Citrus Business Management Programme

Module 5 – part 2

Manage your Business: The Basics

Summative PoE Guide

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Contents

Assessor Orientation

Background Information

The main theme of this module is to help entrepreneurs manage the day-to-day actions of their business.

The module will cover aspects such as:

- Business writing
- Spatial planning and measurement basics
- Resource mobilisation
- Action Plans

This module contributes to the exit level outcome and associated criteria:

4. Manage a new venture by applying business principles and techniques.

   4.1 A business plan for a new venture is developed using strategic planning principles and techniques.

   4.2 Guidelines for the implementation and monitoring the strategic action plan are formulated in terms of milestones and timeframes.

   4.3 Financial management planning principles and techniques are applied in order manage the business in an efficient and effective manner.

   4.4 Production and / or operations management is applied in a chosen business opportunity.

This module comprises of 5 unit standards and attracts 22 credits, and is presented in two different study guides.

This module is aligned to unit standards:

Part 1	**Business writing**	12153	Use the writing process to compose texts required in the business environment	F	4	5
		119465	Write / present / sign texts for a range of communicative contexts	F	3	5
	Spatial planning and measurement basics	9016	Represent, analyse and calculate shape and motion in two- and three-dimensional space in different contexts	F	4	4
Part 2	**Resource mobilisation**	114590	Mobilise resources for a new venture	C	4	4
	Action plans	263534	Implement an action plan for a new venture	C	4	4

Unit Standard Information

Mobilise resources for a new venture

SAQA US ID	**UNIT STANDARD TITLE**			
114590	Mobilise resources for a new venture			
ORIGINATOR				
SGB Generic Management				
PRIMARY OR DELEGATED QUALITY ASSURANCE FUNCTIONARY				
-				
FIELD			**SUBFIELD**	
Field 03 - Business, Commerce and Management Studies			Generic Management	
ABET BAND	**UNIT STANDARD TYPE**	**PRE-2009 NQF LEVEL**	**NQF LEVEL**	**CREDITS**
Undefined	Regular-Fundamental	Level 4	NQF Level 04	4
REGISTRATION STATUS		**REGISTRATION START DATE**	**REGISTRATION END DATE**	**SAQA DECISION NUMBER**
Reregistered		2015-07-01	2018-06-30	SAQA 10105/14
LAST DATE FOR ENROLMENT		**LAST DATE FOR ACHIEVEMENT**		
2019-06-30		2022-06-30		

In all of the tables in this document, both the pre-2009 NQF Level and the NQF Level is shown. In the text (purpose statements, qualification rules, etc), any references to NQF Levels are to the pre-2009 levels unless specifically stated otherwise.

This unit standard does not replace any other unit standard and is not replaced by any other unit standard.

PURPOSE OF THE UNIT STANDARD

This Unit Standard is intended for people who have to ensure that resources are utilised effectively in a small business venture. The learner will also be able to identify opportunities to improve the effectiveness of resources.

The qualifying learner will be able to:

- Identify and utilise available resources.
- Evaluate the resources contribution to effective business performance.
- Seek and use professional advice to supplement competencies.

LEARNING ASSUMED TO BE IN PLACE AND RECOGNITION OF PRIOR LEARNING

Learners accessing this Unit Standard should be competent in Mathematical Literacy and Communications at NQF Level 3.

UNIT STANDARD RANGE

The following elements are included but are not limited to:

- Objectives: requirements of the business, short term objectives, long term objectives, realistic time frames, milestones and targets, measurable outcomes.
- Advisors: lawyers, accountants, specialist consultants and business counsellors.
- Fees: up-front costs, tax allowances, cost benefits.

Implement an action plan for a new venture

<table>
<tr><td>SAQA US ID</td><td colspan="4">UNIT STANDARD TITLE</td></tr>
<tr><td>263534</td><td colspan="4">Implement an action plan for a new venture</td></tr>
<tr><td colspan="5">ORIGINATOR</td></tr>
<tr><td colspan="5">Task Team - New Venture Creation</td></tr>
<tr><td colspan="5">PRIMARY OR DELEGATED QUALITY ASSURANCE FUNCTIONARY</td></tr>
<tr><td colspan="5">-</td></tr>
<tr><td colspan="3">FIELD</td><td colspan="2">SUBFIELD</td></tr>
<tr><td colspan="3">Field 03 - Business, Commerce and Management Studies</td><td colspan="2">Generic Management</td></tr>
<tr><td>ABET BAND</td><td>UNIT STANDARD TYPE</td><td>PRE-2009 NQF LEVEL</td><td>NQF LEVEL</td><td>CREDITS</td></tr>
<tr><td>Undefined</td><td>Regular</td><td>Level 4</td><td>NQF Level 04</td><td>4</td></tr>
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This unit standard replaces:

US ID	Unit Standard Title	Pre-2009 NQF Level	NQF Level	Credits	Replacement Status
114591	Implement an action plan for business operations	Level 4	NQF Level 04	4	Complete

PURPOSE OF THE UNIT STANDARD

This Unit Standard is intended for learners within Small, Micro and Medium Enterprise Sector. The learner will be able to implement an action plan, in terms of the practical and physical aspects, derived from a business plan for establishing a new venture.

Learners credited with this unit standard will be able to:

- Design an action plan for a new venture.
- Set up business premises and operational systems.
- Implement business financial systems.
- Identify the risks associated with the new venture.

LEARNING ASSUMED TO BE IN PLACE AND RECOGNITION OF PRIOR LEARNING

It is assumed that the learner has the following knowledge and skills:

- Communication at NQF Level 3.

UNIT STANDARD RANGE

N/A

information

Unit Standard References

The SAQA registered unit standards associated with this learning program are included in this guide for your information.

Please do not hesitate to ask the facilitator or assessor to explain anything that you do not understand or need help with.

Associated Qualification

This unit standard forms part of the learner support materials for the following qualification:

Further Education and Training Certificate: New Venture Creation

SAQA QUAL ID	**QUALIFICATION TITLE**			
66249	Further Education and Training Certificate: New Venture Creation			
ORIGINATOR				
Task Team - New Venture Creation				
PRIMARY OR DELEGATED QUALITY ASSURANCE FUNCTIONARY			**NQF SUB-FRAMEWORK**	
SERVICES - Services Sector Education and Training Authority			OQSF - Occupational Qualifications Sub-framework	
QUALIFICATION TYPE	**FIELD**		**SUBFIELD**	
Further Ed and Training Cert	Field 03 - Business, Commerce and Management Studies		Generic Management	
ABET BAND	**MINIMUM CREDITS**	**PRE-2009 NQF LEVEL**	**NQF LEVEL**	**QUAL CLASS**
Undefined	149	Level 4	NQF Level 04	Regular-Unit Stds Based
REGISTRATION STATUS		**SAQA DECISION NUMBER**	**REGISTRATION START DATE**	**REGISTRATION END DATE**
Reregistered		SAQA 10105/14	2015-07-01	2018-06-30
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This qualification replaces:

Qual ID	Qualification Title	Pre-2009 NQF Level	NQF Level	Min Credits	Replacement Status
23953	Further Education and Training Certificate: New Venture Creation (SMME)	Level 4	NQF Level 04	162	Complete

Learner Details

First name:	
Surname:	
ID number:	
Mobile phone contact number:	
E-mail address:	
Postal address:	
Dates on which you completed this summative PoE guide:	
Declaration:	I hereby confirm that: • I received the assessment plan and schedule. • I understand my rights in terms of special needs, re-assessment, feedback and appeals against assessment decisions. • I completed the summative assessment independently without assistance from anyone else.
Date:	
Place:	
Signature:	
Signature of Assessor:	

information

Important

Please remember that this document is seen as legal evidence of your competence. It is very important that you sign and date each section where requested. Your signature confirms that this work is your own and that you have not committed fraud in any way.

Section 1: Summative Assessment Activities

S114590.1 – Research Questionnaire

- ✓ Work individually to complete this activity.
- ✓ Please complete all the questions in ink (do not write in pencil).
- ✓ Time to spend on this activity: 1 hour.

Instructions:

1. List five types of resources that will be needed to start and run a citrus production unit. (5)

2. For each of the five resources you listed above, and write down key notes on the main purpose and function (why it is needed). (5)

Resource	Main purpose and function
1	
2	
3	
4	
5	

3. For each of the resources listed in question 1, write down key notes on possible institutions that could help you with expertise to obtain, manage and optimise the use of these resources for your citrus production unit. (5)

Resource	**Possible partnering institutions**
1	
2	
3	
4	
5	

4. Write down detailed key notes to explain the requirements for your citrus production unit to access each of the following types of resources. Include the following information: Conditions, procedures, costs and information required to access resources in order to determine whether or not they are affordable.

   4.1. Natural resources (1)

   4.2. Human resources (1)

   4.3. Infrastructure (1)

4.4. Financial resources (1)

5. In order to access the support, funding and advice required to start and run a successful citrus production unit, you will more than likely be required to register, fill in forms and provide supporting documentation about your enterprise.

   Access the following websites: http://www.citrusres.com/, https://www.citrusacademy.org.za/, http://www.cga.co.za/, http://www.daff.gov.za/doaDev/sideMenu/links/Digest2.htm

   Now summarise a list of:

   5.1. The kind of support and assistance you could obtain from each. (4)

   5.2. Explain how they will know you need assistance (how do you apply or register). (4)

   5.3. Make brief key notes on the types of documents you think may be required by each institution to best support and help you. (3)

S114590.2 – Case Study and Knowledge Questionnaire

- ✓ Work individually to complete this activity.
- ✓ Please complete all the questions in ink (do not write in pencil).
- ✓ Time to spend on this activity: 1 hour.

Case study:

You are the owner or manager of a citrus production unit. You need to decide whether it is worth the investment to establish your own packhouse on the farm.

Land is readily available, and there is an existing building structure that can easily be converted into a packhouse.

You will need to source all the packline equipment, staffing, and additional cold storage.

You will also need to decide whether to keep using an outsourced logistics company to move the fruit to the harbour, or whether you wish to purchase your own vehicles.

1. Discuss what your main thought process would be when making this kind of decision. (Record notes). (4)

2. Now identify the specific resources that would be needed, and list them below. (4)

3. How would you go about determining whether investment in each of the resources listed above contributes to the business objectives? (3)

4. Draft a SWOT analysis to determine the possible impact of investment on the objectives of the business. (8)

Internal	**Strengths**	**Weaknesses**
External	**Opportunities**	**Threats**

5. What is the formula for calculating return on investment? (2)

6. What criteria would you consider when calculating the return on investment for each of the two scenarios, to ensure a sound decision? (3)

S114590.3 – Subject Matter Expert Interview

- ✓ Work individually to complete this activity.
- ✓ Please complete all the questions in ink (do not write in pencil).
- ✓ Time to spend on this activity: 1 ½ hours.

Instructions:

1. For each of the following business functions, list what kind of subject matter expert you would consult and where you would find them:

   1.1. Information technology (IT) (1)

   1.2. Labour issues (1)

   1.3. Accounting (1)

   1.4. Legal services (1)

   1.5. Auditing (1)

   1.6. Bookkeeping (1)

1.7. Security (1)

1.8. Citrus production practices (1)

1.9. Citrus packing and distribution (1)

1.10. Citrus marketing and export (1)

2. Now schedule an interview with your local extension officer. Write down key notes on the process you followed to source this specialist and make an appointment. (2)

Ask the specialist the following questions, and record their answers:

3. What kind of specialist advice can one get from an Agricultural Extension Officer? (1)

4. What other kinds of professional specialists could one approach to assist with advice on citrus production practices? (2)

5. Please explain what the difference between professional fee structures for extension officers versus appointing specialist consultants would be. (2)

6. What advice could you give me in terms of negotiating professional consultancy fees, and how you made sure that you will get the best value for money? (2)

7. If I had to prepare a production brief before consulting an agricultural extension officer, what kinds of information should be included in the brief? (2)

8. How will you as expert ensure that the advice you give me best serves my business's objectives? (1)

9. When you give advice to a farmer and entrepreneur, how do you ensure that there are no misunderstandings and that the advice is implemented? (1)

10. Can you share an example of a production action plan you have drafted for citrus production in the past? (Attach a copy or make key notes on the format and content). (2)

Section 2: Summative Assessment Activities

S263534.1 – Case Study and Work Sample

- ✓ Work individually to complete this activity.
- ✓ Please complete all the questions in ink (do not write in pencil).
- ✓ Time to spend on this activity: 2 hours.

Case study:

Consider the following case:

You are the owner or manager of a citrus production unit. You need to decide whether it is worth the investment to establish your own packhouse on the farm.

Land is readily available, and there is an existing building structure that can easily be converted into a packhouse.

You will need to source all the packline equipment, staffing, and additional cold storage.

You will also need to decide whether to keep using an outsourced logistics company to move the fruit to the harbour, or whether you wish to purchase your own vehicles.

1. Make a list of possible tasks to be done and the actions to be taken. (5)

2. Now use the following format to draft an action plan (25):

What needs to be done?	Who will do it?	By when?	What is needed?	How will I know when I am done?

3. Now redraft the list and prioritise the tasks from most urgent to least urgent. (5)

What needs to be done?	Who will do it?	By when?	What is needed?	How will I know when I am done?

4. Write down key notes on the following:

   4.1. The process you followed to prioritise the tasks. (2)

4.2. Why you decided to prioritise certain tasks over others. (2)

4.3. How you decided on the timeframe allocated in the task list. (2)

S263534.2 – Case Study, Work Samples and Knowledge Questionnaire

- ✓ Work individually to complete this activity.
- ✓ Please complete all the questions in ink (do not write in pencil).
- ✓ Time to spend on this activity: 2 hours.

Case study:

You and your partner have decided to establish a consulting business, advising local citrus farmers on optimal citrus production practices for the production of export citrus fruit. You want to be really professional and your main goal is to become known and recognised as the best consultants for the best advice and results in South Africa.

Accordingly, you have decided that you need very professional premises. You also intend to have branded vehicles and a website. You want your office to be manned twelve hours a day by a professional receptionist, who can take calls and answer queries.

Your aim is to operate 100% within the law, and accordingly, you will need legal advice to ensure that your contracts are perfect.

1. Read the case study carefully, and then prepare samples of the following: (6)	**Attached?**	
	Yes	**No**
1.1. A layout and specification of the type of business premises you intend to acquire		
1.2. An overview (with pamphlets or quotes) of the equipment required to get your communications systems up and running		
1.3. Specifications and quotes for vehicles and other operational equipment you may require		
1.4. An organisational chart detailing the support staff you need to hire		
1.5. A sample of your logos and branding to be used on letterheads		
1.6. An overview of all the tasks you need to undertake to ensure that you operate within the law		

Answer the following questions in support of your work samples:

2. How did you decide whether you would rent / lease a property or purchase a property for business premises? (2)

3. What would the advantages and disadvantages of renting over buying property be? (4)

4. Where would your premises ideally be located? Why did you choose this location? (2)

5. What components are included in your communications systems, and why did you choose these components? (4)

6. How do you intend to establish your brand? (2)

7. How will you ensure that your brand is professional at all times? (2)

8. What kinds of legal implications did you take into account when deciding on this kind of business, and choice of premises? (4)

9. What other kinds of resources do you think your business needs in order to operate successfully, for example, furniture and stationery? (2)

S263534.3 – Research Questionnaire

- ✓ Work individually to complete this activity.
- ✓ Please complete all the questions in ink (do not write in pencil).
- ✓ You will need to access the internet or visit your local bank to complete this activity.
- ✓ Time to spend on this activity: 1 hour.

Instructions:

Access the internet or visit your local bank to research options for opening a business bank account.

Compare different options and accounts to select the most suitable one for a citrus production business.

1. Prepare to present your research finding to the rest of the class, by working through the following questions:

    1.1. Which commercial banking brand did you choose? Why? (2)

    1.2. What other commercial banking options were available to you? (2)

    1.3. What kind of account would you choose to open? Why? (2)

    1.4. What other kinds of accounts were available to you? Why did you not choose them? (2)

S263534.4 – Flow Diagram and Knowledge Questionnaire

- ✓ Work individually to complete this activity.
- ✓ Please complete all the questions in ink (do not write in pencil).
- ✓ Time to spend on this activity: 1 hour.

Instructions:

Draw a flow diagram with details of all the elements you need to consider and put into place in order to establish a financial and recordkeeping system for a business.

Answer the following questions:

1. What elements did you include in your financial system in order to ensure effective financial controls?

2. What kinds of documents / journals are required to eliminate fraud and establish good financial controls for each of the following:

Cash revenue of the business	
Electronic revenues coming into the business	
Petty cash purchases	
Payments for orders and purchases	
Debtors payments	
Creditors payments	
Maintaining cash flow budgets vs actual	

3. What measures should be taken to monitor accounting systems in order to ensure optimal controls and limit chances of fraud?

4. What is the role and importance of auditing systems in terms of financial management?

5. How will you ensure that you screen debtors (people buying on account) prior to doing business with them, in order to ensure that they are able to pay you on time?

S263534.5 – Risk Management Case Study, Mind Map and Knowledge Questionnaire

- ✓ Work individually to complete this activity.
- ✓ Please complete all the questions in ink (do not write in pencil).
- ✓ Time to spend on this activity: 1 ½ hours.

Case study:

Business operations come with inherent risks. Consider all the risks involved in the following type of business:

You and your partner have decided to start an agrochemicals supply business in your local area. You want to be really professional and your main goal is to become the number one choice in supply of plant protection products in the province. Accordingly, you have decided that you need premises in the nearest town.

You also intend to have branded vehicles and a website. You want your office to manned twelve hours a day by a professional receptionist, who can take calls and answer queries. Your aim is to operate 100% within the labour law, and accordingly, you will need legal advice to ensure that your premises, contracts and logistics systems are perfect.

1. Read the case study carefully, now make a list of all the possible risks you might face in terms of this kind of business.

2. Then draft a mind map with key notes about all the tasks you and your partner will need to action in order to:

   2.1. Establish a security system

   2.2. Establish emergency procedures

   2.3. Source insurance cover (short- and long-term)

   2.4. Stock your business to start operating

3. Answer the following questions to support the key notes on your mind map:

3.1. What kind of security risks did you identify? And what kinds of systems could be put in place to mitigate these risks?

3.2. What kinds of emergencies might occur in this kind of business?

3.3. How could you prepare for emergencies and what kinds of emergency procedures would you implement?

3.4. What assets of the business would need to be insured?

3.5. What kinds of insurance products would be most suitable to cover these assets?

3.6. What kind of stocks would you need to acquire to operate this kind of business?

3.7. How would you ensure that you guard against stock losses?
