

Creating a Business Plan Lesson 1: I Have an Idea!

SUBMITTED BY: Wharton Global Youth Program
Summer Educator

SUBJECT(S): Entrepreneurship

GRADE LEVEL(S): 9, 10, 11, 12

≡ OVERVIEW:

In this first lesson of the unit Creating a Business Plan, students are introduced to the concepts of entrepreneurship and what it takes to create a business plan. In this lesson students will work in groups and construct ideas for which they will eventually create business plans. This is the first of a series of lessons designed to build students' understanding and ability to create their own business plans.

≡ NBEA STANDARD(S):

- Entrepreneurship, IX. Business Plans

≡ RELATED ARTICLES:

- [“Three Students Take Their ‘Smart Straw’ to Market and Raise Awareness about Sexual Assault”](#)
- [“The Mission for this Teen’s Drone: Locate and Destroy Landmines”](#)
- [“DECA Student Tomas Martinez Talks Cookie Dough and His Life as a CREAM Franchisee”](#)
- [“Challenging the S’mores Legacy with a Campfire Innovation”](#)
- [“Business News Flash: Unicorns Do Exist!”](#)
- [“Behind the Wheel of Tesla’s Model S and Elon Musk’s Endless Innovation”](#)

- “A Maker Develops the Business Plan for His Latest ‘Eye-pad’ Innovation”
- “A Hackathon How-to”

Common Core Standard(s):

- CCR Standard for Writing: Write informative/explanatory texts to examine and convey complex ideas and information clearly and accurately through the effective selection, organization, and analysis of content.
- CCR Standard for Speaking & Listening: Prepare for and participate effectively in a range of conversations and collaborations with diverse partners, building on others’ ideas and expressing their own clearly and persuasively.

Objectives/Purposes: In this introductory lesson, students will be able to: (1) describe what an entrepreneur is, (2) describe what a business plan is, and (3) begin creating a concept statement.

Knowledge@Wharton Article:

- [How Entrepreneurs Can Create Effective Business Plans](#) (just the first section)

Other Resources/Materials:

- Podcast of the K@W article. Go to <http://knowledge.wharton.upenn.edu/article.cfm?articleid=2443#> and click “PlayAudio.” It is the first 3 min and 48 sec.
- [Concept Statement Worksheet](#) (couple of copies available per group)

Activity:

1. Do Now: Think about a piece of furniture or an appliance in your house that you would like to change and/or make better. What is it? What would you like to change about it? Why? (5 mins)
2. Teacher introduces the idea of entrepreneurship and business plans: *This is what being an entrepreneur is all about. Someone who has an idea, sees a need in the market place, and designs a plan to make it possible. Many entrepreneurs are scientists, inventors and engineers who look at ways to improve things. Many entrepreneurs are business people in the work place and see that they could make it better. An*

entrepreneur can be anyone who has an idea, sees a need and makes a plan. That is what you will be doing. Before you all become entrepreneurs you need to come up with an idea.

3. *In small groups of three (or partners) you are going to come up with an idea that you would like to design a business plan around. You can use the idea you came up with from your do now, or you can come up with something new. For example, you might want to design a multi-purpose shoe for a triathlete to use for swimming, biking and running. An all-in-one shoe for a triathlete. Or maybe a special type of backpack that is really lightweight, made of material for different kinds of weather and has pockets for the different types of things students might want to carry. The sky is the limit. In your group you will have to brainstorm ideas. It would be best to narrow it down to two ideas and then by the next lesson you will have to select the one idea. Students will work in small groups to brainstorm ideas. (15 min)*
4. As the class comes back, the teacher writes the words “Business Plan” on the board, and asks the class what they think needs to be included in a business plan. (5 min)
5. From there the teacher will pass out copies of the first part of a transcript from the article *How Entrepreneurs Can Create Effective Business Plans*. The interview was conducted with Knowledge@Wharton professor Ian MacMillan. There is a podcast that goes with the interview (podcast can be found at <http://knowledge.wharton.upenn.edu/article.cfm?articleid=2443#>, just click PlayAudio button). If possible students will listen to the podcast (start to 3 min 48 sec) and read along. If the teacher does not have access to using the podcast then the teacher and students will read it aloud. (5 min)
6. After listening/reading the short section of the interview, the teacher will pass out the worksheet “Concept Statement.” In groups students should try to outline a concept statement for the item they have picked. If groups are still unsure, they can start outlining two concept statements to see, this might help them pick the stronger product. Students should keep working on this until the end of class.
7. Wrap-up: The teacher should ask students to tell them one thing they learned today from class or one thing they are looking forward to doing.

Practice Outside of the Classroom:

A good extension for this class would be to have students continue their concept statements on their own. Students can do some research about the marketplace and their potential profit for their business plan. They can use the Internet, library or even ask people in the field. Students can also begin to formalize different parts of their concept statement.

What Worked and What I Would Do Differently:

Before the class begins, the teacher should prepare the materials and podcast. The teacher might also want to think of some ideas for students to use or at least some ideas to help students brainstorm ideas. The teacher needs to anticipate that students might go a little too far with their ideas. It must be realistic, but students will not be constructing/building these products so it is ok to be a little ambitious.

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