

Unit Title:	Importance of business plans
OCR unit number	8
Ofqual reference number	A/502/9967
Level:	2
Credit value:	3
Guided learning hours:	28

Unit purpose and aim

This unit will help the candidate to identify and explain the importance of a business plan for starting a business venture and how it may be used on an ongoing basis.

Learning Outcomes	Assessment Criteria	Knowledge, understanding and skills
<p>The Learner will:</p> <p>1 Understand the importance of business plans</p>	<p>The Learner can:</p> <p>1.1 Explain how a business plan is used when setting up a business</p> <p>1.2 Describe how reviewing outcomes of projects can inform future performance</p>	<ul style="list-style-type: none"> The importance of a business plan in the setting up of a business eg clear timelines, clarity of planning, third parties, training and personal learning
<p>2 Know how to produce business plans</p>	<p>2.1 Identify the sections of a business plan</p> <p>2.2 Describe the purpose of each section</p> <p>2.3 Identify sources of information/advice on producing a business plan</p>	<ul style="list-style-type: none"> Main sections that should be included in a business plan including: executive summary; the business opportunity; marketing and sales; management team; operations and finance Whom a business could go to for help with drawing up a business plan – this could include: organisations; individuals and the internet
<p>3 Understand the process of monitoring business plans</p>	<p>3.1 Explain the process of monitoring a business plan on an ongoing basis</p>	<ul style="list-style-type: none"> The need to regularly monitor the business plan How and when this monitoring should be undertaken

Assessment

This element is assessed by OCR set assignments that are centre assessed and externally moderated by OCR.

The candidate must be able to clearly explain the contents of a business plan and how these would be best ordered.

The candidate must demonstrate a clear understanding of the variety of different ways the plan may be used.

Candidates should complete all tasks contained in the candidate information section to demonstrate a clear understanding of these issues. Some tasks may require the additional completion of a witness statement. Where this is the case, a form has been provided in the assignment booklet. This should be completed by the tutor/assessor.

Candidates must complete the tasks for all assessment criteria contained within the unit.

Evidence requirements

In order to achieve this unit you must demonstrate that you have met all of the stated learning outcomes and assessment criteria. Candidates must complete the templates provided or where indicated either produce continuous prose in line with the indicated word limit or use another appropriate format.

In Learning Outcome 2, candidates are expected to know the structure of a business plan, but not to draw one up. Candidates should, where possible, use knowledge and information gathered from other units.

Guidance on assessment and evidence requirements

Assessment will take the form of an OCR template assignment, which allows the candidate to evidence each assessment criteria. For each assessment criteria, OCR will also supply templates to aid centres in confirming that all aspects of the assessment have been completed and that relevant evidence is available.

A breakdown of the expected actions is provided in the candidate section of the assignments. Tutors should ensure that the knowledge, understanding and skills section is sufficiently covered, according to the criteria provided.

All aspects of the task, as laid out in the candidate section, should be completed before the work is submitted to OCR for moderation. Witness Statement Forms have been provided where required. The tasks should be assessed in the centre before the candidate's portfolio is presented to the OCR-appointed examiner-moderator.

You should refer to the '*Admin Guide: Vocational Qualifications (A850)*' for *Notes on Preventing Computer-Assisted Malpractice*.

National Occupational Standards (NOS) mapping/signposting

NOS can be viewed on the relevant Sector Skills Council's website or the Occupational standards directory at www.ukstandards.co.uk.

Occupational standards	Unit number	Title
Most relevant		
SFEDI	BD1	Check the likely success of a business idea
SFEDI	UE1	Choosing your business enterprise
SFEDI	UE6	Planning for success
Relevant		
SFEDI	BD4	Carry out a review of your business
SFEDI	UE2	Identifying and managing opportunities and risks
SFEDI	UE5	Winning Help and Support
SFEDI	UE7	Managing money matters

Functional skills signposting

This section indicates where candidates may have an opportunity to develop their functional skills.

Link to functional skills standards <http://www.qcda.gov.uk/15565.aspx>

Functional Skills Standards					
English		Mathematics		ICT	
Speaking and Listening	✓	Representing	✓	Use ICT systems	✓
Reading	✓	Analysing	✓	Find and select information	✓
Writing	✓	Interpreting	✓	Develop, present and communicate information	✓

Resources

Candidates who wish to present their work electronically will require access to a computer with word processing software.

Additional information

In order for the candidate to achieve this unit the candidate must demonstrate an understanding of a new business's needs. The candidate will create elements of important information that can be added and developed into a business plan.

Further guidance is provided in the Notes for Tutors section of the assignment booklet.

For further information regarding administration for this qualification, please refer to the OCR document 'Admin Guide: Vocational Qualifications' (A850) on the OCR website www.ocr.org.uk.