate. Besides getting to know your staff well enough to fit them in the best tasks, your HR department should also hire people who are a good fit for your culture from the beginning. You should also hire personnel who are excited about being mentored; if they're willing to be coached to improve their individual performance, they'll be better equipped to improve overall business performance.

- **Monitor Activities and Results-Use a system that gives feedback and forecasts against budgets and timeframes**

Finally, you'll need to monitor the progress and results of tasks using the measurement criteria you defined in the "Create a Plan" step. Some simple tasks may be measured as simply "completed" or "not completed." But you'll measure major goals with numbers, such as a percentage increase in profit. You can also increase productivity by setting milestones on the way to each goal that help employees track how well the plan is progressing. With this concrete feedback, you can search for ways to increase the business's efficiency at turning resources into outputs.

## Self-check 2

Name: ___________________________ Date: ________________

Directions: Answer all the questions listed below. Illustrations may be necessary to aid some explanations/answers.

**1.**

**Note: Satisfactory rating –100%**

**Answer Sheet**

Score = ___________

Rating: ____________

Name: ___________________________ Date: ________________

**Short Answer Questions**

3. -----------------------------------------------------------------------------------------------------
4. -----------------------------------------------------------------------------------------------------

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## Information Sheet-3.5: Developing and agreeing an action plan

### Introduction

An action plan is a checklist for the steps or tasks you need to complete in order to achieve the goals you have set.

Developing an action plan can help changemakers turn their visions into reality, and increase efficiency and accountability within an organization. An action plan describes the way your organization will meet its objectives through detailed action steps that describe how and when these steps will be taken. This section provides a guide for developing and utilizing your group's 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.

### Necessity of action plan

Sometimes businesses don't spend much time on developing an action plan before an initiative, which, in most cases, leads to failure. If you haven't heard, "failing to plan is planning to fail" said Benjamin Franklin supposedly once.

Planning helps you prepare for the obstacles ahead and keep you on track. And with an effective action plan, you can boost your productivity and keep yourself focused.

Here are some benefits of an action plan you should know;

- It gives you a clear direction. As an action plan highlights exactly what steps to be taken and when they should be completed, you will know exactly what you need to do.
- Having your goals written down and planned out in steps will give you a reason to stay motivated and committed throughout the project.
- With an action plan, you can track your progress toward your goal.

- Since you are listing down all the steps you need to complete in your action plan, it will help you prioritize your tasks based on effort and impact.

It's an essential part of the strategic planning process and helps with improving teamwork planning. Not only in project management, but action plans can be used by individuals to prepare a strategy to achieve their own personal goals as well.

Components of an action plan include

- A well-defined description of the goal to be achieved
- Tasks/ steps that need to be carried out to reach the goal
- People who will be in charge of carrying out each task
- When will these tasks be completed (deadlines and milestones)
- Resources needed to complete the tasks
- Measures to evaluate progress

**Steps we use to Write an action plan**

From the looks of it, creating an action plan seems fairly easy. But there are several important steps you need to follow with caution in order to get the best out of it. Here's how to write an action plan explained in 6 easy steps.

**Step 1**: Define your end goal

If you are not clear about what you want to do and what you want to achieve, you are setting yourself up for failure.

Then write down your goal. And before you move on to the next step, run your goal through the SMART criteria. Or in other words, make sure that it is

Specific – well-defined and clear

Measurable – include measurable indicators to track progress

Attainable – realistic and achievable within the resources, time, money, experience, etc. you have

Relevant – align with your other goals

Timely – has a finishing date

**Step 2:** List down the steps to be followed

The goal is clear. What exactly should you do to realize it?

Create a rough template to list down all the tasks to be performed, due dates and people responsible.

**Step 3:** Prioritize tasks and add deadlines

It's time to reorganize the list by prioritizing the tasks. Some steps, you may need to prioritize as they can be blocking other sub-steps.

Add deadlines, and make sure that they are realistic. Consult with the person responsible for carrying it out to understand his or her capacity before deciding on deadlines.

**Step 4:** Set Milestones

Milestones can be considered mini goals leading up to the main goal at the end. The advantage of adding milestones is that they give the team members to look forward to something and help them stay motivated even though the final due date is far away.

**Step 5:** Identify the resources needed

Before you start your project, it's crucial to ensure that you have all the necessary resources at hand to complete the tasks. And if they are not currently available, you need to first make a plan to acquire them.

This should also include your budget. You can assign a column of your action plan to mark the cost of each task if there are any.

**Step 6:** Visualize your action plan

The point of this step is to create something that everyone can understand at a glance and that can be shared with everyone.

**Step 7:** Monitor, evaluate and update

Allocate some time to evaluate the progress you've made with your team.

## Self-check 5

Name: ___________________________ Date: ________________

Directions I:Choose the best answer (2 point each)

1. --------- is a checklist for the steps or tasks you need to complete in order to achieve the goals you have set.
   E. Work process
   F. Workflow
   G. Working activity
   H. Work improvement
2. Which one of the follwing is thebenefits of an action plan
   A. To gives a clear direction
   B. to motivated and committed throughout the project.
   C. to track your progress toward your goal.
   D. To prioritize your tasks based on effort and impact
   E. All
3. One of the following is **not** components of an action plan
   A. A well-defined description of the goal
   B. Tasks/ steps that need to be carried out
   C. People who will be needed to carrying out each task
   D. Resources needed to complete the tasks
   E. None of the above

Direction II: Give short answer

1. Write down all necessary steps needed to write an action plan. (4 point)

**Note: Satisfactory rating –100%**

You can ask you teacher for the copy of the correct answers.

Score = ____________

Rating: _____________

## Information Sheet-3.6: Checking organizational structures

**Overview**

By structure, we mean the framework around which the group is organized, the underpinnings which keep the coalition functioning. It's the operating manual that tells members how the organization is put together and how it works. More specifically, structure describes how members are accepted, how leadership is chosen, and how decisions are made. A company's organizational structure is a road map of its communication patterns. A well-designed structure can also make it easier to identify inefficiencies and new problems as the organization grows. Reviewing your organizational structure on a regular basis will help ensure that you are set up for optimal growth well into the future.

The biggest factor in any organizational structure is communication. In fact, that's really what an organizational structure is all about: recreating formal paths of communication. Think about how you want employees to communicate, and then create a structure that reinforces your vision.

**Prepare appropriate organizational structure**

There is no single organizational structure that fits every company. You have to evaluate your company's mission and strategy, and then build your organizational structure from there. There isn't one right way to organize the members of your staff, but some structures seem to work better than others, depending on your goals.

While the need for structure is clear, the best structure for a particular coalition is harder to determine. The best structure for any organization will depend upon who its members are, what the setting is, and how far the organization has come in its development. Regardless of what type of structure your organization decides upon, three elements will always be there.

They are inherent in the very idea of an organizational structure.

They are:

- Some kind of governance
- Rules by which the organization operates
- A distribution of work

- **Benefits of organizational structure**

- ✓ **Structure gives members clear guidelines for how to proceed**. A clearly-established structure gives the group a means to maintain order and resolve disagreements.
- ✓ **Structure binds members together.** It gives meaning and identity to the people who join the group, as well as to the group itself.
- ✓ **Structure in any organization is inevitable** an organization, by definition, implies a structure. Your group is going to have some structure whether it chooses to or not. It might as well be the structure which best matches up with what kind of organization you have, what kind of people are in it, and what you see yourself doing.

**Self-check 6**

Name: ___________________________ Date: ________________

Directions:Give short and precise answer for the following questions.

1. -------is a road map of its communication patterns in the organization. (2 point)

_____________________________________________________________________________

2. What is the benefit of organizational structure? (4 point)

_____________________________________________________________________________
_____________________________________________________________________________
_____________________________________________________________________________
____________________________________

**Note: Satisfactory rating –100%**

**Answer Sheet**

| |
|---|
| Score = ____________ |
| Rating: _____________ |

| L G# LO #57 4- Develop marketing and promotional plans |
|---|
| **Instruction sheet** |

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 practice/practice products/services
- Selecting/developing promotion tools

This guide will also assist you to attain the learning outcomes 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 practice/practice products/services
- Select/develop promotion tools

Read the specific objectives of this Learning Guide.

1. Follow the instructions described below.
2. Read the information written in the “Information Sheets”. Try to understand what are being discussed. Ask your trainer for assistance if you have hard time understanding them.
3. Accomplish the “Self-checks” which are placed following all information sheets.
4. 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-checks).

## Information Sheet-4.1: Reviewing vision statement

**Overview**

It outlines what an organization would like to ultimately achieve and gives purpose to the existence of the organization. A good vision statement should be short, simple, specific to your business, leave nothing open to interpretation. It should also have some ambition.

A Mission Statement defines the company's business, its objectives and its approach to reach those objectives. A Vision Statement describes the desired future position of the company. Elements of Mission and Vision Statements are often combined to provide a statement of the company's purposes, goals and values.

Similar to a mission statement, a vision statement provides a concrete way for stakeholders, especially employees, to understand the meaning and purpose of your business. However, unlike a mission statement – which describes the who, what and why of your business – a vision statement describes the desired long-term results of your company's efforts. For example, an early Microsoft vision statement was "a computer on every desk and in every home."

Vision statements, on the other hand, are future-based and meant to inspire and give direction to employees of the company rather than customers. The vision statement helps you plan long-term. You can set whatever goals you want, but, without motivating your employees to achieve that goal, chances are you're not going to get anywhere. A motivational vision statement will both motivate existing employees and also drive talent to the company.

Your vision is your dream. It's what your organization believes are the ideal conditions for your community; that is, how things would look if the issue important to you were completely, perfectly addressed. It might be a world without war, or a community in which all people are treated as equals, regardless of gender or racial background.

There are certain characteristics that most vision statements have in common. In general, vision statements should be:

- Understood and shared by members of the community
- Broad enough to include a diverse variety of local perspectives

- Inspiring and uplifting to everyone involved in your effort
- Easy to communicate

**Importance of vision statement**

Vision statements can help your organization focus on what is really important. Although your organization knows what you are trying to do to improve your community,it's easy to lose sight of this when dealing with day-to-day organizational hassles. Your vision and mission statements give other individuals and organizations a snapshot view of what your group is and what it wants to accomplish. When your vision and mission statements are easily visible, people learn about your organization without having to work hard for the information. Then, those with common interests can take the time necessary to learn more. This efficiency is very helpful when you are recruiting other people and organizations to join your effort.

Finally, vision and mission statements focus members on their common purpose. Not only do the statements themselves serve as a constant reminder of what is important to your organization, the process of developing them allows people to see the organization as "theirs". Creating these statements builds motivation as members will believe in something more completely if they had a hand in developing it. Having a clear and compelling vision statement has other advantages, such as:

- Drawing people to common work
- Giving hope for a better future
- Inspiring community members to realize their dreams through positive, effective action
- Providing a basis for developing the other aspects of your action planning process: your mission, objectives, strategies, and action plans

## Self-check 1

Name: ___________________________ Date: ________________

Directions:choose the best answer (2 point each)

1. -----------is a statement describes the desired future position of the company.
   A. Vision C. Value
   B. Mission D. work plan
2. One of the following is **not** characteristics of best vision statement.
   A. Understood and shared by members of the community
   B. Broad enough to include a diverse variety of local perspectives
   C. Inspiring and uplifting to everyone involved in your effort
   D. Easy to communicate E. None of the above
3. All are the advantage of vision statement in organization **except**
   A. Drawing people to common work
   B. Giving hope for a better future
   C. Inspiring community members to realize their dreams
   D. Providing a basis for developing action plan
   E. None of the above

**Note: Satisfactory rating –100%**

**Answer Sheet**

Score = ___________

Rating: ____________

## Information Sheet-4.2: Developing/reviewing objectives

**Introduction**

Successful businesses are based on both goals and objectives, as they clarify the purpose of the business and help identify necessary actions Goals are general statements of desired achievement, while objectives are the specific steps or actions you take to reach your goal. Both goals and objectives should be specific and measurable. Goals can involve areas such as profitability, growth and customer service, with a range of objectives that can be used to meet those goals.

Organizational objectives are short-term and medium-term goals that an organization seeks to accomplish. An organization's objectives will play a large part in developing organizational policies and determining the allocation of organizational resources. Business objectives are something which a business organization wants to achieve or accomplish over a specified period of time. These may be to earn profit for its growth and development, to provide quality goods to its customers, to protect the environment etc.

Objectives are the specific measurable results of the initiative. Objectives specify how much of what will be accomplished by when.

Objectives should be S.M.A.R.T.

- **Specific.** That is, they tell how much (e.g., 10%) of what is to be achieved (e.g., what behavior of whom or what outcome) by when
- **Measurable.** Information concerning the objective can be collected, detected, or obtained.
- **Achievable.** It is feasible to pull them off.
- **Relevant to the mission.** Your organization has a clear understanding of how these objectives fit in with the overall vision and mission of the group.
- **Timed.** Your organization has developed a timeline (a portion of which is made clear in the objectives) by which they will be achieved.
- **Challenging.** They stretch the group to set its aims on significant improvements that are important to members of the community.

**Objectives of Market share growth**

Marketing objectives are goals set by a business when promoting its products or services to potential consumers that should be achieved within a given time frame. In other words, marketing objectives are the marketing strategy set in order to achieve the overall organizational objectives. Market share represents the percentage of an industry, or a market's total sales that is earned by a particular company over a specified time period. This metric is used to give a general idea of the size of a company in relation to its market and its competitors. Marketing objectives are short-term achievements to help you achieve longer-term goals. They should be set on a weekly or monthly timeline. These objectives help a business set out what a business wants to achieve from its marketing strategy.

**Revenue objective**

**Revenue goals** are targets for the strategy and performance of a business that improve gross or net profit. Gross profit **goals** are typically related to growth strategies such as launching new products and improving the sales of existing products.

**Profitability objectives**

A business profitability goal determines the amount of revenue you need to generate from your business to meet your expenses and turn a profit.

The profit objective then can be defined as the present value of book profits per unit of limiting constraint. Issuing products that maximize this measure will maximize the total present value of book profits that a company, given its constraints, can produce.

Profit equals a company's revenues minus expenses. Earning a profit is important to a small business because profitability impacts whether a company can secure financing from a bank, attract investors to fund its operations and grow its business. Companies cannot remain in business without turning a profit.A common business goal is to run a profitable operation, which typically means increasing revenue while limiting expenses.

## Innovation objective

Innovation involves new ideas or processes, better solutions to meeting customer needs, or achieving a goal in a new way. Combined, they are key to providing businesses with a competitive edge. Innovation objective are goals to improve things by an order of magnitude. Innovation typically required experimentation, risk taking and creativity. As such, innovation objectives may involve greater levels of uncertainty than a typical business objective that aims for predictable and quickly obtainable3 improvements. The following are common types of innovation objectives.

- Time making things faster
- Productivity getting more output for an hour worked
- Efficiency getting more output for a unit of input.
- Convenience making things easier for customer.
- Quality transforming quality
- Customer needs solve unsolved problems
- Risk dramatically reduces the risk.
- Performance, performance targets such as the speed of an algorithm
- Competitive
- Sustainability, transforming a process that is not likely to end well to one that has a bright future.

| Self-check 2 |
| --- |

Name: ______________________ Date: _____________

**Directions:**choose the best answer (2 point each)

1. --------- are short-term and medium-term goals that an organization seeks to accomplished.

   A. Objective C. improvement

   B. Mission D. value

2. --------- are goals set by a business when promoting its products or services to potential consumers.

   C. Revenue objective C. innovation objective

   D. Marketing objective D. profitability objective

3. --------- are targets for the strategy and performance of a business that improve gross or net profit.

   A. Revenue objective C. innovation objective

   B. Marketing objective D. profitability objective

4. -------- involves new ideas or processes, better solutions to meeting customer needs, or achieving a goal in a new way.

   A. Revenue objective C. innovation objective

   B. Marketing objective D. profitability objective

**Note: Satisfactory rating – 100%**

| Score = ___________ |
| --- |
| Rating: ____________ |

## Information Sheet-4.3: Identifying/refining target markets

**Introduction**

A target market is a group of consumers or organizations most likely to buy a company's products or services. Because those buyers are likely to want or need a company's offerings, it makes the most sense for the company to focus its marketing efforts on reaching them. Marketing to these buyers is the most effective and efficient approach. A target market refers to a group of potential customers to whom a company wants to sell its products and services. This group also includes specific customers to whom a company directs its marketing efforts. A target market is one part of the total market for a good or service. A target market is a specific group of people you have decided to target with your products or services.

**Target Market and Product Sales:** The target market is a central focus within a marketing plan that determines other essential factors for the product, such as distribution, price, and promotion efforts. The target market also determines significant factors about the product itself.

**Finding target market**

To determine who your best target market consists of, start by answering three basic questions:

- What problem does your product or service solve?
- Who is most likely to have this problem?
- Are there different groups with different needs?

## Benefits of target market analysis

Target market analysis determines where, and how, your product fits into the real-life market. With this information, you can:

- Determine which markets are most and least valuable to your business
- Develop accurate buyer personas
- Find gaps in the markets where your products might fit
- Evaluate the viability of a new product
- Find exciting new markets to explore
- Build a tighter, more specific business strategy

## Self-Check 3

Name: ___________________________ Date: ________________

**Directions:** Give short answer.

1. What is target market? (4 point)
2. Write at least 4 benefit of analysis of target market? ( 8 point)

**Note: Satisfactory rating – 100%**

Score = ____________

Rating: _____________

# Information Sheet-4.4: Obtaining market research data

**Introduction and Definition**

Market research is defined as the process of evaluating the feasibility of a new product or service, through research conducted directly with potential consumers. This method allows organizations or businesses to discover their target market, collect and document opinions and make informed decisions. Market research can be conducted directly by organizations or companies or can be outsourced to agencies which have expertise in this process.

The process of market research can be done through deploying surveys, interacting with a group of people also known as sample, conducting interviews and other similar processes.

Primary purpose of conducting market research is to understand or examine the market associated with a particular product or service, to decide how the audience will react to a product or service. The information obtained from conducting market research can be used to tailor marketing/ advertising activities or to determine what are the feature priorities/service requirement (if any) of consumers.

**Roles of conducting market research**

Market research has a variety of purposes and a variety of data collection methods might be used for each purpose. The particular data collection method that you use during your market research depends very much on the particular information that you are seeking to understand.

Various methods of market research are used to find out information about markets, target markets and their needs, competitors, market trends, customer satisfaction with products and services, etc. Businesses can learn a great deal about customers, their needs, how to meet those needs and how the business is doing to meet those needs. Businesses need not to be experts at methods of research either.

The following paragraphs mention some of the primary uses for market research. Useful data collection methods are associated with most of the items in the following list.

1. Identify opportunities to serve various groups of customers.
2. Examine the size of the market
3. Determine the best methods to meet the unmet needs of the target markets
4. Investigate the competition
5. Clarify your unique value proposition
6. Conclude if the product is effectively meeting the needs of the customers.
7. Conclude if your advertising and promotions strategies are effective or not

**Market research methods**

In conducting your market research, you will gather two types of data:

- primary data and
- Secondary data.

Primary research is information that comes directly from the source--that is, potential customers. You can compile this information yourself or hire someone else to gather it for you via surveys, focus groups and other methods.

Secondary research involves gathering statistics, reports, studies and other data from organizations such as government agencies, trade associations and your local chamber of commerce.

**Steps for conducting market research**

Knowing what to do in various situations that arise during the investigation will save the researcher's time and reduce problems. Today's successful enterprises use powerful market research survey software that helps them conduct comprehensive research under a unified platform and hence provide actionable insights much faster with fewer problems.

Following are the steps to conduct an effective market research.

1. Define the Problem

Having a well-defined subject of research will help researchers when they ask questions. These questions should be directed to solve problems and they have to be adapted to the project. Make sure the questions are written clearly and that the respondents understand them.

2. Define the Sample

To carry out market research, researchers need a representative sample that can be collected using one of the many sampling techniques. A representative sample is a small number of people that reflect, as accurately as possible, a larger group.

3. Carry out data collection

First, a data collection instrument should be developed. The fact that they do not answer a survey, or answer it incompletely will cause errors in research. The correct collection of data will prevent this.

4. Analyse the results

Each of the points of the market research process is linked to one another. If all the above is executed well, but there is no accurate analysis of the results, then the decisions made consequently will not be appropriate. In-depth analysis conducted without leaving loose ends will be effective in gaining solutions. Data analysis will be captured in a report, which should also be written clearly so that effective decisions can be made on that basis.

5. Make the Research Report

When presenting the results, researchers should focus on: what do they want to achieve using this research report and while answering this question they should not assume that the structure of the survey is the best way to do the analysis.

6. Make Decisions

An organization or a researcher should never ask "why do market research", they should just do it.

## Self-Check 4

Name: ___________________________ Date: ________________

**Directions:**Choose the best answer (2 point each)

1. ------- is defined as the process of evaluating the feasibility of a new product or service.
   A. Scientific research C. data analysis
   B. Data collection D. market research
2. Primary purpose of conducting market research is
   A. To increase the productivity of the organization
   B. To reduce the income of the organization
   C. To understand or examine the market product or service
   D. All
3. All are uses of market research **except**
   A. Identify opportunities to serve various groups of customers
   B. Examine the size of the market
   C. Determine the best methods to meet the unmet needs of the target markets
   D. Investigate the competition E. None

**Short answer**

1. Write the necessary steps to conduct effective market research. (4 point)

**Note: Satisfactory rating- 100%**

You can ask you teacher for the copy of the correct answers.

Score = ____________

Rating: ____________

## Information Sheet-4.5: Obtaining competitor analysis

**Competitive analysis**

The purpose of the Competitive Analysis section is to thoroughly analyze the competition that will exist for your business. Part of developing a successful business involves being aware of possible competitors and their products. Competitors are any business which can sell a product/service that accomplishes a similar type of result as yours; therefore, the features and benefits of a competitor's product can also appeal to your target market. There is ALWAYS competition! Ask yourself:

- Who are your direct competitors (exactly what you offer)? Who are your indirect competitors (offer substitutes)?
- How long have they been in business? How is their business: Steady? Increasing? Decreasing?
- What have you learned from their operations? From their advertising?
- What are their strengths and weaknesses? Ensure you are being unbiased.
- Are there any opportunities and threats that your competition may present?
- How does their product or service differ from yours? What is your competitive advantage?
- List the direct competitors in your local market.

These are firms who offer exactly what you offer. List the current number and the number in existence for the past three-year period.

- List the indirect competitors in your local market. These are firms who offer substitute products.
- Analyze any competitors who have gone out of business in the past and if possible, why.
- Explain how your firm will compete with these competitors to prove how you can survive in their markets.
- Examine risks that could occur when you enter the market. For example, what if your key competitor cuts their price when you open your business?

**Competitive Analysis Chart**

It may be easiest to compare your competition using the following chart in your marketing plan. It can simplify the data if you separate the direct and indirect competitors in your chart. You may need to research your competition by looking at their website, if one is available, by visiting their operations or speaking to customers.

| **Competitor** | Market Share | Product or Service | Strengths | Weaknesses | Marketing Strategy | Aggressiveness (high, low, | Threat |
|---|---|---|---|---|---|---|---|
| Direct Competitor #1#2 #3… | | | | | | | |
| Indirect Competitor #1 #2 #3… | | | | | | | |
| Substitutes #1 #2 #3… | | | | | | | |
| Potential Entrants #1 #2 #3… | | | | | | | |
| Related Products #1 #2 #3 … | | | | | | | |

Once you have completed your chart, observe and evaluate your findings.

¬ Who is the market leader?

¬ How can your business be different or better than the competition?

¬ What area(s) of the market are currently not being served or served poorly?

¬ Is there room for you in the market?

## Self-Check 5

Name: ___________________________ Date: ________________

**Directions:**Choose the best answer (2 point each)

1. Clearly explain competitive analysis

**Note: Satisfactory rating- 100%**

You can ask you teacher for the copy of the correct answers.

| | |
|---|---|
| Score = ___________ | |
| Rating: ____________ | |

# Information Sheet-4.6: Developing/ reviewing market position

**Introduction**

Market Positioning refers to the ability to influence consumer perception regarding a brand or product relative to competitors. The objective of market positioning is to establish the image or identity of a brand or product so that consumers perceive it in a certain way.

**Develop Effective Market Positioning**

Create a positioning statement that will serve to identify your business and how you want the brand to be perceived by consumers.

1. Determine company uniqueness by comparing to competitors

Compare and contrast differences between your company and competitors to identify opportunities. Focus on your strengths and how they can exploit these opportunities.

2. Identify current market position

Identify your existing market position and how the new positioning will be beneficial in setting you apart from competitors.

3. Competitor positioning analysis

Identify the conditions of the marketplace and the amount of influence each competitor can have on each other.

4. Develop a positioning strategy

Through the preceding steps, you should achieve an understanding of what your company is, how your company is different from competitors, the conditions of the marketplace, opportunities in the marketplace, and how your company can position itself.

**Types of Positioning Strategies**

There are several types of positioning strategies. A few examples are positioning by:

- Product attributes and benefits: Associating your brand/product with certain characteristics or with certain beneficial value
- Product price: Associating your brand/product with competitive pricing
- Product use and application: Associating your brand/product with a specific use
- Competitors: Making consumers think that your brand/product is better than that of your competitors
- Pricing: Pricing is an important, if not the most important, factor for customers. The company with the lowest-priced products at a reasonable level of quality often wins in many product areas.
- Quality: Quality can help rebuff pricing wars. In some markets such as luxury cars, quality can define who the competitors are.
- Convenience: Convenience helps make customers' lives easier. From location to usability, convenience can incorporate something like e-commerce and free returns.
- Customer Service: Customer service concentrates on creating helpful, friendly interactions. This can be especially important in certain industries, such as the previously mentioned restaurant and banking industries.
- Differentiation: Differentiation is what sets a product or service apart from competitors. If the product or service is dramatically different, then competitors may not pose as much of a threat.
- Communication: Is the positioning statement easy to communicate via media? Will it be simply understood by the target market?
- Profitable: What level of sales/profits is likely to flow from this positioning? Can we develop a supportive marketing mix on a cost-effective basis?
- Competitive barrier: Will this be a long-term positioning? How easily could this position be duplicated by our competitors?
- Market need: Would this positioning space appeal to the target market? Which features/benefits are of most interest to target market?

**Market reviewing**

Market repositioning is when a company changes its existing brand or product status in the marketplace. Repositioning is usually done due to declining performance or major shifts in the environment. Many companies, instead of repositioning, choose to launch a new product or brand because of the high cost and effort required to successfully reposition a brand or product. 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.

This guide takes you through this essential process, detailing the stages you should go through to assess how well your business is performing, highlighting your strengths and areas that could be improved and suggesting the actions you need to take to implement the improvements that you've identified.

- Why it's vital to review the progress of your business
- Assess your core activities
- Assess your business efficiency
- Review your financial position
- Conduct a competitor analysis
- Conduct a customer and market analysis
- Use your review to redefine your business goals
- Models for your strategic analysis
- Breaking down your strategic review

## Self-Check 6

Name: ___________________________ Date: ________________

**Directions:Short answer**

1. Define market Positioning. (2 point)
2. What is the objective of market positioning? (3 point)
3. How to develop Effective Market Positioning? (5 point)

**Note: Satisfactory rating – 100%**

Score = ____________

Rating: ______________

## Information Sheet-4.7: Developing practice brand

**Definition**

**Brand creation** is about really understanding your business by ascertaining who you are, what you do, how you do it and, most importantly, why you do it. Creating a brand is about creating an emotional connection between you and your customer.

**Brand identity** is the collection of all elements that a company creates to portray the right image to its consumer. Brand identity is different from “brand image” and “branding,” even though these terms are sometimes treated as interchangeable.

The term branding refers to the marketing practice of actively shaping a distinctive brand. Brand is the perception of the company in the eyes of the world.

**Brand development strategy**

1. Consider your overall business strategy
2. Identify your target clients
3. Research your target client group
4. Develop your brand positioning
5. Develop your messaging strategy
6. Develop your name, logo and tagline
7. Develop your content marketing strategy
8. Develop your website
9. Build your marketing toolkit
10. Implement, track, and adjust

**Identity of the practicing brand**

Brand identity is the visible elements of a brand, such as color, design, and logo that identify and distinguish the brand in consumers' minds. Brand identity is distinct from brand image. The former corresponds to the intent behind the branding and the way a company does the following all to cultivate a certain image in consumers' minds:

- Chooses its name

- Designs its logo
- Uses colors, shapes, and other visual elements in its products and promotions
- Crafts the language in its advertisements
- Trains employees to interact with customers

**Brand mage**

Brand image is the current view of the customers about a brand. It can be defined as a unique bundle of associations within the minds of target customers. It signifies what the brand presently stands for. It is a set of beliefs held about a specific brand.

Brand image develops and conveys the product's character in a unique manner different from its competitor's image. The brand image consists of various associations in consumers' mind benefits and attributes.

**Brand Logo**

The brand is the foundation of a company and the logo is the visual shortcut to the trademark of the brand. A logo identity system and a strong branding system are both crucial when marketing and promoting a consistent image and voice, but a brand speaks for itself. Logo has a major impact on how your customers will perceive your brand. So naturally, you want your logo to be outstanding.

You may be asking yourself: How can I design my own logo? These are the steps you need to follow:

- Understand why you need a logo
- Define your brand identity
- Find inspiration for your design
- Check out the competition
- Choose your design style
- Find the right type of logo
- Pay attention to color
- Pick the right typography
- Communicate with your designer

- Evaluate your logo options
- What not to do when designing a logo
- Integrate your logo design into your brand

**Phone answering protocol**

The phone should be answered with a positive greeting such as “Hello,” “Good Morning,” or “Good Afternoon,” etc. Following the greeting the person who answers the phone should give his or her name and the name of the business or organization that is being contacted.

**Rules of Phone answering at Workplace**

- Be prepared. Get familiar with your phone, and learn how to transfer calls
- Answer right away. Answer within three rings
- Announce yourself
- Be an active listener
- Consider your tone
- Don't use speakerphone
- Summarize before hanging up
- End on a professional note

**Slogans**

A slogan is an advertising tagline or phrase that advertisers create to verbally express the importance and core idea of their product or service. By and large, it's a theme of a campaign that usually has a genuine role in people's lives.

**Some well-known slogan examples are:**

1. **Just Do It. (Nike)**
2. **I'm Lovin' It (McDonald's)**

## Templates for communication/invoicing

There's one simple but important distinction between invoices and receipts. In general, invoices are sent prior to receiving payment as a way to request payment whereas receipts are sent as proof of payment.

## Style guide

A style guide is a great foundation for that. Depending on your organization, your style guide might include grammar and web standards, copy patterns, voice and tone guidelines, content types with examples, a word list (and a blacklist), and brand basics.

## How do you write a writing style guide?

- Consider Following AP Style
- Establish Guidelines for Tense, Voice, and Point of View.
- Translate difficult words to Customer-Friendly Language.
- Explain Writing Best Practices for Different Formats and Content Types.
- Identify How Branded Terms Must Be Spelled and Formatted.
- Define Your Brand Voice and Tone.

## Self-Check 7

Name: ___________________________ Date: ________________

**Directions:** Match column A with B (2 points each)

| A | B |
|---|---|
| 1. Brand identity | A. advertising tagline |
| 2. Image | B. current view of the customers |
| 3. Logo | C. foundation of a company |
| 4. Slogans | D. visual shortcut |
| 5. Brand | E. system guideline |
| 6. style guide | F. visible elements of a brand |
| | G. communication protocol |

**Note: Satisfactory rating 100%**

**Answer Sheet**

Score = ____________

Rating: ______________

## Information Sheet-4.8: Identifying benefits of products/services

### Introduction

A product benefit is the value that customers realize from a product or service. They are expressed in terms of customer needs, expectations, requirements and motivations. Every product or service has a purpose. For example, the purpose of an oven is to bake raw food, but not all ovens have the same features and benefits. The uniqueness of a product or service can set it apart from the competition. Features can communicate the capability of a product or service.

**Features** are aspects of your product, which could be technical or descriptive. **Benefits** are why that feature matters for your customers. The features tell the customer something noteworthy about the product, and the benefits explain how the customer's life gets better because of it.

The distinction between the terms benefits and features is an important concept in developing and marketing a product or service. **Features** are characteristics that your product or service does or has. For example, some ovens include features such as self-cleaning, smooth stovetops, warming bins, or convection capabilities.

**Benefits** are the reasons customers buy the product or service. For example, the benefits of some ovens to buyers include safety; ease of use, affordability, or in the case of many ovens that feature stainless steel casings prestige.

### Features as perceived by the client

Features always matter because they provide your customers with hints about how well your product or service will deliver its benefits. Although benefits are generally more important than features, there are some times when features make all the difference:

- When all the products in a category provide the same basic benefits, a unique feature may provide a competitive advantage. For example, when all leadership consultants referred to similar performance improvement outcomes, the ones who developed online diagnostic tools distinguished their work from competitors.

- When products or services can be easily compared with competitors'—as the Internet makes increasingly possible—consumers can choose products and services with the most features. Thus, even though most cell phones will provide its owner with the same general benefits for communication, a person considering which cell phone to buy may not choose a certain model if it is missing a feature not found on a competitor's phone. For example, if one phone has Bluetooth connectivity and a second one does not, consumers may choose the one with this extra feature even if they don't even know what Bluetooth connectivity is. It's not that such connectivity is important; it's just that it is so easy to compare the feature sets.

**Benefits as perceived by the client**

Perceived benefit refers to the perception of the positive consequences that are caused by a specific action. In behavioural medicine, the term perceived benefit is frequently used to explain an individual's motives of performing a behaviour and adopting an intervention or treatment. Consumers don't purchase products primarily for their functions. In fact, function is simply a means to deliver what a customer really wants: benefit. A customer buys a product for the perceived benefit he will gain from it. These perceived benefits, in addition to his opinion of the product, are what create customer perceived value. When making a purchase, a customer values a product's benefit higher than its function. For example, a customer doesn't buy a drill to have a drill. He buys a drill to have the capacity to make holes.

| Self-Check 8 |
|---|

Name: ___________________________ Date: ________________

**Directions:** Answer the question listed below.

1. Discuss the difference between feature and benefit. (6 point)

**Note: Satisfactory rating – 100%**

**Answer Sheet**

Score = ____________

Rating: ______________

## Information Sheet-4.9: Selecting/developing promotion tools

**Introduction**

Promotions refer to the entire set of activities, which communicate the product, brand or service to the user. The idea is to make people aware, attract and induce to buy the product, in preference over others.

In marketing, promotion refers to any type of marketing communication used to inform or persuade target audiences of the relative merits of a product, service, brand or issue. The aim of promotion is to increase awareness, create interest, generate sales or create brand loyalty.

**Elements of business promotion**

There are several types of promotions. Above the line promotions include advertising, press releases, consumer promotions (schemes, discounts, contests), while below the line include trade discounts, freebies, incentive trips, awards and so on. Sales promotion is a part of the overall promotion effort.

- **Networking and referrals**

It is the deliberate, planned and sustained effort to establish and maintain mutual understanding between the company and the public.

- **Seminars**

A seminar is a form of academic instruction, either at an academic institution or offered by a commercial or professional organization. It has the function of bringing together small groups for recurring meetings, focusing each time on some particular subject, in which everyone present is requested to participate.

- **Sales promotion**

Promotion is an incentive tool used to drive up short term sales. Promotion can be launched directed at consumer or trade. The focus of advertising to create reason for purchase the focus of promotion is to create an incentive to buy. Consumer incentives could be samples, coupons, free trial and demonstration. Trade incentive could be price off, free goods and allowances. Sales force incentive could be convention, trade shows, competition among sales people. This includes contests, discounts, free services, passes, tickets and so on, as distinct from advertising, publicity and public relations.

- **Advertising**

Advertising is defined as any form of paid communication or promotion for product, service and idea. Advertisement is not only used by companies but in many cases by museum, government and charitable organizations. However, the treatment meted out to advertisement defers from an organization to an organization.

Advertising development involves a decision across five Ms Mission, Money, Message, Media and Measurement.

Mission looks at setting objectives for advertising. The objectives could be to inform, persuade, remind or reinforce. Objective has to follow the marketing strategy set by the company.

Money or budget decision for advertising should look at stage of product life cycle, market share and consumer base, competition, advertising frequency and product substitutability.

Message's development further is divided into four steps, message generation, message evaluation and selection, message execution, and social responsibility review.

Once the message is decided the next step is finalizing the media for delivering the message. The choice of depends on reach of media, frequency of transmission and potential impact on customer. Based on this choice of media types are made from newspaper, television, direct mail, radio, magazine and the internet. After which timing of broadcast of the message is essential as to grab attention of the target audience.

Checking on the effectiveness of communication is essential to company's strategy. There are two types of research communication effect research and sales effect research.

- **Personal selling**

It is one of the most effective ways of customer relationship. Such selling works best when a good working relationship has been built up over a period of time.

This can also be expensive and time consuming, but is best for high value or premium products.

- **Press releases**

A press release is a short, compelling news story written by a public relations professional and sent to targeted members of the media. A press release is an official statement delivered to the customers of the product for the purpose of providing information or making an announcement.

- **Publicity and sponsorship**

Sponsorship is a specialized kind of public relations and increasingly popular, particularly with larger businesses. A business will sponsor an event, team or individual in order to build brand awareness. Sponsorships help your business increase its credibility, improve its public image, and build prestige. Like any form of marketing, it should be used strategically as a way to reach your target customers. As you build your marketing plan, research the events and cause that your ideal customers care about.

- **Brochures**

A brochure is an informative paper document for advertising, which can be folded into a template, pamphlet or leaflet. Brochures are promotional documents, primarily used to introduce a company, organization, products or services and inform potential customers or members of the public of the benefits.

- **Newsletters (print and/or electronic)**

A newsletter is a printed or electronic report containing news concerning of the activities of a business or an organization that is sent to its members, customers, employees or other subscribers. Newsletters generally contain one main topic of interest to its recipients. A newsletter may be considered grey literature. E-newsletters are delivered electronically via e-mail. A newsletter is a tool used to communicate regularly with your subscribers, delivering the information you want in your email boxes, these messages can contain simple text or a structure composed of images and formatted text.

- **Websites**

A website (also written as web site) is a collection of web pages and related content that is identified by a common domain name and published on at least one web server. Notable examples are wikipedia.org, google.com, and amazon.com. Websites are typically dedicated to a particular topic or purpose, such as news, education, commerce, entertainment, or social networking.

- **Direct mail**

Any email that promotes your business that is sent directly to your customer or potential customers is considered direct email marketing. These emails often include messages that offer new products to your customers or contain calls to action for a particular product, deal or promotion that your company is running. Direct mail encompasses a wide variety of marketing materials, including brochures, catalogs, postcards, newsletters and sales letters. Major corporations know that direct-mail advertising is one of the most effective and profitable ways to reach out to new and existing clients.

- **Telemarketing/cold calling**

**Cold calling** is the solicitation of business from potential customers who have had no prior contact with the salesperson conducting the call. It is an attempt to convince potential customers to purchase either the salesperson's product or service. A form of telemarketing, cold calling is one of the oldest and most common forms of marketing for salespeople. Cold calling generates various consumer responses, such as acceptance, call terminations or hang-ups, and even verbal attacks.

**Telemarketing** is the direct marketing of goods or services to potential customers over the telephone, Internet, or fax. Telemarketing involves the practice of contacting, vetting, and approaching potential customers.

| Self-Check 9 |
|---|

Name: ________________________ Date: ______________

**Directions:**match column A with column B (2 point each)

| A | B |
|---|---|
| 1. Seminars | A. direct marketing using the telephone |
| 2. Sales promotion | B. pages identified by a common domain name |
| 3. Advertising | C. sent directly to your customer |
| 4. Personal selling | D. informative document for advertising |
| 5. Press releases | E. printed or electronic report |
| 6. Publicity and sponsorship | F. short, compelling news story |
| 7. Brochures | G. improve its public image |
| 8. Newsletters | H. communication or promotion for product |
| 9. Websites | I. contests, discounts, free services |
| 10. Direct mail | J. best for high value or premium products |
| 11. Telemarketing | K. small groups for recurring meetings |

L. prior contact conducting the call

**Note: Satisfactory rating – 100%**

Score = ___________

Rating: ____________

## L G# 58 LO #5- Develop business growth plans

## Instruction sheet

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

- Planning to increase yield per existing client
- Planning to add new clients
- Ranking proposed plans
- Developing and agreeing action plan
- Reviewing business work practices

This guide will also assist you to attain the learning outcomes stated in the cover page. Specifically, upon completion of this learning guide, you will be able to:

- Plan to increase yield per existing client
- Plan to add new clients
- Rank proposed plans
- Develop and agreeing action plan
- Review business work practices

Read the specific objectives of this Learning Guide.

1. Follow the instructions described below.
2. Read the information written in the "Information Sheets". Try to understand what are being discussed. Ask your trainer for assistance if you have hard time understanding them.
3. Accomplish the "Self-checks" which are placed following all information sheets.
4. 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-checks).

## Information Sheet-5.1: Planning to increase yield per existing client

### Introduction

A business plan is a written document describing how businesses both new and established plan to achieve their goals. Good business plans should include an executive summary, products and services, financial planning, marketing strategy and analysis, financial planning, and a budget.

The purpose of a Business Plan is to identify, describe and analyze a business opportunity and/or a business already under way, examining its technical, economic and financial feasibility.

A business plan is a formal written document containing business goals, the methods on how these goals can be attained, and the time frame within which these goals need to be achieved. It also describes the nature of the business, background information on the organization, the organization's financial projections, and the strategies it intends to implement to achieve the stated targets. In its entirety, this document serves as a road map that provides direction to the business.

### Business planning

Effective business planning can be the key to your success. A business plan can help you secure finance, priorities your efforts and evaluate opportunities.

It may initially seem like a lot of work; however a well prepared business plan can save you time and money in the long run.

### A business plan includes:

There are no rules about what your plan should cover or the level of detail. In general, plans need to include information regarding:

- business profile
- vision, mission and goals
- market research

- operational strategy
- products and/or services
- marketing plan
- Financial strategy.

**Creating effective business plans**

A business plan is a written set of achievable goals and the means to attaining them. Business plans can be a great way to keep your business on track and maximize productivity in the workplace. The following are the most common considering point that helps to develop effective business plan.

**1. Choose Your Audience**

Before you even begin writing a business plan, you should decide who it will be targeted at. Business plans can be "externally focused", which is to say that they target people outside of the company (e.g. investors or lenders), or they can be "internally focused", which is to say that they target people inside the company (e.g. managers or workers). Knowing the target audience of your business plan will help you keep the information inside both relevant and appropriate to the reader.

**2. Build A Clear Vision**

If you don't already have a strong vision for your business, then it's important that you build one before starting work on a business plan. A vision is an image of where you want your organization to be in the future which even determines the actions that you take. Naturally then, having a strong, clear vision is very important in creating a well-guided business plan.

**3. Use Business Analysis**

Using various different business analyses allows you to discover a number of different internal and external factors which you might have otherwise not considered. SWOT analyses, for example, can help you find gaps in the market, foresee various different threats, and leverage strengths and opportunities which you already have or face. For more information about this topic, be sure to check out this article about how these analyses are key elements of any good business plan.

4. **Set Realistic Goals**

While it's good to be optimistic, make sure that the goals you set are realistic and attainable. Not only will achieving more goals (even if they are a bit easier) improve the morale of those immediately inside the business, but it will also ensure that potential investors can see the consistent progress which you are making.

5. **Consider Different Time Frames**

Business plans are normally set over a certain time period. They explain what the organization wants to achieve, and how it will do it, over a predetermined time frame. When creating your own business plan, it can be valuable to take into account various different time frames to see which business plan would be of most value to external and internal audiences.

6. **Be Logical, Rational, and Conservative**

Similarly to point number four, your business plan should be logical, rational, and conservative. Aside from setting realistic goals, this can mean:

- Properly supporting any claims or assumptions
- Fully fleshing out the means to achieving goals
- Considering the possibility of worst-case scenarios
- Minimizing the amount of empty words included in the plan

7. **Periodically Review Your Plan**

Finally, you should periodically review your plan to make sure that your business is going in the right direction. Sometimes, your business plan might even need to be reworked if you see new opportunities or threats in the market. Either way, it is good to make sure that what your organization is doing is consistent with your plan, which should be both well thought out and up-to-date.

**Self-Check 1**

Name: ________________________ Date: ______________

**Directions:**short answer

1. -------- is a written document describing how businesses both new and established plan to achieve their goals.
2. What are the most considering elements helps to develop effective business plan?
3. Least at least 4 necessary information that include in developing business plan?

**Note: Satisfactory rating – 100%**

Score = ____________

Rating: _____________

## Information Sheet-5.2: Planning to add new clients

**Introduction**

Planning is a key to any business throughout its existence. Every successful business regularly reviews its business plan to ensure it continues to meet its needs. It's sensible to review current performance on a regular basis and identify the most likely strategies for growth. Once you've reviewed your progress and identified the key growth areas that you want to target, it's time to revisit your business plan and make it a road map to the next stages for your business

**Developing/implementing expansion plans**

It is important to evaluate whether you want to consolidate your business' position or find ways to grow. If you decide that your priority is growth/expansion then you need to plan carefully if you are to succeed. Growth/expansion have its risks, but the right strategy can deliver stability, security and long-term profits. Once you've assessed the current strengths, weaknesses, opportunities and threats to your business and how well it's equipped to handle them, you can move on to the next stage - building a strategy for growth/expansion.

**The importance of business growth**

Your business' focus changes as it moves beyond the start-up phase. Identifying opportunities for growth becomes a priority to ensure the enterprise's sustainability. You can measure growth by looking at key statistics such as your:

- turnover
- market share
- profits
- sales
- staff numbers

However, determining which measure delivers the most accurate picture of your business' performance depends on both your type of business and what stage it has reached. For example, a retail business may have a high sales volume, but narrow margins on stock. These could mean low profits that undermine the business' viability. In general, a combination of sales and profits is the balanced way of measuring growth.

Even if you're happy with your current performance, it's important to keep looking for ways to develop. If you don't, you risk allowing your competitors the room to grow and take market share from you, which could seriously weaken your position. Going for growth may therefore begin with consolidation of your current markets.

**Consolidate your existing performance**

Before you pursue any growth strategies, it's essential to make sure that your business is running efficiently**.** While you may be spending more time and resources on developing the business, you need to be sure that the core of the business is still performing well. It's vital not to neglect your existing customer base as this will underpin your growth and, equally importantly, provide the cash flow you will need during this phase.

Timing is critical to the success of any growth strategy. Answers to the following key questions will help you judge if the time is right:

- Could your business cope with expansion, or is it working at full capacity?
- Do you have the resources and systems in place to carry on your existing business while targeting expansion elsewhere?
- If new initiatives are likely to disrupt existing performance, how will you ensure your customers don't lose out?

You may have to consider including additional staffing, refining production processes and equipment or outsourcing certain tasks in order to give you the flexibility to pursue a growth strategy. It's essential that you comprehensively review the present position of your business to make sure that your consolidation efforts will be as effective as possible.

**Options for growth: increasing market share**

To increase market share a business has to take customers from its competitors or attract new customers. Achieving this requires a thorough understanding of both your own customer base and that of rival businesses. Having the answers to the following questions will help you build a comprehensive picture of your market and your competitors and put you in a stronger position to win a bigger market share.

- Who are your existing customers? Are there any other groups that may require your product or service and that you haven't targeted before? Can your product or service be used for purposes that you had not previously considered and that could make it appealing to a wider market?
- What are your competitors' strengths? Do you have these too? If not, why not - and should you have them?
- Why do customers buy from your competitors? What advantages do you have over your rivals that may attract their customers? How can you communicate with your competitors' customers to get them to switch and buy from you instead?
- What is your unique selling point?
- Apart from obvious rivals, are there any other businesses with customers your product or service may appeal to?
- Are there customers who have stopped buying from you? Do you know why? If not, you may want to ask them.
- Will you need to change pricing, marketing, distribution, service levels? Could those changes upset current customers? Will your employees remain motivated?

If you're looking to increase market share, it's important to make sure your business is in good shape first.

**Options for growth: diversification**

Many small businesses grow by taking opportunities to diversify, although there are risksbecause of limited resources on all fronts. Businesses should weigh up the risks and costs of opting for growth carefully against the benefits. Diversification can take several forms, including:

- new, related products or services to existing customers
- new markets for existing products
- new products for new markets

Deciding how and when to diversify depends on your having:

- thorough market and customer research for the new product or service
- a clear development strategy - including trying a new line or service for a short test period with prototypes and test marketing before totally committing to the new project
- sales, marketing and supply chain operations that can cope with the added demands

You'll need to be clear about development costs and what your alternatives are if any delay occurs in development. Wherever possible, try to control risk by securing orders or commitments up front.

While diversification can pose some risks - such as costly delays and mistakes owing to a lack of knowledge or expertise in the new area you're looking to cover - it can also limit the impact of changes in the market. In simple terms, if you supply one product or service and it falls out of favor with customers, it leaves you very exposed. If you have two or more products or services and the sales of one of this drop, at least there will be revenue coming into the business through the other.

However, if you diversify too quickly, then you could lose track or dilute your core product or service. Generally speaking, diversifying with similar products or services and selling them to a familiar customer base is less risky than creating a product for a completely new market.

**Options for growth: partnerships, joint ventures, mergers and acquisitions**

You can also expand your business by joining forces with another business. While this can create more shared decision-making and possible management and staff issues to resolve, there can be clear advantages. Successful co-operation can deliver:

- more resources
- sharing of the managerial load
- larger skills and talent base
- bigger pool of contacts
- increase in markets

- diversification and organic growth using increased resources
- reduced commercial risk

**Partnerships and joint ventures** can offer both partners significant benefits, including sharing experience, skills, and people, equipment and customer bases. Through a partnership or joint venture arrangement with a complementary, non-competitive business, you may be able to open new markets or improve your offer to existing ones. It's important to be very careful who you link up with. An agreement defining the terms of the partnership or joint venture is essential and further legal protection is advisable.

Teaming up must be a win-win situation for both parties. Businesses involved with complementary activities or skills are usually the most appropriate candidates. For example, a group of self-employed workers - a carpenter, a builder and an electrician - could form a company, increase their credibility in the construction trade and bid for larger contracts. A group like this also represents greater customer appeal, as it's a one-stop shop.

**Mergers and acquisitions** -is when two companies formally merge or one takes over another. Mergers and acquisitions are more suited to established enterprises and transactions involve commercial lawyers and considerable legal work.

**Assess which growth option best suits your business**

To choose the best strategy for growth, you'll need to undertake an analysis of your business' current performance. Once you've carried out the review, focus on the option that looks the most logical. Then make sure that the selected option is the most practical and check that the strategy reflects the things your business does well.

**Playing to your strengths**- for example a stationery supplier might identify the following growth options:

- increasing market share by starting a mail order operation
- diversifying by adding computer printer consumables to its range
- entering into a joint venture with an educational book publisher to sell books and stationery to schools

All of these options reinforce what the business already does - providing products that enable written communications. A strategy that doesn't fit so well - for instance, selling interactive DVDs - could be harder to implement and more likely to fail. Check the strategy against any SWOT (strengths, weaknesses, opportunities, threats) analysis in your business review.

You'll need to assess whether you have resources and capacity to make the strategy work. And, you'll also need to be sure that the funding is available and that your strategy will generate a profit.

**The practicalities of growth**-your business will need to count on more resources than simply finance when putting a growth plan into action. Hence, you should also think about the following:

- **Staffing** - will you need to take on more people to make the strategy work? How many? What skills will be required? Are those readily available?
- **Training** -will further training of existing staff be necessary or helpful?
- **Premises** - are they big enough for extra stock and/or a new production line? Will there be sufficient space for staff and will you still meet health and safety regulations?
- **Information Technology** - will your systems cope? Would new software or equipment ease pressures?
- **Customer service systems** - would a more sophisticated system help the strategy to succeed and ease pressures in other areas?
- **Outsourcing** - will outsourcing allow you to concentrate your resources more effectively?

To find answers to these questions, you'll need to have assessed your business' current performance and capabilities.

i. **Marketing**- Marketing and sales are fundamental to the strategy. Is your existing marketing strategy appropriate to your new market and/or product? The right sales people can accelerate growth and profits. Remember it's the growth strategy that comes first - it should determine who you choose to recruit.

Planning your growth and measuring your progress are also important issues. You'll need to update your business plan and work with it as the business develops.

**ii. Getting a return on your investment for growth**

If you've decided to grow your business, it's essential that you detail all the costs incurred in getting your growth option underway and compare them against the anticipated profits. You must be realistic and practical when setting growth objectives. Will you have enough money to finance the development without impacting on funding your core activities?

**iii. Return on investment-**One of the most popular ways of calculating if your figures are on target is to test them using the Return on Investment (ROI) formula. This will tell you what percentage of return you will get over a specified time.

**iv. Financing your growth strategy**

Sound financial planning is the foundation of any growth strategy. Firstly, you should establish:

- how much investment is required to fund the venture
- when it will be needed
- when it will be available

A detailed cash flow forecast is essential, not least because outgoings are almost certainly going to rise sooner and faster than revenues. Enough money must be in the pot to keep the core business running. It's a good idea to build in some surplus too, as most projects always take longer to bear fruit than originally predicted.

Detailed forecasts regarding sales, working capital and sources of seed funding, and even second round funding, need to be drawn up. Businesses looking for capital investment, apart from bank loans, have three main sources - equity capital provided by the owner(s) or friends and family, venture capital and business angels. You can also see if any development or enterprise grants or loans are available in your area.

**Equity finance** is money invested in a business that is not directly repayable. It could be your own, most likely raised through re-mortgaging a property, or money from others taking a share in the ownership of the business.

**Venture capital** is investment by a fund in a business in the early stages of development. The deal will very often include a right to management involvement.

**Business angels** are private investors taking a minority or majority stake in a business, often contributing valuable business experience in the form of advice and contacts.

## Self-Check 2

Name: ___________________________ Date: ________________

**Directions:**short answer

Clearly explain the following terms

1. Equity finance

2. Venture capital**.**

3. Business angels

**Note: Satisfactory rating – 100%**

Score = ____________

Rating: ______________

## Information Sheet-5.3: Ranking proposed plans

**Introduction**

One of the top priorities for any entrepreneur should be the creation of a business plan. Prioritization and planning are two sides of the same coin. Planning is thinking about the tasks required to achieve the desired goal on some scale. Prioritization is ensuring you are doing the right tasks. Planning and prioritization are two of the best skills a manager can have.

They ensure good use of your own efforts and those of your team. Prioritization is making the best use of your limited time and resources when demands are seemingly limitless. Unending meeting requests, continuous daily reports, pressing operative issues and urgent project tasks you name it the list goes on and on and on. If you get into that vicious cycle of trying to do everything, you'll end up burned out, frustrated and unhappy. Prioritization in principle means doing "first things first;" as a process it means evaluating a group of items and ranking them in order of importance and urgency. If everything is important then nothing is important. If you qualify the "not-so-important-tasks" as very important it devalues any other "more-important-tasks".

**Prioritize the business plan**

Prioritizing tasks can be difficult. Understanding how to prioritize and delegate your marketing tasks can be a huge help.

The following five steps will help you do what you need to do: focus on the most important tasks first so that you can leverage them to achieve revenue and growth goals.

**Step One:Brainstorm everything at once.** A brainstorming session helps clear your mind so that you can focus better on your work. It's a simple yet highly effective first step in any prioritization project. Simply list every single task waiting for you, no matter how large or small. Don't worry about ordering the tasks or about deadlines yet. The goal is to clear your mind of all the lingering tasks so that you can focus on prioritizing the “must do” tasks from marketing ideas you can use later.

**Step Two: Identify “mission-critical” marketing tasks.** When it comes to marketing tasks for your business, some are critical to success. Others support important tasks, while a third group may be nice to do if you have time but they’re not necessary to complete right away.

**Step Three: Identify tasks that can be delegated.** There are probably tasks on your list that you do not necessarily have to complete on your own.

**Step Four: Organize and assign deadlines.** Now that you have at least three categories of tasks

- deadline driven (urgent)
- revenue-oriented (importance)
- to be delegated and/or resource availability
- technology

You can begin to organize and prioritize your marketing tasks. Assign deadlines and prioritize deadline-driven tasks in chronological order, with the ones due soonest at the top of the list.

**Step Five: Review your revenue and goal-focused tasks.** Your next batch of tasks includes the ones that have a direct effect on revenue and goals. After that, do tasks that can be leveraged for other projects. Some may be dependent on having another task completed first.

**Importance of prioritization**

Prioritization helps you focus on important tasks by keeping them in the highest priority which enables you to work on them with full attention and focus. Prioritizing is the process of determining what is most important. While at first glance you may be tempted to make everything a “high” or “urgent” priority, be cautious. If everything is urgent, then everything loses its urgency. If everything is important then nothing is most important.

## The Benefits of Prioritizing

- It reduces stress and increases productivity.
- It helps you create room to check your errors.
- It gives you more time to relax.
- It helps you avoid procrastination.
- It keeps you motivated.

## Self-Check 2

Name: ___________________________ Date: ________________

**Directions:**choose the best answer (2 point each)

1. ------------is a principle says doing “first things first.”
   A. Prioritization C. ranking
   B. Evaluation D. ordering
2. Identify the Benefits of Prioritizing
   A. Reduces stress and increases productivity
   B. Helps to avoid procrastination.
   C. Keeps you motivated
   D. All

**Give short answer**

1. -------- is evaluating a group of items and ranking them in order of importance and urgency. (2 point)
2. Explain about how to prioritize business prioritization techniques? (4 point)

**Note: Satisfactory rating – 100%**

Score = ___________

Rating: ____________

## Information Sheet-5.4: Developing and agreeing action plan

### Action Plan

An action plan is a checklist for the steps or tasks you need to complete in order to achieve the goals you have set.

It's an essential part of the strategic planning process and helps with improving teamwork planning. Not only in project management, but action plans can be used by individuals to prepare a strategy to achieve their own personal goals as well.

### Components of an action plan include

- A well-defined description of the goal to be achieved
- Tasks/ steps that need to be carried out to reach the goal
- People who will be in charge of carrying out each task
- When will these tasks be completed (deadlines and milestones)
- Resources needed to complete the tasks
- Measures to evaluate progress

What's great about having everything listed down on one location is that it makes it easier to track progress and effectively plan things out.

An action plan is not something set in stone. As your organization grows, and surrounding circumstances change, you will have to revisit and make adjustments to meet the latest needs.

### Benefits of Action Plan

Sometimes businesses don't spend much time on developing an action plan before an initiative, which, in most cases, leads to failure. If you haven't heard, "failing to plan is planning to fail".

Planning helps you prepare for the obstacles ahead and keep you on track. And with an effective action plan, you can boost your productivity and keep yourself focused.

### Here are some benefits of an action plan you should know

- It gives you a clear direction. As an action plan highlights exactly what steps to be taken and when they should be completed, you will know exactly what you need to do.
- Having your goals written down and planned out in steps will give you a reason to stay motivated and committed throughout the project.
- With an action plan, you can track your progress toward your goal.
- Since you are listing down all the steps you need to complete in your action plan, it will help you prioritize your tasks based on effort and impact.

## Self-Check 3

Name: ___________________________ Date: ________________

**Directions:**Give short answer

1. Define what action plan is? (2point)
2. What are the most components including in preparation of action plan? (4point)
3. Explain about what are the benefits of action plan? (4 point)

**Note: Satisfactory rating – 100%**

Score = ____________

Rating: _____________

## Information Sheet-5.5: Reviewing business work practices

**Review work activity**

Team Leader performs and oversees or guides a number of tasks every day. Each task has its own end to end process. When learning a new task or training someone to perform a task, you should focus on understanding the process followed to complete the task successfully.

**Processes ensure that:**

- Roles are clearly defined so that everyone impacted by the task is aware of their responsibilities
- Every component of the task is completed to an agreed standard
- Business rules are adhered to
- Industry codes and legislation are observed

Generally, an established process has been recognized as the most efficient and productive way of undertaking a task. However, this does not mean that you shouldn't think of ways to improve a process. With the constant development of technology, introduction of new business concepts and techniques, and changing customer and supplier demands, processes need to be refined to ensure your company or organization maintains its cost efficiency and productivity.

When re-engineering a process you need to consider:

- Who is to be involved in the process improvement?
- How the process can be improved?

Our first step is to determine the key players or stakeholders in the process. Stakeholders can include:

- End users
- Customers
- Suppliers
- Other Departments
- Management

**Benefits of review the progress of your business work**

Focus only on the day-to-day running of your business is a vital to improve the business performance 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**

- 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
- 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

Here are the important points need to be consider to effectively review the business work.

1. **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.

2. **Assess your business efficiency**

Many new businesses work in a short-term, reactive way. This offers flexibility - but can cost time and money as you move from getting the business going to concentrating on growing and developing it.

3. **Review your financial position**

Businesses often fail because of poor financial management or a lack of planning. Often the business plan that was used to help raise finance is put on a shelf to gather dust. When it comes to your business' success, therefore, developing and implementing sound financial and management systems (or paying someone to do it for you) is vital. Updating your original business plan is a good place to start.

4. **Conduct a competitor analysis**

Now that you have been running your business for a while, you will probably have a clearer idea of your competitors. Gathering more information may cost time, money and effort, but there are many benefits to knowing more about what your competition is doing.

5. **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.

6. **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.

### 7. Models for your strategic analysis

There are number of useful business-analysis models that may help you think more strategically about your business.

The SWOT analysis (strengths, weaknesses, opportunities, threats) is one of the most popular. This involves looking at the strengths and weaknesses of your business' capabilities, and any opportunities and threats to your business. Once you've identified all of these, you can assess how to capitalize on your strengths, minimize the effects of your weaknesses, make the most of any opportunities and reduce the impact of any threats.

A SWOT analysis can provide a clear basis for examining your business performance and prospects. It can be used as part of a regular review process or in preparation for raising finance or bringing in consultants for a review.

### 8. 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, and technologies used your processes, IT and quality.
- Financial matters - how your business is financed, levels of retained profit, the sales income generated and your cash flow.

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

## Self-Check 4

Name: ____________________________ Date: _________________

**Directions I:Give short answer**

1. What are the most common stockholders to undertake the task review process? (4 point)
2. List at least 5 most important points need to be considering to effectively review the business work? (5 point)
3. Explain the task processes review? (3 point)

**Note: Satisfactory rating- 100%**

Score = ____________

Rating: _____________

## L G# 59 LO #6- Implement and monitor plans

## Instruction sheet

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

- Developing implementation plan
- Agreeing success indicators
- Monitoring implementation
- Adjusting implementation plan

This guide will also assist you to attain the learning outcomes stated in the cover page. Specifically, upon completion of this learning guide, you will be able to:

- Develop implementation plan
- Agree success indicators
- Monitor implementation
- Adjust implementation plan

Read the specific objectives of this Learning Guide.

1. Follow the instructions described below.
2. Read the information written in the "Information Sheets". Try to understand what are being discussed. Ask your trainer for assistance if you have hard time understanding them.
3. Accomplish the "Self-checks" which are placed following all information sheets.
4. 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-checks).

## Information Sheet-6.1: Developing implementation plan in consultation with all relevant stakeholders

**Introduction**

Implementation is by definition, the act of carrying out or executing a plan, process or method. It's the action that must follow any thinking on a review or set of recommendations to ensure it happens. An implementation plan, therefore, is the documented steps you need to take to successfully complete your implementation activities.

A stakeholder is anyone who can affect or is affected by the actions of a corporation.Stakeholders are generally divided into two groups; internal and external stakeholders. As the terms suggest, internal stakeholders come from within the corporation and external stakeholders are those outside the corporation but with a vested interest in it.

Internal stakeholders usually comprise employees, managers and owners, but in some businesses can involve volunteers, students, etc.

External stakeholders are those outside the corporation who interact with it in some way. Most commonly this includes funders or investors e.g. shareholders, banks and finance companies. Suppliers and customers are also significant external stakeholders. However, regulators, policy makers and legislators are also in this group. Some corporations also consider significant influential opinion leaders to be among their key external stakeholders as influencers of attitudes and beliefs.

A stakeholder engagement strategy is a detailed plan of actions for producing specific methods and approaches to collaborating with key stakeholders, identifying their commitment/input to project implementation, and managing their intentions. Consultation enables us to identify and monitor trends, challenges and perceptions over time with specific groups of stakeholders. It therefore helps us to: Identify and track needs and expectations. Identify and track perceptions and attitudes.

**Stockholder consultation**

Stakeholder consultation involves the development of constructive, productive relationships over the long term. It results in a relationship of mutual benefit; it enables us to identify trends and emerging challenges which are currently or will in the future impact on the business. Listening to stakeholder concerns and feedback is a valuable source of information that can be used to improve project design and outcomes, and help a corporation to identify and control external risks. It can also form the basis for future collaboration and partnerships. Consultation enables us to identify and monitor trends, challenges and perceptions over time with specific groups of stakeholders. It therefore helps us to:

- Identify and track needs and expectations
- Identify and track perceptions and attitudes
- Provide feedback on specific planned developments
- Evaluate implementations and actions
- Establish the brand values and positioning of the corporation as seen by others

**Prepare implementation plan**

An implementation plan is in business improvement, many universities and institutions struggle to implement an effective plan that ensures all outcomes are achieved. But that doesn't need to be you! Follow these crucial steps to implement your actions effectively, efficiently and most of all successfully.

**Step 1 – Create a list of the outcomes required**

To determine the actions needed and the priorities of tasks, you need to list the outcomes you want to achieve through this implementation exercise. Usually these are in the form of recommendations from a review or business process improvement exercise.

**Step 2 – Allocate a champion for each outcome**

It's not enough to create a list of outcomes; you need to allocate a champion to head each one, a champion who will be motivated to achieve the outcome and keep the entire project team accountable to achieving it. Look for those members of your team who have a vested interest in achieving this outcome, or who are passionate and committed to a successful implementation.

**Step 3 – Determine what action needs to be taken for outcomes to be achieved**

In this section of your implementation plan you need to write down all of the actions that will result in your team successfully achieving your outcomes.

**Step 4 – Establish roles, budgets and accountabilities**

Once you have the list of actions that will ensure completion of your implementation activities, you need to determine the roles and responsibilities of your implementation team. You also need to define when each action needs to be done by, what the budget is and who is responsible for it.

**Step 5 – Set up a tracking sheet to monitor progress**

A tracking sheet will give you a quick at-a-glance update of where your implementation plan is at and what actions are complete, in progress or late. This allows you to quickly address any issues to get your project back on track.

**Step 6 – Follow a project management methodology**

A project management methodology is a series of different governance controls, structure and processes that are designed to help you manage your activities, time and resources more effectively and handle problems proactively when they arise.

**Step 7 – Schedule and undertake a review**

Every time you implement change in your organization it is a learning opportunity and should be reviewed. Through the review process, it's important to examine what worked and what didn't to identify areas for improvement.

### Implementation Strategy

To gain an understanding of implementation strategy, we must first define a strategic plan. A strategic plan is the process of defining the strategy by which you (or a team or organization) will accomplish certain goals or make decisions. Organizations make strategic plans to guide organizational direction, a particular department's efforts, or any project or initiative.

Implementation strategy is the process of defining how to bring the strategic plan to life. To execute the objectives outlined in the strategic plan, you must define how you will implement each aspect, from funding and personnel to organization and deliverables. Therefore, without an implementation strategy, it can be difficult to identify how you will achieve each of your stated goals and objectives.

### Strategic Implementation Process

The strategic implementation process is the concrete steps that you take to turn your strategic plan into the actions that help you accomplish your goals and objectives. By nature, there is no single, “correct” implementation process for any project or initiative; rather, the actual implementation steps you take will depend on the specific undertaking. Implementation tactics also vary based on the specific organization and goals.

A strategic implementation plan (SIP) is the document that you use to define your implementation strategy. Typically, it outlines the resources, assumptions, short- and long-term outcomes, roles and responsibilities, and budget.

### Important of implementation plan

Implementation planning largely determines project success because without it, your strategic goals remain unsanctionable. Therefore, implementation is the necessary step that transforms your strategic plans into action to achieve your goals. A project implementation plan is the plan that you create to successfully move your project plan into action. A project implementation plan sometimes includes a rough schedule, but teams usually set the hard timeline in the execution plan.

### Components of an Implementation Plan

The following are the key components of and questions that drive a successful implementation plan:

- Define Goals/Objectives
- Schedule Milestones
- Allocate Resources
- Designate Team Member Responsibilities
- Define Metrics for Success
- Define How You Will Adapt
- Evaluate Success

## Self-check 1

Name: ___________________________ Date: ________________

**Directions:**match column A with column B. (2 points each)

| A | B |
|---|---|
| 1. Implementation | A. transforms your strategic plans to action |
| 2. Stakeholder | B. act of carrying out or executing a plan |
| 3. Internal stakeholders | C. concrete steps to turn your strategic plan to actions |
| 4. External stakeholders | D. anyone affected by the actions of a corporation |
| 5. Stakeholder consultation | E. are those outside the corporation |
| 6. Implementation plan | F. defining how to bring the strategic plan |
| 7. strategic plan | G. development of productive relationships |
| 8. Strategic implementation | H. strategy the team will accomplish certain goals |
| 9. Implementation plan benefit | I. struggle to implement an effective plan |
| | J. components of implementation plan |

**Note: Satisfactory rating – 100%**

Score = ___________

Rating: ____________

## Information Sheet-6.2: Agreeing success indicators

### Indicators to Measure Business Success

To find out how you can measure your own business success, here are the top four Business Success Indicators

**Profit**

As expected, profit definitely makes the success indicators list. In fact, profitability is probably the first thing people think about when it comes to measuring business success. If your business is consistently making money and your funds are enough to cover all your expenses while leaving some extra money for saving, that is a clear sign that your business is doing well.

**Growing Network**

A growing customer base is a clear indicator of a successful business. If you can retain your current customers while attracting others, then your operations are well-managed. Constant network growth shows that you are reaching your target market effectively with your marketing and operational strategies.

**Team Satisfaction**

Developing a work environment that drives your team to be more progressive and productive is another key indicator of success. When your business inspires and motivates your team members by rewarding hard work, it will certainly attract the cream of the crop and encourage them to join your team

**Business Owner Satisfaction**

When the business owner himself is satisfied with the business operations, then that is probably the most important measure of business success. Dissatisfaction is contagious; if you find yourself unhappy with your business operations, then that unhappiness is sure to spread amongst your team members, too.

## Self-check 2

Name: ___________________________ Date: ________________

**Direction I:Give short answer**

1. List and explain clearly the most common indicators of business to measure its success. (8 point)

**Note: Satisfactory rating – 100%**

Score = ____________

Rating: ______________

## Information Sheet-6.3: Monitoring implementation

### Monitoring and evaluation

**Monitoring** is systematic, timely and purposeful observation and data collection to check if project activities are being implemented as planned. More precisely, monitoring assesses project activities to establish what activities are being done, and where, with whom, when and how many have been completed. Monitoring and evaluation are ways of systematically measuring and assessing program activities and results. Their purpose is to check on the progress of implementation and outputs systematically. They help to determine when a programme is going to plan and when changes may be needed. They form the basis for modification of interventions, and of assessing the quality of any activities that are being conducted. Moreover, with a positive outcome, they can be used to demonstrate that program have been implemented effectively and have had a measureable impact.

Together, monitoring and evaluation (frequently abbreviated to M&E) provide the necessary data to guide planning, to allocate resources, to design and implement programmes and projects and, if necessary, to re-allocate resources in better ways. They are essential in providing planners, implementers, policy makers and donors with the information and understanding they need to make informed decisions about the operation of their programmes.

Monitoring is a management tool for improving project and programme performance, both to improve organizational delivery and control for risk. Monitoring is the continuous collection and analysis of information used by management and partners to assess performance (progress on implementation of activities, delivery of outputs, achievement of results and impacts and use of resources). Monitoring is an essential pre-requisite for results-based management, evaluation and learning.

**Elements of monitoring and evaluation process**

**Outputs** are the things produced by a project or program. In WASH, examples include tangible products like new or rehabilitated wells and pumps, new latrines and training manuals; they could be events and activities like running a training workshop for frontline workers, or producing hygiene promotion posters.

- **Outcomes** are the effects of the outputs, usually in the short- to medium-term. Examples, following those above, could be the number of people who now have access to safe water as a result of the new water schemes or attendance at the training workshop.
- **Impacts** are long-term effects and consequences. Examples could be a fall in the incidence of diarrhoeal disease, improved school attendance, or pumps that last longer because they are well-maintained.

**An indicator** is something that can be seen or measured or counted, which provides evidence of progress towards a target. Indicators are used to monitor or evaluate project performance. They are project-specific and defined by the objectives of the project. They can be based on either quantitative or qualitative measurements.

Monitoring is used to track changes in project performance over time against measurable indicators defined well in advance. It involves collecting data and tracking actions being taken in order to measure progress towards the goals and to identify any problems. For any particular activity, the output, the outcome and the process should all be monitored.

The purpose of monitoring is to permit managers to make informed decisions regarding the implementation and performance of projects and the efficient use of resources. Monitoring is often done internally by project managers or by dedicated project monitoring staff. It involves a continuous process of checking, analysing and giving feedback into project activity and resource allocation plans.

## Self-Check 3

Name: ____________________________ Date: ________________

**Directions:** Answer all the questions listed below. Illustrations may be necessary to aid some explanations/answers.

1. Explain what Monitoring is? (2 point)
2. What are the elements of monitoring and evaluation process? (4 point)

**Note: Satisfactory rating – 100%**

Score = ____________

Rating: _____________

## Information Sheet-6.4: Adjusting implementation plan

**Work implementation**

Implementation is the process that turns strategies and plans into actions in order to accomplish strategic objectives and goals. Implementing your strategic plan is as important, or even more important, than your strategy. The strategic plan addresses what and why of activities, but implementation addresses who, where, when, and how. The fact is that both pieces are critical to success. In fact, companies can gain competitive advantage through implementation if done effectively.Whether a business is a start-up or already well established, business implementation becomes the responsibility of all the employees. Implementation is the process of executing a plan or policy so that a concept becomes a reality. To implement a plan properly, managers should communicate clear goals and expectations, and supply employees with the resources needed to help the company achieve its goals.

**Develop a work plan**

Work planning sets the stage for program implementation. A work plan is a document that specifies and represents main activities/tasks, their sequence, timing and who will have responsibility for them.

The following steps are usually involved when developing a work plan:

- List main activities that will be necessary to meet the program goals and to achieve the desired outcome.
- Choose realistic, appropriate time periods for specifying when activities will take place (weeks, months, quarters etc.).
- Break each activity down into manageable tasks. A task is something that can be managed by an individual and is easy to visualize in terms of resources required and the time it will take to complete.
- Specify the sequence and relationships between tasks. (What needs to happen before this task can be started? Can two tasks be carried out at the same time?)

- Consider human resources, including work schedules, seasonal schedules, and other ongoing projects.
- Estimate the start time and duration of each task. This may be represented as a line or bar on a chart.
- Include all essential activities and tasks;
- Bear in mind workloads on individuals (peaks and troughs of work) and identify where additional assistance may be needed; and
- Be realistic about how long a task will take.
- Identify key events or achievements (milestones) by which monitor progress. These are often dates by which a task will be completed
- Agree on and assign responsibilities for tasks with staff, volunteers, and other members of the program team.

## Self-Check 4

Name: ___________________________ Date: ________________

**Directions I:short answer**

1. ---------- is a document that specifies and represents main activities/tasks, their sequence, timing and who will have responsibility for them. (2 point)
2. Explain what are the steps usually involved when developing a work plan? (6 point)

**Note: Satisfactory rating – 100%**

Score = ____________

Rating: _____________

**Reference**

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This curriculum was developed on September 2020 at Bishoftu

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