



BSBESB401

# Research and develop business plans

## Assessment 2 of 2

### Project



## Assessment Instructions

### Task overview

This assessment task is divided into four [4] tasks. Read each task carefully before typing your response in the space or the template provided.

### Additional resources and supporting documents

To complete this assessment, you will need:

- More for your paws – Policies and procedures
- Assessment document
- Draft Business Plan template
- Final Business Plan template
- Cashflow template
- Profit and Loss Statement template
- Contingency Plan template

## Assessment Information

### Submission

You are entitled to three [3] attempts to complete this assessment satisfactorily. Incomplete assessments will not be marked and will count as one of your three attempts.

All questions must be responded to correctly to be assessed as satisfactory for this assessment.

Answers must be typed into the space provided and submitted electronically via the LMS. Hand-written assessments will not be accepted unless previously arranged with your assessor.

### Reasonable adjustment

Students may request a reasonable adjustment for assessment tasks.

Reasonable adjustment usually involves varying:

- the processes for conducting the assessment [e.g., allowing additional time]
- the evidence gathering techniques [e.g., oral rather than written questioning, use of a scribe, modifications to equipment]

However, the evidence collected must allow the student to demonstrate all requirements of the unit.

Refer to the Student Handbook or contact your Trainer for further information.



Please consider the environment before printing this assessment.

## Task 1

To complete this task, you will need to read the case study below and complete activities one [1] and two [2] following the instructions provided.

### Case Study

For this assessment, you will play the role of Jay Gartner Business Compliance Specialist for Complete Business Solutions Australia (CBSA). CBSA is a consultancy service providing assistance with compliance, finances, human resources, information technology and other business needs to ensure that businesses have the expertise and support they need to survive and prosper.

Gavin, the Managing Director of CBSA, asked you to work on developing a business plan with new business clients Melissa, Liam and Yoseph, who want to set up a pet grooming business venture.

As none of the prospective partners is experienced in running a business, they have come to CBSA for help.

To fund their business, they will need to apply for a loan. In order to do so, they will need to develop a business plan which will be a key document when presenting the overall idea to financial institutions or potential investors.

They would like to have a detailed plan that covers all the critical aspects of the business, such as the operations of the business, the marketing, the finances and, of course, a risk management plan.

Below is the information that the new clients have sent so far.

### Business Information – “More for your paws.”

#### Background:

Melissa and Liam met while working at a pet shop a few years ago. They have both been working at different businesses; Melissa is a veterinarian assistant and Liam is still at the same pet shop. They both love animals and have always wanted to start a business together. They are convinced that now is the perfect time to do so. They have approached Yoseph as a prospective partner and expressed their interests in owning their own pet-related business. Yoseph is keen to join in on the venture. All three feel strongly about finding a niche area in the market where you could offer something new.

Yoseph has noticed the trend of how busy the average professional is today. He has read articles about how consumers are increasingly outsourcing household chores as they are spending more time at work and less time at home. However, they all care very deeply about their pets and are willing to pay for someone to take

on some of their pet-related chores. They have 27 years of combined experience. (Melissa 11 years, Liam 9 years and Yoseph 7 years of experience).

Melissa suggests offering a mobile pet grooming service where the team could travel to households and provide pet grooming in the animal's own home. This works out well since Liam has a suitable van for use.

Another idea to differentiate the business from all the other mobile pet groomers is to offer dog walking services, and pet care at home for animals recovering from veterinarian surgery as Melissa has the experience and a qualification as a veterinarian assistant. Liam also suggests offering a product such as grooming brushes. The three have agreed this would be a great idea to explore as they see the potential for this business and are excited to start. The agreed business name is "More for your paws – mobile pet grooming and animal care."

Liam has a friend who works at the bank and thinks they would be a good network to apply for a business loan. They are all working full-time so they would not have an issue having a loan approved to start up the business.

#### **The business:**

- Initially the service will focus on one area, but they wish to be able to cover more locations around the city as they build up their clientele.
- They have registered the business and trading name as "More for your paws" on 15th July 2015
- The business is registered in Melbourne, VIC.
- The business structure is a partnership.
- The approved ABN (Australian Business Number) is 1234 567 8901.
- The business Tax File Number is 109 876 543.
- They registered for GST (Goods and Services Tax) on 17th July 2015.
- They have set up a PO Box 000, Melbourne, Vic 3000 for any business correspondence.
- Yoseph is in the process of building a website and has registered the business on a domain – [www.moreforyourpaws.com.au](http://www.moreforyourpaws.com.au).

#### **Our Vision:**

To become the best pet mobile pet grooming and animal care business in Australia

#### **Our Mission:**

We provide full animal care by offering post-operative care and administration of medication to animals, dog walking services as well as pet grooming services saving pet owners time and money.

#### **The structure:**

- There are three people who own the business equally – **Yoseph Barak, Melissa Mitchell and Liam Simpson** have agreed to a partnership.
- Each owner has taken on an area of the project to manage:

Owner	Role	Skills and experience
Melissa Mitchell	<ul style="list-style-type: none"> <li>▪ Pet groomer and animal care consultant</li> <li>▪ Resourcing and procurement</li> <li>▪ Administration</li> <li>▪ Business development and sales</li> </ul>	<ul style="list-style-type: none"> <li>▪ Qualification as a veterinarian assistant</li> <li>▪ Three years as a pet shop assistant</li> <li>▪ Four years as a veterinarian assistant</li> <li>▪ Certificate in Business Administration</li> <li>▪ Fluent in 2 languages outside English</li> <li>▪ Sales training experience</li> </ul>
Liam Simpson	<ul style="list-style-type: none"> <li>▪ Pet groomer and dog walker</li> <li>▪ Project Manager</li> <li>▪ Business development and sales</li> <li>▪ Accounting and Finance</li> </ul>	<ul style="list-style-type: none"> <li>▪ Five years working in a pet shop</li> <li>▪ Also specialises in animal behaviour</li> <li>▪ Qualified carpenter</li> <li>▪ Certified Project Manager – Prince2 training</li> <li>▪ Sales skills</li> </ul>
Yoseph Barak	<ul style="list-style-type: none"> <li>▪ Treating therapist</li> <li>▪ Branding and innovation</li> <li>▪ Marketing and execution</li> <li>▪ Relationship management</li> <li>▪ Training staff and maintaining staff skills</li> </ul>	<ul style="list-style-type: none"> <li>▪ Trainer/assessor</li> <li>▪ Five years working in a shelter for abandoned animals</li> <li>▪ Certificate in Training and Education</li> <li>▪ Trainer/Facilitator</li> <li>▪ Instructional designer</li> <li>▪ Branding and design experience</li> </ul>

- All are responsible for workplace health and safety.
- There will be no employment of any full-time staff.
- They will all remain at their regular jobs on a part-time basis until the business can afford to carry all partners permanently.

#### Operations:

- Initially they plan to advertise only locally by handing out flyers door-to-door and Yoseph will create a website as well as a Facebook and Instagram account. They will sell the dog grooming brushes through their website as well.
- They already have seven (7) clients each to start with, on a recurring weekly basis.
- They will provide services from 8:00 a.m.–6:00 p.m. Monday – Friday.
- Any required operations will run out of Melissa’s owned property such as administrative duties as well as storage and delivery of supplies, equipment, and inventory.
- They have connected with a third-party supplier for the production of grooming brushes.

#### Assets:

- Location: Any required operations will run out of Melissa’s owned property such as administrative duties as well as storage and delivery of supplies, equipment, and inventory
- Equipment and stock:
  - They currently have 2 laptops. Melissa will use one for the administrative duties and Yoseph will use the other one for marketing. The cost of their laptops is \$2,000 each

- Liam owns a van that can be used for the pet grooming services. The cost of his van is \$32,000
- They have already purchased the products to offer the pet grooming services such as shampoos and conditioners, clips, flea and tick sprays, blow dryers and ear treatment oil for \$5,000
- And they have purchased pet grooming brushes for sale. They purchased 20 small brushes and 20 medium/large brushes.

#### Products and Services:

Services	Cost of production/delivery
Pet washing and grooming including bathing, brushing, nail clipping, flea and tick rinse, dog hairstyling, and ear treatments	\$ 18 for products used \$ 40 for the service
Massage for elderly dogs to ease arthritis	\$ 7 for the products \$ 35 for the service
Dog walking	\$ 35 for 30 minutes
Wound care and advice for pets recovering post-operatively	\$ 16 for the products \$ 30 for the service
Administering of pet medication by a qualified veterinarian assistant	\$ 15 for the service  [Medication will be provided by the pet owner]

#### Products:

- Grooming brushes for small dogs
- Grooming brushes for medium and large dogs

#### Product supplier: "Poch Products"

- Cost of brushes for small dogs \$7
- Cost of brushes for medium and large dogs \$13

#### Pricing strategy:

The owners decided they chose the premium pricing strategy for their unique services and the competitive pricing strategy for the services that their competitors offer as well.

For the grooming brushes, they chose the cost-based pricing strategy where they added a mark-up on the cost of the brushes.

#### The competition:

- Outside of standard mobile pet groomers, a few competitive services are expanding in the market. One medium-sized business called 'Doggy wash on wheels' has just extended its services from pet grooming to include the sale of environmentally friendly pet washes and products. They have approximately five staff and have been in operation since 2009. They have three mobile vans so they can cover a larger area of the city.
- A smaller sized business in the market is called 'Puppy Parlour' and started in 2013. It is owner-operated by a husband-and-wife team, and they have no staff, but their competitive edge is that they also provide dog sitting services. They charge a bit more than other competitors but have a more "boutique" image,

emphasising building relationships with the animals while grooming and referring the dog sitting service to clients when they go away for weekends or holidays.

- Each has networks to utilise for administrative, business development, social media management and additional staff on a contract basis only if required.
- They both have access to existing social media platforms which could help promote the business.

#### **Target Market:**

- Single people with no kids who have limited time due to their work responsibilities
- Young families with children who have limited due to their work and family responsibilities
- Retirees who are unable to groom or walk their pets
- People living in apartments with limited space
- People with pets that recover from surgery

#### **Strengths:**

- They offer services that none of the competitors is currently offering
- They have a variety of skills and knowledge
- Excellent customer service
- 27 years of combined experience

#### **Opportunities:**

- The market is growing rapidly
- Good model to franchise
- They can expand our products

#### **Unique selling position:**

- Offering post-operative care and administration of medication to animals.
- Dog walking services

#### **Marketing:**

- They want to create flyers to distribute locally to houses. To avoid using part of their budget for this task, Yoseph will create the flyers using free online tools and Melissa and Liam will distribute them.
- They would like to create paid and unpaid social media ads on Facebook and Instagram
- They will also send monthly emails with offers and discount codes to their client database
- The budget they have allocated for their marketing activities is \$3,000

#### **Digital Technology they plan to use for their business:**

- Business's website to:
  - a. Book appointments online
  - b. Sell the dog grooming brushes
- Accounting system
- Inventory management system
- Social Media platforms for promotion purposes

#### **Collection and storage of clients' information**

Client information will be stored automatically in the database from the website. For appointments booked over the phone, Melissa will have to enter the booking on the website.

Financial transaction information will be managed and stored through the accounting system.

**Finances:**

- The business's expected annual turnover is \$250,000 or more.
- Their goal is to initially earn at least \$10,000 per month and by the end of the year they expect this amount to increase to \$25,000
- Each mutually agreed to financially invest a small sum out of their own pockets for the business's initial expenses. Each partner will invest \$10,000.
- They will also need to seek loans from banks and investors. Their goal is to obtain at least \$20,000 to cover their start-up costs of \$21,470.

**Goals and Objectives:**

Goals	Objectives	How they plan to achieve them
Long-term client contracts	Aim for three clients per day each	Work efficiently and maintain good relationships with the clients
Expand operations	Get at least one referral from each client	Offer a discount for referrals to both the referrer and the new client
Sustain brand presence	Keep the user-base engaged across forums online, email, media	Engage with the client to provide feedback and obtain testimonials for promotional use



## Activity 1

To prepare for the development of the business plan, Gavin has asked you to fill out the Preparation Checklist below. You will need to answer each question based on the case study and the Business Information provided above.

[Approximate table word count: 150 – 200 words]

**Assessor instructions:** students must read the case study and the Business Information provided above and fill out the Preparation Checklist. They will need to ensure they include:

- the purpose of the plan as explained in the case study
- the components that the owners would like to be included in the plan.
- a list of the three [3] business goals and the three [3] business objectives.
- the budget, calculating the owners' personal investments as well as the amount that they hope to obtain from the bank.

A sample answer is provided below.

Preparation Checklist	
What is the purpose of the plan?	To fund their business, Melissa, Liam and Yoseph will need to apply for a loan. In order to do so, they will need to develop a business plan which will be a key document when presenting the overall idea to financial institutions or potential investors.
What are the key components you need to include in the plan?	Melissa, Liam and Yoseph would like to have a detailed plan that covers all the critical aspects of the business such as the operations of the business, the marketing, the finances, and a risk management plan.
What are the business goals?	The business goals are: <ul style="list-style-type: none"> <li>• long term client contracts</li> <li>• expand operations</li> <li>• sustain brand presence.</li> </ul>
What are the business objectives?	The business objectives are: <ul style="list-style-type: none"> <li>• aim for three clients per day each</li> <li>• get at least one referral from each client</li> <li>• keep the user-base engaged across forums online, email, media</li> </ul>
What is the budget?	Their budget is: <ul style="list-style-type: none"> <li>• they will invest \$10,000 each = \$30,000</li> <li>• they would like to obtain a \$20,000 loan from the bank to ensure all their start-up costs will be covered.</li> <li>• total expected budget: \$50,000</li> </ul>

## Activity 2

To finalise the preparation for the development of your plan, Gavin requested you to research the market needs/trends and estimate the market size for the pet grooming and animal care industry. Use the website below and fill out the table using your own words:

[12 Australia Pet Industry Statistics to Know In 2022: Trends, Market Size, and More | Pet Keen](#)

[Approximate table word count: 100 – 150 words]

**Assessor instructions:** students must fill out the table below by researching information on the website below:

[12 Australia Pet Industry Statistics to Know In 2022: Trends, Market Size, and More | Pet Keen](#)

Students' words will vary but their answers need to reflect the concept in the sample answer below. They need to:

- include three [3] market needs [or trends] and explain them.
- state the market size of the pet industry in Australia and provide the average growth between 2012 and 2021 every year.

A sample answer is provided below.

Market Research	
List and explain three [3] market needs/trends.	<ol style="list-style-type: none"><li>1. Australia employs 4000 pet groomers. Pet groomers are in great demand in Australia. The most requested positions are for experienced groomers with knowledge of treating multiple species of dogs, cats, and small animals.</li><li>2. 13,465 veterinarians work in Australia. The demand for veterinarian services rose from 2019 to 2021</li><li>3. Dog walkers in Australia make AU\$24.57 per hour. Most dog walkers are part-time operators who already have full-time jobs. But with the high hourly wage, some dog walkers make it a career.</li><li>4. 16% of Australian pet owners have pet insurance.</li><li>5. Cats entered rescue organization from 2020 to 2021 at twice the rate of dogs.</li><li>6. Queensland had the highest number of adoptions (14,599) in 2020.</li><li>7. From 2020 to 2021, Australian shelters housed 64.9% cats, 30.8% dogs, and 4.2% other pets.</li></ol>
What is the Australian pet industry market size and how much was the average growth between 2012 and 2021?	<p>The market size of the pet industry in Australia is \$3.2 billion.</p> <p>Between 2012 and 2021, the market size of Australia's pet industry has grown on average by 4.3% every year.</p>

## Task 2

### Activity 1

To start the draft business plan, you will need to establish resource, legal and compliance requirements according to the business goals and objectives you identified in the previous task. To do so, you will need to fill out the following tables below:

- for the resource requirements, you will need to fill out the table – Key people (the staff, skills and staff retention strategies) [approximate word count: 100 – 150 words].
- for the resource requirements, you will also need to fill out the table: Assets (premises, stock inventory and equipment).
- for the legal requirements, you will need to fill out the table – Laws we will need to comply with [approximate word count: 30 – 50 words].
- for the compliance requirements, you will need to fill out the table – Insurance. To fill out the insurance part you will need to access [Find the right insurance | Business Victoria](#) using your own words [approximate word count: 180 – 220 words].

Use the information provided in the case study as well as in the Business Information table.

**Assessor instructions:** students must fill out the tables below that relate to the resource, legal and compliance requirements according to the business goals they identified in Task 1. They will need to use the information provided in their case study as well as in the Business Information table. More specifically, they will need to fill out the following sections:

- for the resource requirements, you will need to fill out the table – Key people (the staff, skills, and staff retention strategies). Students will need to include at least one (1) strategy to ensure staff skills are maintained.
- for the legal requirements, you will need to fill out the table – Laws we will need to comply with. The sample answer includes the ones you reasonably expect the students to find but they might find additional legislation. You will need to validate the ones that apply to Victorian business.
- for the compliance requirements, you will need to fill out the table – Insurance. To fill out the insurance part, students will need to access the following website: [Find the right insurance | Business Victoria](#). Students' words will vary but their answers need to reflect the concept in the sample answer below.

A sample answer is provided below.

## Key people

### The staff

Role	Name If the position is filled.	Skills and experience
<ul style="list-style-type: none"> <li>• Pet groomer and animal care consultant</li> <li>• Resourcing and procurement</li> <li>• Administration</li> <li>• Business development and sales</li> </ul>	Melissa Mitchell	<ul style="list-style-type: none"> <li>• Qualification as a veterinarian assistant</li> <li>• Three years as a pet shop assistant</li> <li>• Four years as a veterinarian assistant</li> <li>• Certificate in Business Administration</li> <li>• Fluent in 2 languages outside English</li> <li>• Sales training experience</li> </ul>
<ul style="list-style-type: none"> <li>• Pet groomer and dog walker</li> <li>• Project Manager</li> <li>• Business development and sales</li> <li>• Accounting and Finance</li> </ul>	Liam Simpson	<ul style="list-style-type: none"> <li>• Five years working in a pet shop</li> <li>• Also specialises in animal behaviour</li> <li>• Qualified carpenter</li> <li>• Certified Project Manager – Prince2 training</li> <li>• Sales skills</li> </ul>
<ul style="list-style-type: none"> <li>• Treating therapist</li> <li>• Branding and innovation</li> <li>• Marketing and execution</li> <li>• Relationship management</li> <li>• Training staff and maintaining staff skills</li> </ul>	Yoseph Barak	<ul style="list-style-type: none"> <li>• Trainer/assessor</li> <li>• Five years working in a shelter for abandoned animals</li> <li>• Certificate in Training and Education</li> <li>• Trainer/Facilitator</li> <li>• Instructional designer</li> <li>• Branding and design experience</li> </ul>

### Skills and staff retention strategies

Yoseph Barak, one of the owners is a qualified trainer and assessor. He will:

- regularly check in with the staff to ensure their needs are being met
- offer courses to maintain staff skills

## Assets

### Premises

Any required operations will run out of Melissa's owned property, such as administrative duties as well as storage and delivery of supplies, equipment, and inventory.

### Stock and inventory

- Shampoos
- Conditioners
- Clippers
- Flea and tick sprays
- Blow dryer
- Ear treatment oil
- Small and medium/ large brushes

They store stock on Melissa's property.

### Equipment

Equipment	Cost (\$)
[Examples: computers, machinery, vehicles]	
Two [2] Laptops	\$4,000
Van	\$32,000

## Laws we will need to comply with

The Prevention of Cruelty to Animals Act 1986  
Occupational Health and Safety Act 2004 (Vic)  
Australian Privacy Principles/Privacy Act 1988  
Competition and Consumer Act 2010  
Australian Consumer Law and Fair-Trading Act 2012  
Fair Work Act 2009

# Insurance

Insurance type	Details
Public liability insurance	<p>Public liability insurance is useful for any business that interacts face-to-face with customers.</p> <p>It covers your potential liabilities to members of the public for personal injury or property damage if you or your business is found to be negligent.</p> <p>You should consider getting public liability insurance if your organisation requires that:</p> <ul style="list-style-type: none"> <li>• your customers or the general public visit your home or business, or</li> <li>• you visit customers' premises</li> </ul> <p>Owners and operators of organisations have a responsibility to those visiting or engaging in activities on their premises. This is called a 'duty of care'.</p>
Workers compensation	<p>Workers' compensation is a form of insurance payment to employees if they are injured at work or become sick due to their work.</p>
Professional indemnity	<p>Professional indemnity insurance protects professionals in many industries against negligence claims made by a client. It covers the costs and expenses of defending a legal claim and any damages payable.</p>
Product liability	<p>Product liability insurance covers you against claims for injury or damage as a result of the failure of any of your products.</p> <p>This type of insurance might be required if your business sells, supplies or delivers goods, even if you're just repairing or servicing those products.</p>
Other	<p>Vehicle insurance for businesses</p> <p>If your business uses motor vehicles, it is compulsory to insure the vehicles for third-party injury liability. Your cover must also be for commercial or business use.</p>

## Activity 2

Now you will need to assess the marketing mix, volumes, and pricing opportunities relevant to the business's target market and according to the business goals and objectives. To do that, you will need to fill out the following tables:

- to define the target market, you will need to fill out the table – The market [the problem, the solution, the target Market] [approximate word count: 100 – 150 words]
- to assess the marketing mix and the volumes, you will need to fill out the table – Operations [products and services, production, sales and distribution channels, digital technology, and information management] [approximate word count: 100 – 150 words]
- to assess the pricing opportunities, you will need to fill out the table – Pricing strategy [approximate word count: 100 – 150 words].

Use the information provided in the case study as well as in the Business Information table.

**Assessor instructions:** students must fill out the tables below that relate to product mix, volumes, and pricing opportunities relevant to the identified target market and according to business goals and objectives. They will need to use the information provided in their case study as well as in the Business Information table. More specifically, they will need to fill out the following sections:

- to define the target market, they will need to fill out the table – The market [the problem, the solution, the target market].
- to assess the marketing mix and the volumes, they will need to fill out the table – Operations [products and services, production, sales and distribution channels, digital technology, and information management].
- to assess the pricing opportunities, they will need to fill out the table – Pricing strategy.

A sample answer is provided below.

## The market

### The problem

Other pet groomers cover the area, but none of the competitors offers:

- pet care at home for animals recovering from veterinarian surgery, offering post-operative care and administration of medication to animals
- dog walking services

### Our solution

Melissa, one of the business owners, has the experience and a qualification as a veterinarian assistant and can offer post-operative care and also administer medication to animals.

Liam will take care of dog walking services.

### Our target market

Our services are targeting:

- single people with no kids that have limited time due to their work responsibilities.
- young families with children that have limited due to their work and family responsibilities.
- retirees that are unable to groom or walk their pets.
- people living in apartments with limited space.
- people with pets that recover from surgery.



# Operations

## Products and services

Product/Service	Description
Pet Grooming	Pet washing and grooming, including bathing, brushing, nail clipping, flea and tick rinse, dog hairstyling, and ear treatments
Massage	Massage for elderly dogs to ease arthritis
Dog walking	Walking the dog or dogs
Wound and post-operative care	Care of wounds and advice for pets recovering after surgery
Administration of pet medication	Administering pet medication by a qualified veterinarian assistant
Small grooming brushes	Brushes designed specifically for smaller dogs
Medium and large grooming brushes	Brushes designed specifically for medium and large dogs

## Production

### Product supplier: "Poch Products."

- Cost of brushes for small dogs \$7
- Cost of brushes for medium and large dogs \$13

## Sales and distribution channels

Channel	Used for
Website	<ul style="list-style-type: none"> <li>▪ To promote their business</li> <li>▪ To book the appointments</li> <li>▪ To sell the dog grooming brushes</li> </ul>
Other	<ul style="list-style-type: none"> <li>▪ They will offer their services by visiting the pet owner's home</li> </ul>

## Digital technology

- Business's website to:
  - Book appointments online
  - Sell the dog grooming brushes
- Accounting system

- Inventory management system
- Social Media Platforms for promotion purposes

## Information management

Client information will be stored automatically in our database from the website. For appointments booked over the phone, Melissa will have to enter the booking on our website.

Financial transaction information will be managed and stored through our accounting system.

## Pricing strategy

The owners decided to choose the premium pricing strategy for their unique services and the competitive pricing strategy for the services that their competitors offer as well.

For the grooming brushes, they chose the cost-based pricing strategy where they added a mark-up on the cost of the brushes.

### Activity 3

Your next step is to plan marketing activities relevant to the product mix and according to marketing objectives and strategies, and budgetary requirements. To complete this activity, you will need to use the information provided in the case study and the Business Information tablet and fill out the table below:

[Approximate table word count: 50 – 60 words]

**Assessor Instructions:** Students must plan marketing activities relevant to the product mix and according to marketing objectives and strategies and budgetary requirements. To complete this activity, students will need to use the information provided in the case study and the Business Information table and fill out the table below.

Students' words will vary, but they will need to cover all four [4] channels provided in the case study.

A sample answer is provided below.

## Advertising and promotion

Channel	Used for	Budget
Mail	To advertise their business locally.	Flyer creation: free with online tools Flyer distribution: free
Social media (unpaid)	To reach out to the target market organically	Free
Paid advertising	Facebook and Instagram: To reach out to the target market specifically	\$3,000
Email	To send offers and discounts to the client database monthly	Free

### Activity 4

You need to develop a draft plan according to the business goals, objectives, and market needs you identified in Task 1, Activity 1. To create your draft plan, use the information in your case study and the Business Information table and fill out the Draft Business Plan template. More specifically, you will need to transfer the information from the tables you have completed so far into the Draft Business Plan template.

**Assessor instructions:** students must develop a draft plan according to the business goals, objectives and market needs identified in Task 1, Activity. To create their draft plan, they need to use the information in the case study and the Business Information table and fill out the Draft Business Plan template.

A sample answer can be found in the assessor's folder:

- Draft Business Plan – Sample Answers

### Activity 5

Gavin has asked you to analyse your Draft Business Plan and identify, assess, and prioritise internal and external risks according to workplace procedures. You will need to review the following workplace procedures:

- More for your paws - Policies and Procedures

After reviewing the workplace procedures, you will need to assess and prioritise internal and external risks by filling out the SWOT Analysis table below. You will be required to identify three [3] internal and three [3] external risks that relate to the business Policies and Procedures. You will also need to identify two [2] strengths and two [2] opportunities from the case study.

[Approximate table word count: 200 – 250 words]

**Assessor instructions:** students must analyse their draft plan and identify, assess, and prioritise internal and external risks according to workplace procedures. They will need to review the following workplace procedures:

- More for your paws - Policies and Procedures

After reviewing the workplace procedures, students will need to assess and prioritise internal and external risks by filling out the SWOT Analysis table.

Students will need to identify three (3) internal risks and three (3) external risks that relate to the business's Policies and Procedures. They will also need to identify two (2) strengths and two (2) opportunities from the case study.

Students' words may vary in regard to the weaknesses and threats but they must demonstrate their ability to identify, assess and prioritise internal and external risks that are relevant to the case study.

A sample answer is provided below.

## SWOT analysis

<b>Strengths</b>	<ol style="list-style-type: none"> <li>1. They offer services that none of the competitors is currently offering</li> <li>2. They have a variety of skills and knowledge</li> <li>3. Excellent customer service</li> <li>4. 27 years of combined experience</li> </ol>
<b>Weaknesses</b> Internal Risks	<ol style="list-style-type: none"> <li>1. Limited number of treatments per day due to a small team</li> <li>2. Only one vehicle available</li> <li>3. The storage area is limited, and eventually, it will not be enough for our inventory</li> <li>4. According to our Policies and Procedures, current vaccination is compulsory to groom or treat animals</li> </ol>
<b>Opportunities</b>	<ol style="list-style-type: none"> <li>1. The market is growing rapidly</li> <li>2. Good model to franchise</li> <li>3. They can expand our products</li> </ol>
<b>Threats</b> External risks	<ol style="list-style-type: none"> <li>1. Two other pet groomers are covering the same area</li> <li>2. Other vet professionals in the area that can offer post-operative assistance</li> <li>3. Other people are offering dog-walking services</li> <li>4. According to our Policies and Procedures, the payment is due before or during the service. The client might refuse to pay.</li> <li>5. Extreme weather conditions</li> <li>6. Changes in the economy impacting clients' disposal income</li> </ol>

How they will address each weakness (internal risk) and threat (external risk)

- Hire more team members as the business grows
- Purchase more vans
- Lease bigger premises
- Ensure you request proof of vaccination when booking the appointment to avoid last-minute cancellations and waste of time
- Be competitive and ensure we offer excellent service to beat the other pet groomers in the area
- Advertise the fact that we are a “one-stop” shop offering post-operative assistance as well as pet grooming services and dog walking services
- Ensure you discuss the payment policy with the client before arriving at their home. Offer EFTPOS option to cover all payment options.

### Activity 6

Melissa feels that the company will need support and specialist advice and asked you to research specialist services and sources of advice and cost according to their available resources. “More for your paws” will not be able to hire staff on a full-time basis, but they can pay professionals at an hourly rate.

After reviewing the owners’ skills and experience, you will need to identify what type of support they might need and conduct research to fill out the table below. You will need to provide three (3) sources of advice and support, the skills and experiences required, the reason this type of support is required and the cost for each support type.

[Approximate table word count: 40 - 50 words]

**Assessor Instructions:** students must review the owners’ skills and experience provided in the case study and the Business Information table, identify what type of support “More for your paws” will need, and conduct research to find specialist services and sources of advice and cost according to the resources available.

The students’ answers will vary, but they need to:

- identify three (3) sources of advice and support.
- provide the skills and experience they believe will be required for the business.
- explain why “More for paws” will need this type of support.
- research and provide an hourly rate for each one of the sources.

A sample answer is provided below.

## Sources of advice and support

Support type	Skills and experience	Why does "More for paws" need it?	Cost
Accountant	Experience managing the financial side of the business accounts payable and receivable, payroll	None of the business owners has experience in managing finances.	\$52 / hour
Business consultant	Business development and sales experience	All three business owners were previously employees of different organisations and do not have business development and sales experience.	\$100 / hour
Marketing Specialist	At least three years of experience managing social media campaigns	Although Yoseph seems to be familiar with different social media platforms and could potentially create some content, "More for Paws" will require specialist advice to encounter the competitor's social media presence.	\$34 / hour

## Task 3

### Activity 1

You will need to identify costs associated with the production and delivery of business products and services. Melissa has already conducted research and provided you with the cost of each service and all the products used in the Business Information table. Review the information provided and fill out the table below.

[Approximate table word count: 45 – 50 words]

**Assessor instructions:** students must identify costs associated with the production and delivery of business products and services. They will need to review the information in the Business Information table and fill out the Product/Service Cost table below.

A sample answer is provided below.

Product/Service Costs	
Product/ Service	Cost of production/delivery
Pet washing and grooming, including bathing, brushing, nail clipping, flea and tick rinse, dog hairstyling, and ear treatments	\$ 18 for products used \$ 40 for the service
Massage for elderly dogs to ease arthritis	\$ 7 for the products \$ 35 for the service
Dog walking	\$ 35 for the service
Wound care and advice for pets recovering post-operatively	\$ 16 for the products \$ 30 for the service
Administering of pet medication by a qualified veterinarian assistant	\$ 15 for the service [Medication will be provided by the pet owner]
Grooming brushes for small dogs	\$ 7
Grooming brushes for medium and large dogs	\$ 13

### Activity 2

You will need to calculate the prices for each product and service based on costs and profit targets. The owners advised you that they would like to make 30% profit from each brush and 20% profit for each service according to their pricing strategy. They would also like round prices, so make sure you round the final price. To complete these calculations, use the table below:

[Approximate table word count: 45 – 50 words]



**Assessor instructions:** students must calculate the prices for each product and service based on costs and profit targets. They will need to:

- calculate the total cost for each product and service.
- add the respective profit margin to the cost.
- calculate the final price for each product and service according to the profit targets of the business.
- round the final price.

A sample answer is provided below.

Price Calculation			
Product/ Service	Cost	Add profit margin	Final Price
Pet washing and grooming, including bathing, brushing, nail clipping, flea and tick rinse, dog hairstyling, and ear treatments	$\$18 + \$40 = \$58$	$\$58 + 20\% = \$69.60$	\$70
Massage for elderly dogs to ease arthritis	$\$7 + \$35$	$\$42 + 20\% = 50.4$	\$50
Dog walking	\$35	$\$35 + 20\% = \$42$	\$42
Wound care and advice for pets recovering post-operatively	$\$16 + \$30$	$\$46 + 20\% = \$55.2$	\$55
Administering of pet medication by a qualified veterinarian assistant	\$15	$\$15 + 20\% = \$18$	\$18
Grooming brushes for small dogs	\$7	$\$7 + 30\% = \$9.1$	\$9
Grooming brushes for medium and large dogs	\$13	$\$13 + 30\% = \$16.9$	\$17

### Activity 3

Prepare cash flow projections to enable business operation according to the business plan and the business legal requirements. To do so, access and fill out the:

- Cashflow template

The first three months have already been filled out for you. You will need to fill out the cash flow for the rest of the year. You will need to take into consideration:

- which costs are variable.
- which costs are fixed.
- assume that the business will purchase another van in November for \$30,000, and therefore, vehicle expenses will alter and the amount of the purchases. However, the sales will also increase.

- assume that the business will also need to hire two [2] full-time employees in February, so the wages, as well as the superannuation, will have to increase. However, the sales will also increase. The wage for each employee will be \$3,000 / month.

**Assessor instructions:** students must prepare cash flow projections to enable business operations according to the business plan and the business legal requirements. They will need to access the Cashflow template and fill it out. When preparing the cash flow, students must take into consideration:

- which costs are variable.
- which costs are fixed.
- assume that the business will purchase another van in November for \$30,000, and therefore, vehicle expenses will alter and the amount of the purchases. However, the sales will also increase.
- assume that the business will also need to hire two [2] full-time employees in February, so the wages as well as the superannuation will have to increase. However, the sales will also increase. The wage for each employee will be \$3,000 / month.

In the Cashflow template – Sample answers, the following colour coding has been used to show how the students' responses will be assessed:

- Green: All the assumptions that have to be taken into consideration according to the case study have been inserted in Green
- Blue: Fixed costs [amounts need to remain the same for the fixed costs. Where adjustments were necessary according to the assumptions, fixed costs need to remain the same before and after the adjustment
- Red: Variable costs [amounts need to change and students' answers will vary. However, they will need to be reasonable and in line with the case study

A sample answer is provided in the assessor's folder:

- Cashflow template – Sample Answers

#### Activity 4

To enable ongoing monitoring of the business's financial performance, you need to select your monthly budget targets. To do so, you will need to access and fill out the:

- Profit and Loss Statement template

The first month has already been filled out for you. You can take any additional information you need from the Cashflow template you filled out in the previous task. You will need to take into consideration:

- which costs are variable.
- which costs are fixed.
- assume that the business will purchase another van in November for \$30,000, and therefore, vehicle expenses will alter and the amount of the purchases. However, the sales will also increase.
- assume that the business will also need to hire two [2] full-time employees in February, so the wages, as well as the superannuation, will have to increase. However, the sales will also increase. The wage for each employee will be \$3,000 / month.

**Assessor Instructions:** Students must select budget targets to enable ongoing monitoring of the business's financial performance. They will need to access the Profit and loss template and fill it out. When preparing the profit and loss statement, students must take into consideration:

- which costs are variable
- which costs are fixed
- assume that the business will purchase another van in November for \$30,000, and therefore, vehicle expenses will alter and the amount of the purchases. However, the sales will also increase.
- assume that the business will also need to hire two (2) full-time employees in February, so the wages as well the superannuation will have to increase. However, the sales will also increase. The wage for each employee will be \$3,000 / month.

In the Profit and Loss Statement – Sample answers, the following colour coding has been used to show how the student's responses will be assessed:

- Green: All the assumptions that have to be taken into consideration according to the case study have been inserted in Green
- Blue: Fixed costs (amounts need to remain the same for the fixed costs. Where adjustments were necessary according to the assumptions, fixed costs need to remain the same before and after the adjustment
- Red: Variable costs (amounts need to change and students' answers will vary. However, they will need to be reasonable and in line with the case study

A sample answer is provided in the assessor's folder:

- Profit and Loss Statement template – Sample Answers

## Activity 5

Lastly, you will need to identify the sources of finance to ensure the required liquidity according to the business goals, objectives, and workplace procedures. You will need to access the information provided in the case study and the information table, the workplace policies and procedures and fill out the table below.

[Approximate table word count: 30 – 50 words]

**Assessor instructions:** students must identify the sources of finance to ensure the required liquidity according to the business goals, objectives, and workplace procedures. They will need to access the information provided in the case study, the information table, and the workplace policies and procedures and fill out the table below.

A sample answer is provided below.

# The finances

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## Finance needed

“More for your paws” is seeking a loan of \$20,000 to cover our start-up costs.

## Sources of funding

The three [3] owners have invested \$10,000 each to cover the initial business expenses.

## Policy and Procedures that require the business to have enough sources of funding for required liquidity

Refund Policy: we need to have enough cash to ensure you can provide refunds when required.

Price and Payment Policy

Clients Cancellation Policy

## Task 4

### Activity 1

After you completed the finances, Gavin asked you to create a risk management plan for “More for your paws”. More specifically, he would like you to develop risk management strategies according to business goals and objectives, legal and compliance requirements, and established business activities. There are four [4] risks associated with the business in the table below. You need to rate the impact and the likelihood and finally provide the strategies to manage the identified risks.

[Approximate table word count: 50 – 60 words]

**Assessor Instructions:** Students must fill out the table:

- Rate the impact of each risk
- Rate the likelihood of each risk
- Provide risk management strategies to manage the risk

They will need to access the information provided in the case study, the information table, and the workplace policies and procedures and fill out the table below.

Student responses will vary but must demonstrate the student’s ability to rate the impact and likelihood and provide risk management strategies that are appropriate and relevant to the case study.

A sample answer is provided below.

# Risk management

## Risk assessment

Risks that could impact our business and what we will do to protect it.

Risk	Impact	Likelihood	What we'll do to reduce this risk
Extreme weather	High	Medium	Ensure that the temperature of the vehicle can be adjusted
Vehicle breakdown	High	Low	Conduct all maintenance checks Service the car regularly, following all compliance requirements
Injury of a staff member while using pet grooming equipment	High	Low	Train all staff members to use the equipment required for pet grooming appropriately Wear PPE (Personal Protective Equipment) where necessary
Injury of an animal during the grooming	High	Low	Train all staff members to use the equipment required for pet grooming appropriately and provide exposure to animal handling

### Activity 2

You will now need to ensure that all the parts of the business plan you are developing will be followed and executed. Therefore, you will need to create a contingency plan to provide strategies to address potential areas of non-conformance. Access the Contingency Plan template and fill it out.

**Assessor instructions:** students must assess the likelihood of non-conformance with each business plan component and develop a contingency plan to address possible areas of non-conformance. They will need to access the Contingency Plan template and fill it out.

Student responses will vary but must demonstrate the student's ability:

- to fill out the contingency plan,
- assess the likelihood of non-conformance
- provide an appropriate explanation as to why they chose a specific rating (low, medium, high)
- provide reasonable answers on how they will mitigate the risk that is relevant to the case study
- provide ways of how it will be communicated
- state who will review and monitor conformance with each business component

A sample answer is provided in the assessor's folder.

### Activity 3

Gavin asked you to finalise the business plan you developed for “More for your paws” and send it to him for approval. You will need to access the Final Business Plan template and complete all the sections in it. You will need to transfer the information you have already completed in the template and also fill out the following sections:

- key details (registration details, online and social media details).
- our vision.
- our mission.
- goals and actions.

**Assessor instructions:** students must finalise their business plan using the Final Business Plan template and fill out all the sections in the plan using the information they have already completed in the previous tasks and activities as well as the Business Information table to fill out the following sections:

- key details (registration details, online and social media details).
- our vision.
- our mission.
- goals and actions.

A sample answer is provided in the assessor’s folder:

- Final Business Plan – Sample Answers

### Activity 4

Gavin approved your final plan and asked you to prepare a 10 – minute presentation for the stakeholders, Melissa, Liam and Yoseph. You will need to have a meeting with the stakeholders to present the key components of the business plan you developed. In your meeting you need to ensure you:

- Include a brief description summarising the purpose of the meeting.
- Present the key components of your plan
- Use specific and relevant language to clearly articulate any issues
- Identify any specific interests and objectives the stakeholders might have
- Confirm stakeholders’ support of the planning outcomes

You are required to upload a video of yourself, and three (3) others engaged in a short meeting. The participants will need to identify any specific interests and objectives they have and confirm their support of the planning outcomes. The participants will be the business owners, Yoseph, Melissa and Liam. The participants must be fully briefed as outlined in the role play instructions. Stakeholders will confirm their support of the planning outcomes.

#### Role play instructions

The role play/meeting must include three (3) participants, must not exceed 10 minutes duration and must address all elements of the Observation Checklist below.

In this task you will participate in a role/play meeting with others. These may be resourced using one of the following options:

1. Peers who you are already working with, in the industry your qualification relates to.
2. Fellow students who will play the role of the stakeholders. Please contact your fellow students via the Discussion Forum and coordinate your role play with them directly.

If you are unable to find participants to play the role of the other team members, contact your assessor via the Discussion Forum who will discuss options for pairing up with other students to complete this task.

### **Option 1: Peers participant**

Should you complete this task with your peers, you must fully brief all participants, providing them with the context to the role play/meeting, a role outline to play and a copy of the observation checklist so that they can prepare for the recording.

Peers will need to state their name and job title at the start of the recording to inform consent.

### **Option 2: Fellow student participants**

Fellow students participating in the recording must be provided with context to their role and responsibilities in the session and have reviewed the assessment activity and observation checklist so that they can prepare for the recording.

Students will need to state their name and that they are a student [as their job title] at the start of the recording to inform consent.

### **Recording instructions**

Your role play must be recorded with all participants captured in a virtual room using a system such as Zoom, Skype or Teams.

Consent to participate in the recording must be captured for all participants at the start of the meeting. This is achieved by the student reading the following statement at the start of the recording, with all participants replying their name and job title to inform consent.

*"This session/presentation is being recorded for assessment purposes for my course with Swinburne Open Education. This session will be recorded and submitted through my course online learning platform to my Assessor for grading. All participant/s in this session indicate their consent to be included in this recording by stating their name and job title."*

The time taken to capture consent at the start of the recording does not count towards the recording time limit.

Include this recording as part of your assessment submission.

## **ASSESSOR OBSERVATION CHECKLIST: Task 4, Activity 4**

Students are required to upload a video of themselves, and three [3] others engaged in a meeting to identify any specific interests and objectives they have and confirm their support of the planning outcomes. The participants will be Yoseph, Melissa and Liam. The participants must be fully briefed as outlined in the role play instructions. Stakeholders will confirm their support of the planning outcomes.

The meeting should be a maximum of 10 minutes.

Students must demonstrate each of the performance criteria outlined in the observation checklist below.

ACTIVITY	SATISFACTORY YES / NO	ASSESSOR COMMENTS		
<b>Task checklist</b>				
Present the key components of the business plan they developed				
Identify any specific interests and objectives the stakeholders might have				
Confirm stakeholders' support of the planning outcomes				
<b>Skills checklist</b>				
Students must use specific and relevant language to clearly articulate issues				

**Assessment checklist:**

Students must have completed all activities within this assessment before submitting. This includes:

<b>Task 1</b>			
1	Activity 1 - Preparation checklist		<input type="checkbox"/>
2	Activity 2 - Market research		<input type="checkbox"/>
<b>Task 2</b>			
1	Activity 1 - Key People, Assets, Laws we'll need to comply with		<input type="checkbox"/>
2	Activity 2 - The market, Operations, Pricing strategy		<input type="checkbox"/>
3	Activity 3 - Advertising and promotion		<input type="checkbox"/>
4	Activity 4 - Draft business plan		<input type="checkbox"/>
5	Activity 5 - SWOT analysis		<input type="checkbox"/>
6	Activity 6 - Sources of advice and support		<input type="checkbox"/>
<b>Task 3</b>			
1	Activity 1 - Product/service costs		<input type="checkbox"/>
2	Activity 2 - Price calculation		<input type="checkbox"/>
3	Activity 3 - Cashflow		<input type="checkbox"/>
4	Activity 4 - Profit and loss statement		<input type="checkbox"/>
5	Activity 5 - The finances		<input type="checkbox"/>
<b>Task 4</b>			
1	Activity 1 - Risk Management		<input type="checkbox"/>
2	Activity 2 - Contingency plan		<input type="checkbox"/>
3	Activity 3 - Final business plan		<input type="checkbox"/>
4	Activity 4 - Role play		<input type="checkbox"/>



**Congratulations you have reached the end of Assessment 2!**

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