

Unit 2 Performance Task: Initial Business Plan

Scarcity – the scarcity of all resources forces parties to make choices that incur costs.

In this task you will take the initial steps toward creating a detailed business plan. You will use this business in the rest of your tasks. For this unit, you will be making some very basic decisions concerning your business. The requirements for your plan are as follows:

- **PART I:** Explain what your good/service is and why it is needed (what makes it different)? Identify *several* examples of land, labor, and capital you will need. Explain how you serve as the entrepreneur.
- **PART II:** Use a Production Possibilities Curve to show a trade-off your company will face. It could be a trade-off between resources or variations of your product. Use two points on your curve to explain opportunity cost.
- **PART III:** Analyze how scarcity will impact your business by explaining 3 areas you will face scarcity and how you will try to reduce the impact of scarcity. Explain why scarcity can never be avoided.
- **PART IV:** Analyze how your company could benefit from investment in SPECIFIC education/training of employees or technology. What opportunity costs will there be if you invest in this education or technology?

You may turn in a printed report, an electronic report, create your own website, schedule time to deliver your report orally to Mr. Cannon before or after school, or any other delivery method you choose. Here is how you will be evaluated:

Criteria	1 (Needs Improvement)	2 (Below Standard)	3 (Meets Standard)	4 (Exceeds Standard)	Weight
Part I: Explains the need for good/service and identifies multiple examples of land, labor, and capital and explains entrepreneurship	<ul style="list-style-type: none"> - All 4 categories of factors of production are not present - No explanation of why the good is needed 	<ul style="list-style-type: none"> • Examples of factors of production do not relate to the good or service. • Only one example is identified in some categories • Purpose of good is unclear or absent. 	<ul style="list-style-type: none"> • <i>Multiple</i> examples of each factor of production are identified and logically relate to good or service • Entrepreneurship is explained • Purpose of good/service is clearly explained 	<ul style="list-style-type: none"> • In addition to everything in meets, also logically explains which factor of production is most scarce and why. 	X 3
Part II: PPC is labeled correctly and opportunity cost is explained.	<ul style="list-style-type: none"> • Opportunity cost is incorrectly explained • Graph is entirely incorrect or missing 	<ul style="list-style-type: none"> • Graph is mostly correct, but mislabeled • Opportunity cost is explained, but not related to the good or service 	<ul style="list-style-type: none"> • Both axes are labeled with a variation of the good/service • Opportunity cost is explained using the two variations 	<ul style="list-style-type: none"> • In addition to everything in meets, you explain your opportunity cost by using <i>two specific points</i> on your PPC. 	X 2.5
Part III: Analyzes the impact of scarcity in 3 areas.	<ul style="list-style-type: none"> • Most examples of scarcity are incorrect. • No explanation of how to minimize the impact of scarcity. 	<ul style="list-style-type: none"> • Scarcity is correctly identified in 2 areas. • Explanation of how to minimize impact is unclear or incorrect in some examples 	<ul style="list-style-type: none"> • Scarcity is correctly identified in 3 places • In each place, you explain what can be done to minimize the impact of scarcity. 	<ul style="list-style-type: none"> • In addition to everything in meets, you <i>explain why scarcity can never be avoided.</i> 	X 3
Part IV: Analyzes the impact of investment in education and/or technology on your business	<ul style="list-style-type: none"> • Explains what investment in education/technology means, but does not link to productivity 	<ul style="list-style-type: none"> • Explains the link between investment in ed./tech. and productivity • Examples of ed./tech. are generic or not related to business 	<ul style="list-style-type: none"> • Explains the link between investment in education /training and productivity using <i>specific examples</i> of the types of training or education that would help your product 	<ul style="list-style-type: none"> • In addition to everything in meets, <i>you explain what you would give up</i> in order to invest in education or training. 	X 3
Chosen format is presentable and professional	<ul style="list-style-type: none"> • Design of plan is confusing or mislabeled • More than 10 mechanical errors 	<ul style="list-style-type: none"> • 5-9 mechanical errors 	<ul style="list-style-type: none"> • ALL parts of business plan are easy to find and labeled or noted in some way • Fewer than 5 mechanical errors 	<ul style="list-style-type: none"> • N/A 	X 1

TOTAL POINTS: _____/49