

Unit 38: Participate in Business Planning and Improvement in the Land-based Sector

Unit code: F/600/9701
QCF Level 3: BTEC National
Credit value: 10
Guided learning hours: 60

● Aim and purpose

This unit aims to provide learners with an understanding of the principles of business improvement and planning in the land-based industries and how these can be put into practice. This unit is primarily aimed at learners within a centre-based setting looking to progress into the sector or to further education and training.

● Unit introduction

In recent years the internal and external pressures placed on many land-based businesses have increased, strengthening the need for them to continually seek out ways to improve their operation and performance. The unit encourages learners to think creatively and strategically about how to pursue business improvements across a range of functional areas and so that businesses can improve their competitive position. Improving performance in the area of environmental impact is becoming increasingly important for all business managers and ways to do this are also explored.

Business planning is important for both new and existing businesses that are seeking to develop and improve. Developing a business plan can involve many different factors and a business idea may not always be successfully realised. Initial considerations that must be addressed if the business plan is to be successful include the business idea, where funding will come from, what the potential market is, the existing competition, and physical and human resources required.

This unit develops the skills necessary to prepare and present simple business plans. It will enable learners to source relevant information, consider alternative resources and select the most appropriate, and draft plans and present them in a businesslike manner. This will develop an appreciation of business requirements and provide a foundation for future self-employment or junior management roles.

● Learning outcomes

On completion of this unit a learner should:

- 1 Understand business improvement in land-based industries
- 2 Be able to identify and plan opportunities for practical business improvement
- 3 Be able to develop a land-based business idea
- 4 Be able to prepare a business plan.

Unit content

1 Understand business improvement in land-based industries

Strategies: consolidation, expand market share, product development, market development, diversification; opportunities and risks; SWOT (strengths, weaknesses, opportunities and threats) analysis

Improve performance: improved effectiveness and efficiency in key business functional areas eg products, services, marketing, customer relations, staffing, staff management, working practices, production efficiency, financing, financial control; internal factors impacting on business performance (eg resources, management); external factors impacting on performance (eg political, economic, socio-cultural, technological)

Competitive advantage: price, differentiation (eg quality, location, customer service, perceived added value); use of marketing mix (product, price, place, promotion)

Environmental impact: resource use, waste, recycling, pollution (chemical, biological, visual, audible, light), road traffic, carbon footprint, enhancement of the environment (eg preservation or creation of habitats, conservation of structures); principles of sustainability; relevant environmental legislation (eg Wildlife and Countryside Act 1981 (as amended), Environmental Protection Act 1990, Control of Substances Hazardous to Health (COSHH) Regulations 2002, The Control of Pollution Regulations (Oil Storage) (England) Regulations 2001, Water Framework Directive (WFD), Cross Compliance, Nitrates Directive, Waste Management (England and Wales) Regulations 2006)

2 Be able to identify and plan opportunities for practical business improvement

Potential improvements: improvements in key business functional areas eg products, services, marketing, customer relations, staffing, staff management, working practices, production efficiency, financing, financial control; importance of continuous improvement

Plan for achieving business improvements: specific actions, rationale, timescale, resource implications, financial implications (costs, likely returns); key factors for success, risks

Diversification: opportunities for diversification (eg forward, backward, horizontal); related, unrelated; evaluation of opportunities in relation to resources, skills and finance needed

3 Be able to develop a land-based business idea

Business idea: establishment of a new business, diversification or development of new enterprise, implement improvements to an existing business

Market research: market analysis (size, trends, competition, segmentation, target market); primary and secondary research

4 Be able to prepare a business plan

Business plan: purposes of the business plan; business products or services; aims and objectives; market analysis (size, trends, competition, segmentation, target market); physical resources (eg property, machinery, vehicles, equipment, stock); human resources (staffing structure, management and key personnel, job descriptions and person specifications); promotion (media, cost); financial forecasts (setting up costs, pricing, income, costs, profit, monthly cash flow forecast), finance needs, sources of finance (equity, borrowing, grants); legal issues eg legal status (sole trader, partnership, company, franchise,

co-operative), trading terms and conditions, trading standards, licences, relevant current legislation, planning permission, health and safety, fire regulations, regulatory bodies; sources of advice (eg solicitor, accountant, Business Link adviser)

Present: different audiences (eg bank, investors, business management); written report format; oral presentation

Assessment and grading criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:	To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:
P1 describe strategies that a land-based business can adopt to improve performance [CT]	M1 discuss how strategies involved in achieving business improvement can give competitive advantage	D1 analyse internal and external factors impacting on a proposed business improvement
P2 describe ways that a land-based business can achieve competitive advantage		
P3 describe how a land-based business can reduce its environmental impact [CT]	M2 analyse the impact of environmental legislation on a land-based business	
P4 identify potential improvements in a business within a land-based context [IE]		
P5 prepare a plan for achieving business improvements or diversification within a land-based context [IE, CT]	M3 justify potential improvements in a land-based business	D2 evaluate key factors for success of a plan for achieving business improvement or diversification
P6 develop a land-based business idea [IE, CT]		
P7 research the market for a land-based business idea [IE]	M4 justify a land-based business idea	
P8 produce a business plan to meet given specifications [IE, CT, SM]		
P9 present a land-based business plan.	M5 present a detailed business plan showing analysis of resource and financial needs.	D3 evaluate a land-based business plan.

PLTS: This summary references where applicable in the pass criteria, in the square brackets, the elements of the personal, learning and thinking skills. It identifies opportunities for learners to demonstrate effective application of the referenced elements of the skills.

Key	IE – independent enquirers	RL – reflective learners	SM – self-managers
	CT – creative thinkers	TW – team workers	EP – effective participators

Essential guidance for tutors

Delivery

This unit should build on a foundation of business understanding from the unit Business Management, and is therefore most appropriate for a second year of study.

Delivery and assessment of this unit should be related as far as possible to real life business situations. It may have links to industrial experience placements that can provide a basis of knowledge for completing case studies. Alternatively, centres may wish to make use of practical units or suitable commercial businesses as case studies for some of the assessment.

It would be appropriate for most of the unit content to be presented initially in classroom based interactive theory sessions. It is important that workshop time is included to allow learners to apply the concepts to particular business situations. Access to computers to facilitate research into a wide range of information (for example market data, competitors, costs, sources of finance) is required.

When learners are preparing a business plan it is important that they are able to access example business plans and to evaluate their effectiveness. Various websites allow this. Learners should be encouraged to think creatively about a business plan that is relevant to them, either to start a business of their own or to develop a business that is known to them. To develop their own business plan report it is recommended that they are provided with a template to work to.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan gives **an indication of the volume of learning it would take the average learner** to achieve the learning outcomes. It is **indicative and is one way of achieving the credit value**.

Learning time should address all learning (including assessment) relevant to the learning outcomes, regardless of where, when and how the learning has taken place.

Topic and suggested assignments/activities and/assessment
Introduction and overview of the unit.
Assignment 1: Business Improvement (P1, P2, P4, P5, M1, M3, D1, D2)
Tutor introduces the assignment brief.
Theory session: introduce the concept of business improvement.
Workshop to consider ways that businesses can seek improvements.
Theory session: business strategies and achieving competitive advantage.
Case study investigation: ways that a selected business can achieve business improvement or diversification and plan for implantation of improvement.
Assignment 2: Environmental Impact (P3, M2)
Tutor introduces the assignment brief.
Theory session: business environmental impacts.
Case study investigation: ways that a selected business can enhance its environmental impact.
Assignment 3: Developing a Business Idea (P6, P7, M4)
Tutor introduces the assignment brief.

Topic and suggested assignments/activities and/assessment

Theory session: developing business ideas for a new business, development or diversification of an existing business.

Theory session: market research.

Workshop: conducting secondary market research and preparing primary research instruments and analysing findings.

Assignment 4: Business Plan (P8, P9, M5, D3)

Tutor introduces the assignment brief.

Theory sessions: required content of a business plan (business products or services, aims and objectives, market analysis, physical resources, human resources, promotion, financial, legal issues).

Workshop sessions to investigate and prepare resource plans.

Workshop session to prepare staffing plans.

Workshop session to prepare financial forecasts, budgets, identify sources of finance.

Workshop session to investigate legal issues.

Workshop session to compile and present the business plan.

Unit review.

Assessment

For P1, P2, P2 and P4, learners must identify ways in which a selected land-based business could improve its performance. The evidence should include proposed improvements in at least four of the main business functional areas identified in the content. At least one of the proposed improvements should involve diversification. For each proposal learners need to explain the type of strategy involved and how it can help the business to achieve a competitive advantage. All of the evidence for these criteria is likely to be presented in a written report, or an illustrated oral presentation.

For P3, learners must assess its environmental impact of a selected land-based business. They must consider positive aspects as well as negative impacts, and propose ways in which the environmental impact could be enhanced. They should identify relevant legislation and how this affects business practices. Evidence is likely to be presented as a written report, with photographs or illustrations.

For P5, learners must produce a detailed analysis of one of the proposals from above. This must include: rationale for the proposal, SWOT analysis, specific actions needed to achieve the improvement, timescale, resource implications, financial implications (costs, likely returns), key factors for success and risks involved in the proposal.

For P6, learners must present a proposal for a land-based business idea. This could be for significant development, diversification or change of an existing business, or for a new business start-up. The type of business could be commercial or a not-for-profit organisation. The proposal must include the location, products and services, and scale of the proposed business

For P7, learners must research the market for a land-based business idea. This is likely to be the same business idea as P6, and should include market size, trends, competition, segmentation, and the target market.

For P8 and P9, learners must produce and present a business plan for a land-based business proposal. This is likely to be the same business idea as that presented in P6. The business plan must include: business products or services; aims and objectives; market analysis; physical resources; human resources; promotion; financial forecasts; finance needs and sources of finance; legal issues. The completed business plan could be presented as either a written report or an oral presentation supported with appropriate materials.

For M1 and M3, learners must justify potential improvements in a land-based business and discuss how strategies involved in achieving business improvement can give competitive advantage. This must relate to the four proposed improvements in a selected land-based business for P4.

For M2, learners must analyse the impact of environmental legislation on a land-based business. Evidence should include at least two pieces of legislation relevant to a selected business.

For M4, learners must justify a land-based business idea. The justification should relate to market research and the market potential, as well as the existing position of the proposed business.

For M5, learners must present a detailed business plan showing analysis of resource and financial needs. A valid justification should be given for physical and human resources plans. Evidence of finance needs must include detailed and realistic budgets of costs to establish or develop the business, profitability and monthly cash flow forecast. Sources of finance for the development should be detailed, as well as any potential grant support.

For D1, learners must analyse internal and external factors impacting on a proposed business improvement. Evidence should cover a minimum of four internal and four external factors.

For D2, learners must evaluate key factors for success of a plan for achieving business improvement or diversification.

For D3, learners must evaluate a land-based business plan. This should consider the prospects of the proposed business being successful, key factors for success and the major risks involved. It should also consider the effectiveness of the plan in relation to its target audience.

Programme of suggested assignments

The following table shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any Edexcel assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, P4, P5, M1, M3, D1, D2	Business Improvement	You have been asked to provide a report to a land-based business manager that recommends a range of ways in which the business could be improved.	Written or oral report.
P3, M2	Environmental Impact	You have been asked to provide a report to a land-based business manager that recommends a range of ways in which the business could enhance its environmental impact.	Written or oral report.
P6, P7, M4	Developing a Business Idea	Either: a) You have been asked to propose a significant development for an existing land-based business, or b) You have the opportunity to start your own land-based business.	Written or oral report.
P8, P9, M5, D3	Business Plan	You need to prepare and present a detailed business plan for the above proposal to either: a) the business manager, or b) a bank manager.	Business plan report.

Links to National Occupational Standards, other BTEC units, other BTEC qualifications and other relevant units and qualifications

This unit forms part of the BTEC Land-based sector suite. This unit has particular links with:

Level 2	Level 3
Environmental and Land-based Business	Business Management in the Land-based Sector
	Undertake an Investigative Project in the Land-based Sector

Essential resources

Learners will need access to appropriate businesses to inform their learning and as case studies on which to base assessments. IT resources are required for research and for preparation of business plans. Budgeting handbooks are produced for some vocational areas and these should be available in libraries.

Employer engagement and vocational contexts

This unit provides direct opportunity for learners to engage with businesses in their sector and to gain an understanding of business operations. Throughout the unit, learners should relate their business ideas to best husbandry practices in their sector. The unit should develop enquiring minds searching for realistic potential business improvements and developments. These attributes will be desirable in potential future employees or self-employed persons.

Indicative reading for learners

Textbooks

Bacon R – *Equine Business Guide* (Warwickshire College, 2006) ISBN 978-0951095591

Barrow C, Tiffany P and Peterson S – *Business Plans for Dummies* (John Wiley & Sons, 2004) ISBN 978-0764570261

Dooley D, Dransfield R, Goymer J and Guy P – *BTEC National Business* (Heinemann, 2007) ISBN 978-0435465445

Finch B – *How to Write a Business Plan* (Creating Success Series) (Kogan Page, 2006) ISBN 978-0749445539

Gillespie A – *Business in Action* (Hodder Arnold, 2002) ISBN 0340848200

Jones R, Raffo C and Hall D – *Business Studies 3rd Edition* (Causeway Press, 2004) ISBN 1902796837

Lewis R and Trevitt R – *BTEC National Business Book 1* (Nelson Thornes, 2007) ISBN 978-0748781263

Nix J – *Farm Management Pocketbook* (The Anderson Centre, 2008) ISBN 978-0954120177

Warren M – *Financial Management for Farmers and Rural Managers* (Blackwell, 1997) ISBN 0632084719

Websites

www.bplans.com	Example business plans
www.beta-uk.org	British Equestrian Trade Association
www.bhs.org.uk	British Horse Society
www.bized.co.uk	Business Studies Teaching Resources
www.businesslink.gov.uk	Business Link
www.cla.org.uk	Country Land and Business Association
www.defra.gov.uk	Department for Environment, Food and Rural Affairs
www.hmrc.gov.uk	HM Revenue & Customs
www.lantra.co.uk	Lantra Sector Skills Council
www.netregs.gov.uk	Environmental regulations
www.nfuonline.com	National Farmers' Union
www.the-hta.org.uk	Horticultural Trades Association

Delivery of personal, learning and thinking skills (PLTS)

The following table identifies the PLTS opportunities that have been included within the assessment criteria of this unit:

Skill	When learners are ...
Independent enquirers	investigating potential improvements in a land-based business preparing a plan for achieving business improvements researching information and market background for a land-based business idea investigating likely income and costs for a land-based business plan
Creative thinkers	developing appropriate strategies and a plan for achieving business improvements developing ideas for a land-based business producing a business plan
Reflective learners	evaluating a land-based business plan
Self-managers	producing a business plan.

Although PLTS opportunities are identified within this unit as an inherent part of the assessment criteria, there are further opportunities to develop a range of PLTS through various approaches to teaching and learning.

Skill	When learners are ...
Team workers	working with others to propose ideas for business improvement
Self-managers	completing projects to deadlines.

● Functional Skills – Level 2

Skill	When learners are ...
ICT – Use ICT systems	
Select, interact with and use ICT systems independently for a complex task to meet a variety of needs	researching market information
Use ICT to effectively plan work and evaluate the effectiveness of the ICT system they have used	
Manage information storage to enable efficient retrieval	saving project work
Follow and understand the need for safety and security practices	maintaining back-up copies of project work
ICT – Find and select information	
Select and use a variety of sources of information independently for a complex task	preparing a business plan
Access, search for, select and use ICT-based information and evaluate its fitness for purpose	researching business information
ICT – Develop, present and communicate information	
Enter, develop and format information independently to suit its meaning and purpose including: <ul style="list-style-type: none"> • text and tables • images • numbers • records 	preparing a business plan with financial forecasts
Bring together information to suit content and purpose	presenting a business plan
Present information in ways that are fit for purpose and audience	presenting a business plan

Skill	When learners are ...
Mathematics	
Understand routine and non-routine problems in a wide range of familiar and unfamiliar contexts and situations	preparing budgets for a business plan
Identify the situation or problem and the mathematical methods needed to tackle it	analysing market research data preparing budgets
Select and apply a range of skills to find solutions	
Use appropriate checking procedures and evaluate their effectiveness at each stage	preparing budgets
Interpret and communicate solutions to practical problems in familiar and unfamiliar routine contexts and situations	
Draw conclusions and provide mathematical justifications	
English	
Speaking and listening – make a range of contributions to discussions and make effective presentations in a wide range of contexts	
Reading – compare, select, read and understand texts and use them to gather information, ideas, arguments and opinions	
Writing – write documents, including extended writing pieces, communicating information, ideas and opinions, effectively and persuasively	preparing and presenting proposals for business improvement and business plans.