

Entrepreneurship Building a Business

Chapter 5 Feasibility and Business Planning

Section 5.2 The Business Plan

SECTION 5.2 After You Read Answer Key

Self-Check

1. The business plan will help you think through the operations of the business and how you can best launch it. It also helps you organize and analyze critical data.
2. The market analysis results in a deep understanding of the customer and the customer's needs. The marketing plan focuses on how to reach that customer and close a sale.
3. Students should list two of the following: Small Business Administration, Service Core of Retired Executives, Small Business Development Centers, Chambers of Commerce, and trade associations.

Think

4. A vision statement establishes the scope and purpose of a company and reflects its values and beliefs. A mission statement expresses the specific aspirations of a company, the major goal for which it will strive. Both are essential to establishing the goals and objectives of a business.

Mathematics

5. $x =$ the cost of the employees' salaries; $x = \$235,000 - (39,500 + 22,750 + 41,800 + 18,500 + 28,950)$; $x = \$235,000 - 151,500$; $x = \$83,500$