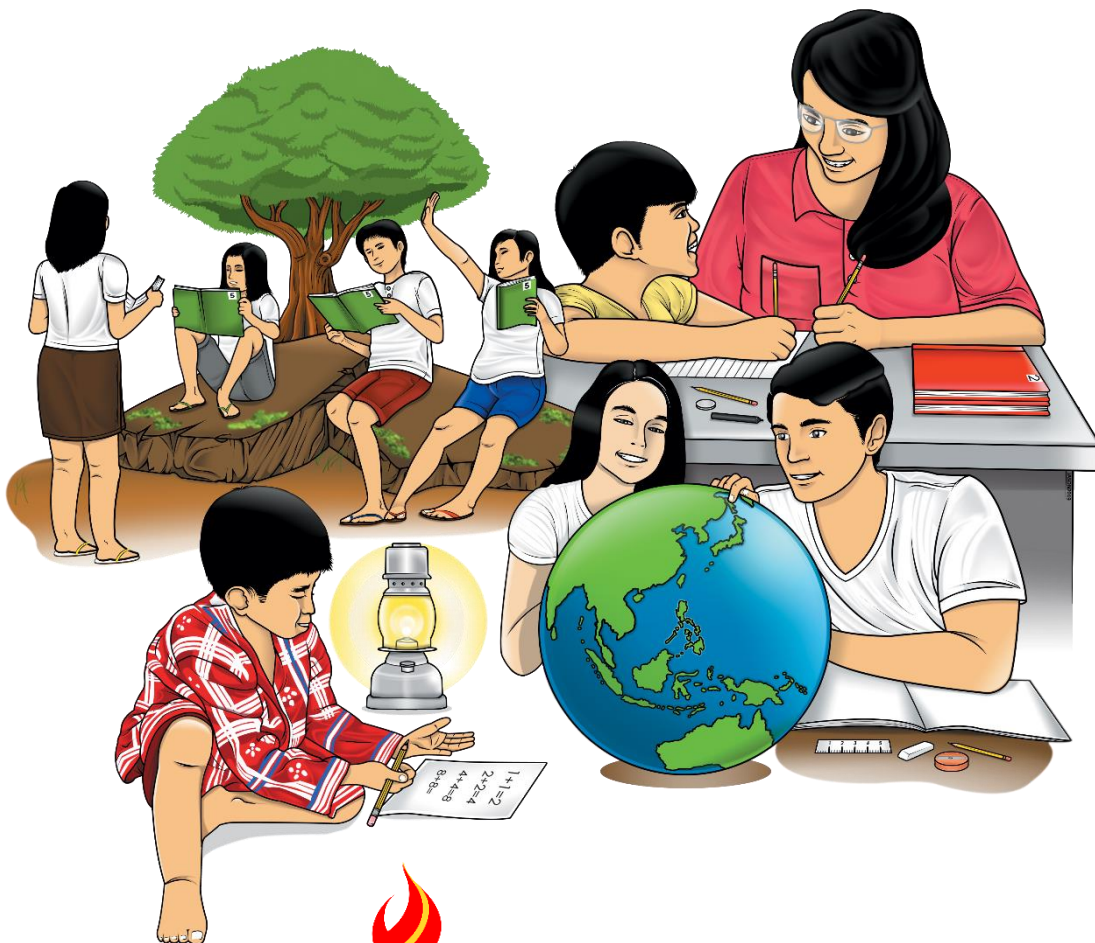


Senior High School

Entrepreneurship

Quarter 2 — Module 9 Business Implementation



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Senior High School

Entrepreneurship

Quarter 2 - Module 9

Business Implementation



Introductory Message

For the Learner

Have you ever dreamed of becoming the next multi-millionaire? If you're thinking that winning the lottery is the only way to become one, well, think again. It is not chance that gives you millions, instead being a millionaire is a result of hard work and determination. Starting your own business is a good beginning towards fulfilling your dreams. Entrepreneurship is the way!

You may often hear the word entrepreneur and entrepreneurship. But what do these terms mean? You may refer to an entrepreneur as the person managing the business and entrepreneurship as the business venture. Some may say there is no difference. So, what does this module provide you towards reaching your dreams?

1. It outlines the concepts and basic principles, and processes of developing a business plan.
2. It helps you understand the environment and market in your locality as a factor in developing a business concept.
3. It allows you to experience starting and operating your own business.

Substantial knowledge of entrepreneurial principles and processes is important as this increases the chances of making your business successful.

In this module, you are guided with a set of learning parts that will help you understand the underlying principles of entrepreneurship.

1. What I Need to Do – the part used to introduce the learning objectives in this module.
2. What I Know – this is an assessment as to your level of knowledge to the subject matter at hand, meant specifically to gauge previous knowledge.
3. What's In – the part used to connect your previous learning with the new lesson.
4. What's New – the part used to introduce new lesson through a story, an activity, a poem, song, situation or activity.
5. What is It – the part that will help you discover and understand entrepreneurial

concepts.

6. What's More – the part that will help enrich your learnings of entrepreneurial concepts.
7. What I Have Learned – the part that will help you process what you have learned In the lesson.
8. What I Can Do – the part that allows you to apply what you have learned into real life situations.
9. Assessment – the part that evaluates your level of mastery in achieving the learning objectives.
10. Additional Activities – the part that enhances your learning and improves your mastery of the lesson.



What I Need to Know

In this module, you will be able to practically implement your newly developed Business Plan, in which case, will help your target business most likely to succeed, because this is where you will actually operate the business; thus, selling your product/service to the potential customers.

You are expected to operate your own business and keep your business records to monitor the progress of your business operation.

This module covers the following learning competencies:

- Implementing the business plan
- Operating the business
- Selling the product
- Identifying reasons for keeping business records

At the end of this module, you will be able to:

1. Identify the purposes of keeping business records.
2. Value the importance of keeping accurate business transactions.
3. Prepare an income statement of your business operation.



What I Know

Before starting with this module, let us see what you already know about implementing a business plan. Answer the questions below.

Instruction: Read the statements carefully then write **True** if the statement is correct & write **False** if you think the statement not correct.

1.	You go to the office of the Department of Trade and Industry (DTI) if you will register your corporation.
2.	The office to visit when registering your solely owned business is the Securities and Exchange Commission (SEC).
3.	You go to the Bureau of Internal Revenue when you get your Tax Identification Number (TIN).
4.	Employers are the only one to pay their contribution at the Social Security System (SSS).
5.	You cannot start your business without a consultant.
6.	Record keeping is not necessary in a business operation.
7.	Record keeping is beneficial to the owner.
8.	The objective of the businessman should be clear.
9.	Tasks before starting the business should have a time allotment.
10.	Records are sources of documents.
11.	Professional advices are necessary before starting the business.
12.	Professional advice is not needed during the business operation.
13.	Bookkeeping is only important to the accountant.
14.	Record keeping can measure the profit and performance of the enterprise.
15.	Recordkeeping can be both physical and electronic.



What's In

Before you proceed, let us first recall our previous lesson.

Profit is the amount you gain after selling your product. In computing your profit, you just simply follow this formula:

$$\text{Sales} - \text{Cost of Goods Sold} = \text{Gross Profit}$$

The **gross profit** represents the difference between net sales and cost of sales.

Variable costs are those things that change based on the amount of product being made and are incurred as a direct result of producing the product.

Variable costs include:

1. Materials used
2. Direct labor
3. Packaging
4. Freight
5. Plant supervisor salaries
6. Utilities for a plant or a warehouse
7. Depreciation expense on production equipment
8. Machinery

Fixed costs generally are more static in nature. They include:

1. Office expenses such as supplies, utilities, a telephone for the office, etc.
2. Salaries and wages of office staff, salespeople, officers and owners
3. Payroll taxes and employee benefits
4. Advertising, promotional and other sales expenses
5. Insurance
6. Auto expenses for salespeople
7. Professional fees
8. Rent



What's New

Identify the services offered by the following offices to you, as an entrepreneur.

1. Department of Trade and Industry (DTI)_____
2. Securities and Exchange Commission (SEC)_____
3. Bureau of Internal Revenue (BIR)_____
4. Mayor's Office_____
5. Social Security System (SSS)_____
6. Philhealth_____
7. Pag-ibig Fund_____



What is it?

Instruction: Write an essay answering the following guide questions.

1. As an entrepreneur, is it important to know the services offered by the offices mentioned above?
2. If your answer is YES, in what way do their services become important to you?
3. If your answer is NO, what makes their services unnecessary to you?
4. Do you think a business can last without availing the services of the said offices? Why? Or why not?

RUBRIC FOR ESSAY		
Content	The content was well – thought of, guide questions were thoroughly answered.	4
Organization	The paper was well-written with ideas easily conveyed to readers.	3
Development	Points are thoroughly developed	3
	TOTAL	10

Guidelines for Successful Business Plan Implementation:

1. **Objectives** – the entrepreneur should have a clear idea on what is his purpose of putting up his enterprise.
2. **Tasks** – this means that the entrepreneur must know what are the tasks he has to perform in order to realize his objectives.
3. **Time allocation** – This means that the entrepreneur should have a time table or a schedule to follow for every task so that the tasks will be accomplished timely and he can realize his objectives.
4. **Progress** – This means the entrepreneur should monitor the development of the tasks and the accomplishment of the objectives.

In operating a business, the entrepreneur should first consult professionals for advices, like accountants or consultants from small enterprises. In your case, you can consult your teacher in Entrepreneurship or anyone you think who could help you.

The following are the basic requirements to start a business in the Philippines:

- **Securities and Exchange Commission (SEC) Registration** - for partnership or Corporation
- **Department of Trade and Industry (DTI) Registration** - for your business tradename
- **Mayor's Business Permit** - for getting the license to operate in the city or municipality and payment of your local business taxes
- **Bureau of Internal Revenue (BIR) Registration** - for getting TIN, official receipts and invoices, registering your books of accounts and paying your national Internal revenue taxes
- **SSS, PhilHealth, and Pag-Ibig Fund registration** - for registering yourself or your company as an employer and for remitting your employees' contribution together with your employer's share

Other steps to follow before operating a business are as follows:

1. **Set up an accounting system or hire an accountant.** Knowing how the business is doing financially is important for planning and survival.
2. **Advertise the business.** No one will buy the products or services if customers do not know that the company exists. You can make use of the social media.
3. **Secure insurance for the business.** Liability insurance protects the business in the event of litigation. Consider life and disability insurance, health insurance and fire insurance when you are leasing an office or storefront.

Keeping Business Records

Good record keeping can help protect the business, measure the performance and maximize profit.

Records are the source documents, both physical and electronic, that specify transaction dates and amounts, legal agreements and private customer and business details.

Developing a system to log, store and dispose of records can benefit the business. A systematic recording allows you to:

- A. plan and work more efficiently;
- B. meet legal and tax requirements;
- C. measure profit and performance;
- D. protect your rights; and
- E. manage potential risks.



What's More

Try to look around in your community and identify at least three (3) oldest existing businesses and find time to ask the owner/s the following questions:

1. How did you start your business?
2. In your opinion, is it important to have a business plan?
3. What were the challenges you encountered in your years of operation?
4. How did you overcome those challenges?



What I Have Learned

Implementing the Business Plan is not that easy. It needs to be registered to make it legal and record keeping gives a lot of benefits to the enterprise.



What I Can Do

You are going to implement your business for one and a half month. Follow the Business Plan that you have presented.

RUBRICS FOR THE BUSINESS PLAN IMPLEMENTATION		
Feasibility	The business is operated according to the plan.	50
Bookkeeping	The records are properly kept and accounted for.	40
Profitability	The business is gaining as to its projected financial plan.	10
	TOTAL	100



Assessment

Now that you are finished accomplishing the module, let us check what you have learned. Answer the questions given below by encircling the letter of the correct answer.

1. Which office will you go to register your single-owned business?
 - A. SEC
 - B. DTI
 - C. BIR
 - D. Mayor's Office
2. Which office do you visit to register a partnership or corporation?
 - A. SEC
 - B. DTI
 - C. BIR
 - D. Mayor's Office
3. To secure a Tax Identification Number (TIN), which office will you go?
 - A. SEC
 - B. DTI
 - C. BIR
 - D. Mayor's Office
4. SSS, Philhealth and Pag-ibig fund contributions are made by _____.
 - A. employees only
 - B. employers only
 - C. both Employees and Employers
 - D. none of the choices
5. Which of the following is not a step to follow before operating a business?
 - A. Register your business
 - B. Set up an accounting system
 - C. Advertise the business using Facebook
 - D. Selling the product
6. Which of the following is true?
 - A. Good record keeping is not important to the business owner.
 - B. Good record keeping is important only to the accountant.
 - C. Good record keeping gives benefits to the enterprise.
 - D. Good record keeping gives no importance at all.
7. Which of the following is NOT a benefit to the enterprise?
 - A. It allows the entrepreneur to plan and work more efficiently.
 - B. It allows the entrepreneur to meet legal and tax requirements.
 - C. Can check if the business is doing good.
 - D. It cannot protect the rights of the owner.
8. The objectives of the entrepreneur should be _____.
 - A. specific and clear
 - B. specific and long term

- C. short and blurred
 - D. long and not specific
9. The tasks before operating the business must be_____.
- A. specified to be accomplished by the owner alone
 - B. in detail so that the owner will know what to do
 - C. kept by the owner for future reference
 - D. none of the choices
10. The tasks to be accomplished before operating the business should have:
- A. design
 - C. time allotment
 - B. decoration
 - D. measurement
11. Which of the statements is true?
- A. Before starting a business, the entrepreneur may not consult a professional for advice.
 - B. Before starting a business, the entrepreneur should consult a professional for advice.
 - C. Before starting a business, the entrepreneur must start selling when there are available buyers.
 - D. None of the choices
12. Registering your business trade name is done in the office of
- A. SEC
 - C. Mayor's Office
 - B. DTI
 - D. Philhealth Office
13. The sources of documents are called
- A. income statements
 - B. balance sheets
 - C. records
 - D. record keepings
14. Which of the following is not a benefit of record keeping?
- A. It will not help in managing potential risks.
 - B. It will measure profit and performance.
 - C. It will protect the rights of the owner.
 - D. It will not let you know how much you are earning.
15. Which of the following statements is true?
- A. Professional advice is only needed before starting the business.
 - B. Professional advice is needed all throughout the life of the business.
 - C. Professional advice is made only by consultants.
 - D. Professional advice is only a waste of money.

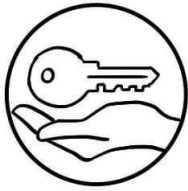


Additional Activities

Prepare a journal entry of all your business transactions. Give the benefits you get from keeping all your records.

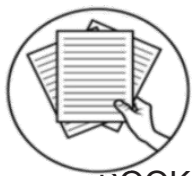
SAMPLE JOURNAL ENTRY

DATE	PARTICULARS	REF	DR	CR
June 20	Cash		10,000	
	Mercado Capital			10,000
	To record cash investment			
June 26	Photocopying Equipment		30,000	
	Mercado, Capital			30,000
	To record investment of photocopying eqpt			
June 27	Mercado Capital		50,000	
	Loan Payable			50,000
	To record loan payable to be assumed by the business			



Answer Key

Post Test	1. B	1. FALSE
	2. A	2. FALSE
	3. C	3. TRUE
	4. C	4. TRUE
	5. D	5. FALSE
	6. C	6. FALSE
	7. D	7. TRUE
	8. C	8. TRUE
	9. B	9. TRUE
	10. C	10. TRUE
	11. B	11. TRUE
	12. B	12. FALSE
	13. C	13. FALSE
	14. B	14. TRUE
	15. B	15. TRUE



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