



Australian Government

Department of Education, Employment and Workplace Relations

BSBSMB301A Investigate micro business opportunities

Revision Number: 1

BSBSMB301A Investigate micro business opportunities

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	This unit describes the performance outcomes, skills and knowledge required to develop business ideas, and to investigate market needs and factors affecting potential markets. Specific legal requirements apply to the management of a micro business.
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Application of the Unit

Application of the unit	This work will be undertaken by individuals who are establishing or operating a micro business providing for self employment.
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Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Prerequisite units		

Employability Skills Information

Employability skills	This unit contains employability skills.
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Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.	Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.
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Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Describe business ideas	<ul style="list-style-type: none">1.1. Gather information for <i>business ideas</i> from <i>appropriate sources</i>1.2. List details of business ideas and opportunities1.3. Research alternative business ideas in light of the resources available1.4. Specify and list products and services to match business ideas1.5. Identify and research potential <i>customer information</i> for business ideas1.6. Identify and take into account financial, business and technical skills available when researching business opportunities
2. Identify market needs	<ul style="list-style-type: none">2.1. Collect information regarding market size and potential from appropriate sources2.2. Investigate market trends and developments to identify market needs relative to business ideas2.3. Gather market information from <i>primary and secondary sources</i> to identify possible market needs in relation to business ideas2.4. Identify <i>ethical and cultural requirements</i> of the market and their impact on business ideas2.5. Identify <i>new and emerging markets</i> and document their features2.6. Identify and organise information on expected market growth or decline and associated risk factors
3. Investigate factors affecting the market	<ul style="list-style-type: none">3.1. Identify projected changes in population, economic activity and the labour force that may affect business ideas3.2. Identify movements in prices and projected changes in availability of resources3.3. Review <i>trends and developments</i> and identify their potential impact on business ideas

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

This section describes the skills and knowledge required for this unit.

Required skills

- analytical skills to identify market trends and developments, and to assess their impact on products and services
- communication skills to request information from diverse sources
- lateral thinking skills to generate ideas for potential businesses
- literacy skills to interpret business and market information
- numeracy skills to analyse data to aid business/market research
- research skills to investigate market needs.

Required knowledge

- ethical and cultural requirements
- research methods and data collection tools
- sources of business and market information.

Evidence Guide

EVIDENCE GUIDE

The Evidence Guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.

Overview of assessment

Critical aspects for assessment and evidence required to demonstrate competency in this unit

Evidence of the following is essential:

- thorough investigation of business opportunities and ideas
- clearly identified products/services and customer information for each business idea
- thorough collection and analysis of market information and associated factors relating to business ideas
- knowledge of ethical and cultural requirements.

Context of and specific resources for assessment

Assessment must ensure:

- access to relevant documentation
- candidate's individual circumstances and work in the context of establishing or running a micro business, are the basis for assessment.

Method of assessment

A range of assessment methods should be used to assess practical skills and knowledge. The following examples are appropriate for this unit:

- portfolio of evidence relating to the development of the candidate's own business idea
- review of report on an existing micro or small business known to the candidate
- oral or written questioning to assess knowledge of research methods and data collection tools
- review of market information gathered to identify possible market needs in relation to business ideas
- assessment of review of trends and developments and their potential impact on business ideas.

Guidance information for assessment

Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended, for example:

- BSBSMB302A Develop a micro business proposal.

Range Statement

RANGE STATEMENT

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.

<i>Business ideas</i> may be influenced by:	<ul style="list-style-type: none"> • amount and type of finance available • cultural, family and/or community expectations • expected financial viability • finance required • lifestyle sought • number and type of competitors • returns expected or required by owner • skills of owner/operator
<i>Appropriate sources</i> may include:	<ul style="list-style-type: none"> • Aboriginal and cultural councils and incorporated bodies • accountants • Australian Bureau of Statistics • business advisory services • business brokers • business consultants • business incubators • business mentors and peers • current affairs • databases • financial institutions • government agencies set up to provide and assist business development for example Indigenous Business Australia (IBA), Business Entry Point (www.business.gov.au) • industry/trade associations • internet • lawyers and providers of legal advice <ul style="list-style-type: none"> • local councils • friends, family and community • market research publications • national and international publications • online gateways • role models and other successful businesses

RANGE STATEMENT	
	<ul style="list-style-type: none"> • training providers
<i>Customer information</i> may include:	<ul style="list-style-type: none"> • customer characteristics • marketing issues to meet needs • specialised needs of customers
<i>Primary sources</i> may include:	<ul style="list-style-type: none"> • group interviews • market testing a segment of the market • interviews (face-to-face and telephone) • observation • questionnaires • samples • surveys
<i>Secondary sources</i> may include:	<ul style="list-style-type: none"> • chambers of commerce data • data held by research and industry specific organisations • polls published by advertising and media companies • published government statistics • university databases
<i>Ethical and cultural requirements</i> may include:	<ul style="list-style-type: none"> • codes of practice • cultural expectations and influences • ethical principles <ul style="list-style-type: none"> • government policies and guidelines • societal expectations • social responsibilities, for example protection of children, environmental issues
<i>New and emerging markets</i> may include:	<ul style="list-style-type: none"> • e-commerce • export market • niche or segment of the market not currently penetrated
<i>Trends and developments</i> may include:	<ul style="list-style-type: none"> • changes in technology • demographic trends • ecological/environmental trends • economic trends (local, regional, national, international) • government activities, for example interest rates, deregulation • industrial trends • social and cultural factors

Unit Sector(s)

Unit sector	
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Competency field

Competency field	Management and Leadership - Small and Micro Business
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Co-requisite units

Co-requisite units		