

BUSINESS PLAN Activity

Set Up:

- The students' desks should be arranged into five groups. As students enter the classroom, help arrange equal numbers of students in each group. You can use fewer groups with smaller sessions.

Goal: Students will:

- Learn how small business owners and entrepreneurs use their knowledge and abilities to create and/or run businesses
- Be able to develop their own fictional business plans based on set criteria.

***When text is in red, please read it to the students exactly as written.**

Introduce yourself and briefly share your career/education background.

Opening Remarks: (3-5 minutes) Tell the students they will have the opportunity to develop an idea to sell a good or service in order to practice being a small business owner or an entrepreneur. Define these terms:

- Self-employment is when someone works for themselves and earns their own income, rather than being employed by someone else.
- A business owner is someone who manages the financial and operational aspects of a business that sells goods or services for profit.
- An entrepreneur creates something new or does something in a different way.
- **NOTE: Not everyone who is self-employed or owns a business is an entrepreneur.**
- Review *business plan* and *profit* using the flash cards provided: Successful businesses start with a business plan and typically define their success by the amount of profit earned. Use the lemonade stand example on the flashcard to demonstrate profit.

Activity 1: Reviewing a Business Plan (5-8 minutes)

- Hand out the laminated Business Plan for Barb's Bakery to each group (and use one for yourself).
- Review her Business Plan with students; you can read it or ask them questions such as "What is the need for the bakery? Why is it a goods business? Who are her customers?" Etc.
- **Ask students if Barb's Bakery is an example of a small business or an entrepreneur.**
 - **Barb is a small business owner. She is not an entrepreneur because her idea is not new or different. This is fine! Not all business owners are entrepreneurs.**

Activity 2: Creating a Business Plan (15-20 minutes)

Students will work with their small group to develop a business plan they could start right now.

- Ask students if any of them is running a business right now. Possibilities could include making and selling jewelry, babysitting, dog walking/sitting, yard work, designing websites or other computer related work. Refer to the green **10 Business Ideas for Middle School Students** card in folder. After discussing business ideas that they could start right now (not when they are adults), distribute 1 Business Plan form to each student. They should work together but fill out their own separate sheet to keep.
- Ask groups to decide which business they would like to start and give them 15 minutes to discuss their idea, decide on a strategy, and complete the Business Plan form. Depending on the mix of the group, they may not agree on what business they want to start. It is OK for them to work on an individual plan or as a smaller group within their group.
- Please circulate among the groups as they work and offer assistance.
- After 10-15 minutes (monitor progress), ask students to stop working. One member (or pair if they want) from each group will briefly present their business plan. Ask each group if they are business owners or entrepreneurs.
- If time allows, ask the students: which idea they liked best; do they think the idea is possible for students to start now; are they aware of anyone who became a successful entrepreneur or business owner at a young age.

RECAP/TALKING POINTS (as time permits):

- How easy/hard was it to make the business plan?
- How does a business plan help increase the chances of your business being successful?
- What is the difference between a business owner and an entrepreneur? (entrepreneur has a new idea)