

Assignment 2: Outline Handout and Rubric

Length: 3 - 12 double-spaced pages*

*Students often need more than this page amount to complete the Outline

Due: Week 3 by Sunday Midnight (PST)

Post: Week 3 Assignments Folder

Points:

The business plan will need to be customized to include all of the areas below, and yet remember this application will be different depending upon whether the innovation is a product, a service, or both (product-service combination).

It is critical that as you write the Business Plan to incorporate citations from the text books used in the BBA program. Do not copy and paste from your (or others) assignments from previous classes (that is an Academic Integrity Violation). But do apply and cite the concepts from what you have learned.

The Outline will be based upon the data from the Literature Review and will also include additional research. The Outline and all papers in the capstone are to follow APA headings:

APA Style Headings: 6th Edition

Level	Format
1	Centered, Boldface, Uppercase and Lowercase Heading Then your paragraph begins below, indented like a regular paragraph.
2	Flush Left, Boldface, Uppercase, and Lowercase Heading Then your paragraph begins below, indented like a regular paragraph.
3	Indented, boldface, lowercase paragraph heading ending with a period. Your paragraph begins right here, in line with the heading. ^a
4	<i>Indented, boldface, italicized, lowercase paragraph heading ending with a period.</i> Your paragraph begins right here, in line with the heading.
5	<i>Indented, italicized, lowercase paragraph heading ending with a period.</i> Your paragraph begins right here, in line with the heading.

^aFor headings at Levels 3–5, the first letter of the first word in the heading is uppercase, and the remaining words are lowercase (except for proper nouns and the first word to follow a colon).

<https://owl.english.purdue.edu/owl/resource/664/01/>

The Twelve Sections of a Business Plan:

1. Executive Summary

You will include this section in the Outline – but you will not be able to write this section until you have completed all of the research and written all of the other sections.

However it is good for you to know that:

The purpose of an Executive Summary is to write a brief description of your plan that allows the reader to gain the essence of the entire plan in less than two (2) pages. It is intended to give a busy executive the key information and lead the reader to the sections

that will answer the executive's primary questions. It is not an introduction to the plan, as you may have written in typical papers. The Executive Summary is meant to raise the interest of the executive reading it to continue reading and evaluating the Business Plan. Keep in mind, this might be the only section the executive might read; if not interesting, they might dismiss the rest. This Executive Summary, although positioned first in the project, should actually be written last. That way you know what you are summarizing. Writing it earlier will cause it to tend towards a traditional introduction. The elements of an Executive Summary are:

- Usually starts with "There is a need" and is backed up by data. This includes a description of the unsatisfied need that creates the business opportunity/innovation
- Purpose of the plan (attract investors, bring a new innovation to a specific and identified and cited market, etc.)
- Introduction to market opportunity – what is the innovation, what is the industry, what is the value that it brings
- Brief description of the connection to the Fortune 500 company

2. Mission and Vision Statement & Innovation Description

The Mission and Vision should be carefully crafted. You should see evidence of how operational, financial, management and marketing plans are executed in light of the innovations mission and vision. You are writing about the Innovation not about the Fortune 500 company, and yet you have to show the connections.

Company Description (proposed new organization)

- Type of Business and Legal Structure (e.g., LLC, sole proprietorship)
- Distinctive Core Competencies, overview of the demographics, location, financial viability, etc.

In this section you will also show (but not repeat) the connection between your innovation and the Fortune 500 company, but you are not writing an Outline about the Fortune 500 company

3. Industry Analysis and Trends (state of the industry, market research, barriers to entry, identifying competitors, identifying market niche, expert advice, competitive analysis, strategic positioning). All with cited data from academic and business sources.

- The history of the industry
- Size of the industry
- Industry evolution
- The trend--where the industry is expected to be in five to ten years
- The key players in the industry (those who do something like this well and those who do not).
- Perform a competitive advantage analysis.
- Barriers and challenges to entering the market
- Environmental Scan

Significant factors in the macro environment

Clear statement of the opportunities and threats through SWOT analysis. The SWOT connects to the research and results in data driven decision making. Other

issues include but are not limited to:

- Copyrights, Patents, and Intellectual Property Rights
- Research and Development Activities
- Failures in the industry
- Opportunities
- Changes in the market
- Products and services
Detailed Product/Service Description
 - Product Life Cycle
 - Copyrights, Patents, and Intellectual Property Rights
 - Research and Development Activities

4. Strategic Positioning, Strategic Intent (Measurable Goals)

Competition strengths and weaknesses (using SWOT, AAA, and other matrices)

5. Product / Service (define product or service, what makes the product worthwhile, liability concerns, expert advice)

- How does the position in the Product Life Cycle affect this Business Plan?
- How does the position in the Industry Life Cycle affect this Business Plan?

6. Management Plan (hiring projections, board of directors or advisors, outside professionals, licenses, expert advice)

Management and Ownership

- Board of directors and rationale for members
- Management staff structure - Organizational chart
- Key managers
- Plans to attract, develop, and retain key personnel
- Future additions to the current management team
- Compensation and reward plans (based upon Indeed.com data)
- Training and motivation plan (financial and otherwise)
- Insurance plans and costs
- Government rules and regulations that might apply
- Answer Drucker's Five Questions as they relate to your business
<http://www.inc.com/peter-economy/5-essential-questions-entrepreneurs.html>

7. Marketing Plan (defining the product, defining the customers, selling prices, market placing/segmentation, promotion, follow-up plan, and expert advice). Use <http://www.fedstats.gov/> for more information

- What is the competitive advantage that this business will create?
- Major characteristics of the target market (what does the customer look like?)
- What is the demand of this target market?
- Nature of the competition?
- What are total sales to this market in geographic area?
- What are total sales expected in five years? In ten years?
- What percentage of this demand does this business expect to capture?
- What are the four Ps?

- Overall marketing strategy
- Specific marketing mix
- Strengths and weaknesses in ability to satisfy target market needs
- Communication plan internally and externally
- Channels of distribution
- Sales strategy (Customer Relationship Management Program)
- Product and service cost

8. Operations Plan (operations for product or service from the beginning to the end of the supply chain (Cradle to Cradle) of the supply chain, technology, expert advice). Key suppliers, Customers, Operations

- List of potential suppliers
- Production and Service Delivery Procedures
- Supply Chain process flow chart (how goods and services will flow from the supplier all the way through the organization to the customer). These are some examples:
https://www.google.com/search?q=process+flow+chart&tbm=isch&tbo=u&source=univ&sa=X&ved=0ahUKEwiwj_qUwI3QAhXHh1QKHdwABsQQsAQISg&biw=1920&bih=97
- Product return process
- Supplier Relationship Management
- Logistics
- Packaging
- Transportation

9. Financial Plan (income statement, balance sheet, cash flow statement, personal financial statement [not included in student plan – but students need to be aware of this requirement], financial ratios, forecasts, expert advice).

- **Financial Analysis**
 - Funds required and their sources
 - Current funding requirements
 - Funding requirements over the next three years (key ratios to focus on)
 - Use of funds
 - Loss Control
- **Financial statements for first three (3) years (monthly first year and annually for years two and three) (may use template)**
 - Income statements
 - Balance sheets
 - Cash flow statements
 - Determine capital requirements
 - Determine funding sources

10. **Action Plan: Steps to take to implement business plan including performance evaluation criteria.**
11. **Conclusions & Recommendations**
 - Conclude why your business is a viable business venture (or a viable business/strategic path for the client company)
 - Explain why the student should or should not pursue the business venture at this time (or why or why not the client)
 - Business should pursue the path under investigation
12. **Appendices & Reference Section (Reference section will include at least 35 sources for research for the business plan and APA citation will be provided for each source). Examples for other Appendices include:**
 - **Key employee resumes, product and advertising samples, press clippings**
 - **First impression collateral** (e.g. cover letters for sources of income, brand, printing, design, charts, graphs and tables, multimedia presentations, etc.)
 - **Information that creates capital** (market research, communication plan, financing, websites, trade groups and associations, etc.)

References

This section continues with the Arabic numbering of pages. Only sources of information that have actually been cited in the project are included here. (see APA sample paper <https://owl.english.purdue.edu/owl/resource/560/18/>)

Appendices

The appendices continue with the Arabic numbering of pages from the previous section. (see APA sample paper: <https://owl.english.purdue.edu/owl/resource/560/18/>)

Below is the Rubric that will be used to grade this assignment:

Evaluation Criteria for Outline				
<i>Paper Elements</i>	Exemplary 60	Proficient 50	Developing 42	Emerging 25
Executive Summary, Mission and Vision and Company Description	12 Clearly describes the need for the innovation, customer, the city and financial viability. Clearly and concisely identifies the	10 Describes the innovation, customer, the city, and financial viability. Identifies the purpose of the innovation and how it would fit	8 Describes the innovation, customer, the city, and financial viability. Somewhat identifies the purpose of the innovation and	5 Provides some data on the innovation, customer, the city, and financial viability. Does not clearly show the purpose of the innovation

	purpose of the innovation and how it would fit into the mission and vision of the Fortune 500 Company. Shows how people in the city can benefit from this innovation. The value of the innovation is clearly described and evident.	into the mission and vision of the Fortune 500 Company. Shows how the people in the city can benefit from this innovation. The value of the innovation is somewhat evident.	how it would fit into the mission and vision of the Fortune 500 company. Somewhat shows how the people in the city can benefit from the innovation. The importance and value of the innovation is somewhat evident.	and how it would fit into the mission and vision of the company. Somewhat shows how the people I the city can benefit from the innovation. The importance and value of the innovation is not evident.
Industry Analysis, Competitive Advantage Product and Service	12 Clearly and concisely defines industry, the competitive advantage and the product and service using key business and academic sources. Thoroughly examines facts. Data driven decision making shows research.	10 Concisely defines industry, the competitive advantage and the product and service using key business and academic sources. Examines facts. Data driven decision making shows research.	8 Somewhat defines industry, the competitive advantage and the product and service using key business and academic sources. Examines facts. Data driven decision making shows research.	5 Does not concisely define industry, the competitive advantage and the product and service using key business and academic sources. Somewhat examines facts. Data driven decision making shows research.
Management, Operations, Marketing, Financial Plans. Environmental scan.	12 Objectively analyzes and synthesizes research to draw valid conclusions supported by findings in the research for management, operations, marketing management and	10 Analysis of research to draw valid conclusions supported by findings in the research for management, operations, marketing management and environmental	9 Somewhat analyzes research to draw some valid conclusions supported by findings in the research for management, operations, marketing management and environmental plans including	5 Limited, if any, analysis to draw valid conclusions supported by findings in the research for management, operations, marketing management and environmental plans including

	environmental plans including environmental scan. Analyses for above are comprehensive and in-depth examinations of the research.	plans including environmental scan. Analyses for above are comprehensive and in-depth examinations of the research.	environmental scan. Analyses for above are somewhat comprehensive and in-depth examinations of the research.	environmental scan. Analyses for above are not comprehensive and in-depth examinations of the research.
Action Plan Conclusion and Recommendation	12 Consistently employs critical analysis to research and analyze the innovation; effectively synthesizes data to draw strong conclusions for the Action Plan and recommendations. Uses 15 or more scholarly and business sources.	10 Often employs critical analysis to research and analyze the innovation; synthesizes data to draw reasonable conclusions for the Action Plan and recommendations. Uses 15 or more scholarly and business sources.	8 Somewhat employs critical analysis for research and analysis of the innovation; somewhat analyzes the data and only draws some conclusions for the Action Plan and Recommendation. Has less than 15 scholarly and business sources.	5 Limited use of critical analysis to research and analysis of the innovation; limited, if any, analysis or synthesis of data to draw conclusions for Action Plan and Recommendation. Uses less than 12 sources and some of the sources are not research or business sources.
Writing Mechanics	12 The Outline is logical and well-written; spelling, grammar, and punctuation are accurate. Paper is the required length of 9 – 12 pages. The paper uses the headings as listed above and shows literature to support each of the headings. Uses APA	10 The Outline is logical and well-written but with minor errors in spelling, grammar and/or punctuation. The literature review may be 10% shorter than the required length. Uses headings as listed above and shows	9 The Outline is somewhat logical and well-written; some errors in spelling, grammar and/or punctuation. The literature review may be 15% shorter, and may not include all headings and may not show support for all areas. Has more than 5 errors in	5 The Outline lacks clarity and may be confusing with numerous errors in spelling, grammar and/or punctuation. The literature review may be 20% shorter and does not include headings or does not show support for all of the areas. Has

	standards for all areas, especially headings, and in text citations.	literature to support each of the headings. Uses APA standards for all areas, especially headings, and in text citations.	APA or grammar.	more than 7 errors in APA or grammar.
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