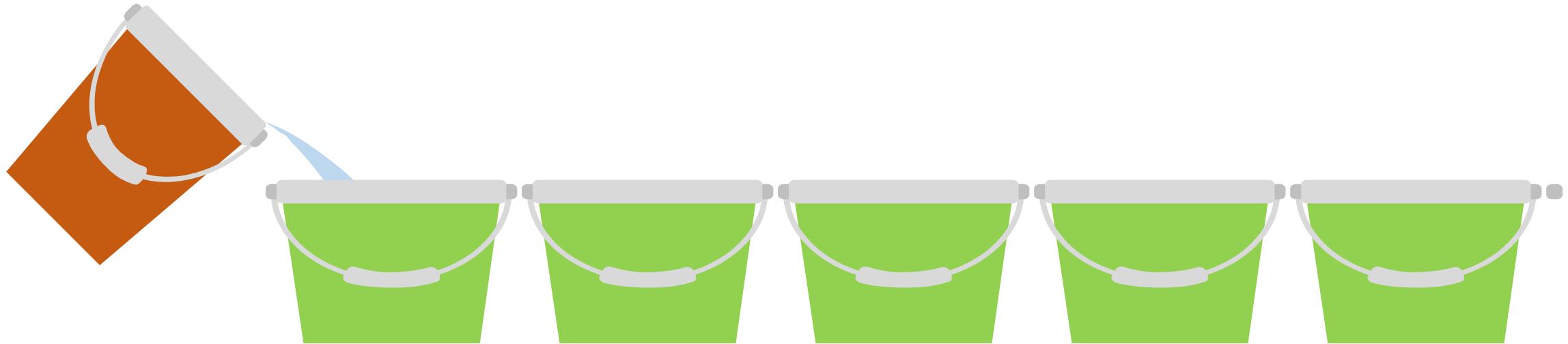


PLANNING....

UNIT V: BUSINESS PLAN



Todays best practices leads to dead ends.

Prepared by: Sangay Phuntsho
Associate Lecturer
College of Science and Technology



How To Be

Billionaire



TIME TO BRING YOUR **MILLION DOLLAR IDEA** INTO REALITY

A GOAL WITHOUT A PLAN
IS JUST A WISH



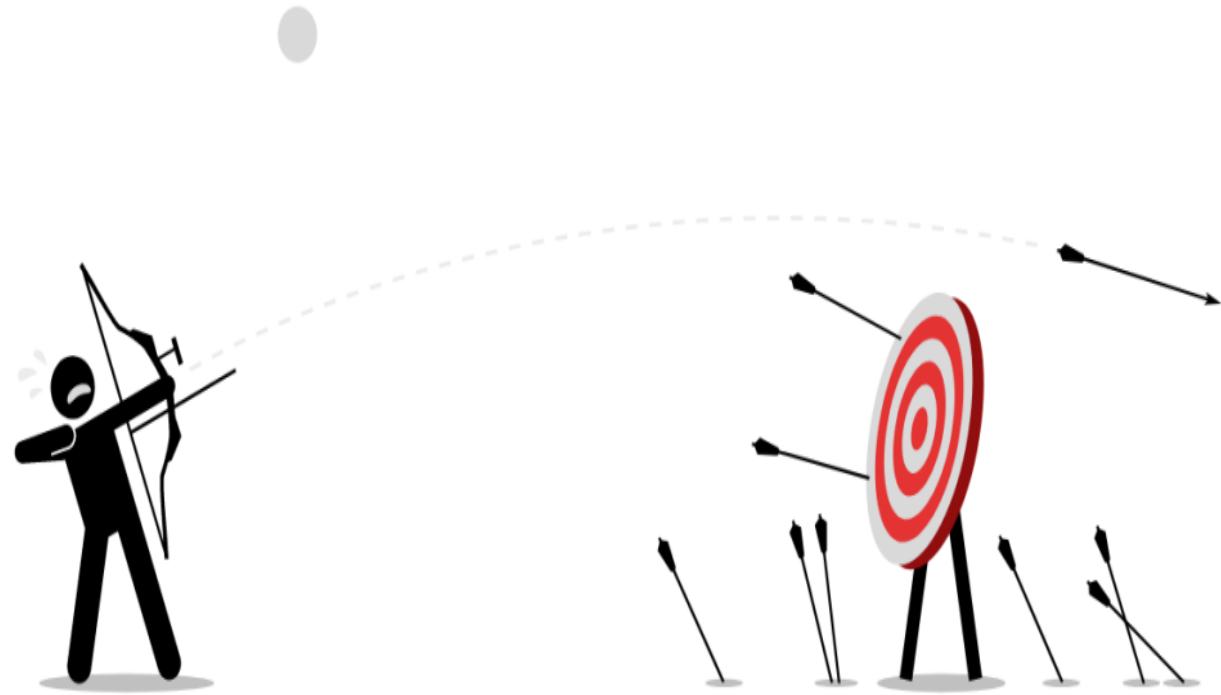


Your idea of getting **rich** will remain as an idea if you don't **take action**

You need to have an **idea** before you even plan

You cannot **wish** and ask for **god** to make you rich

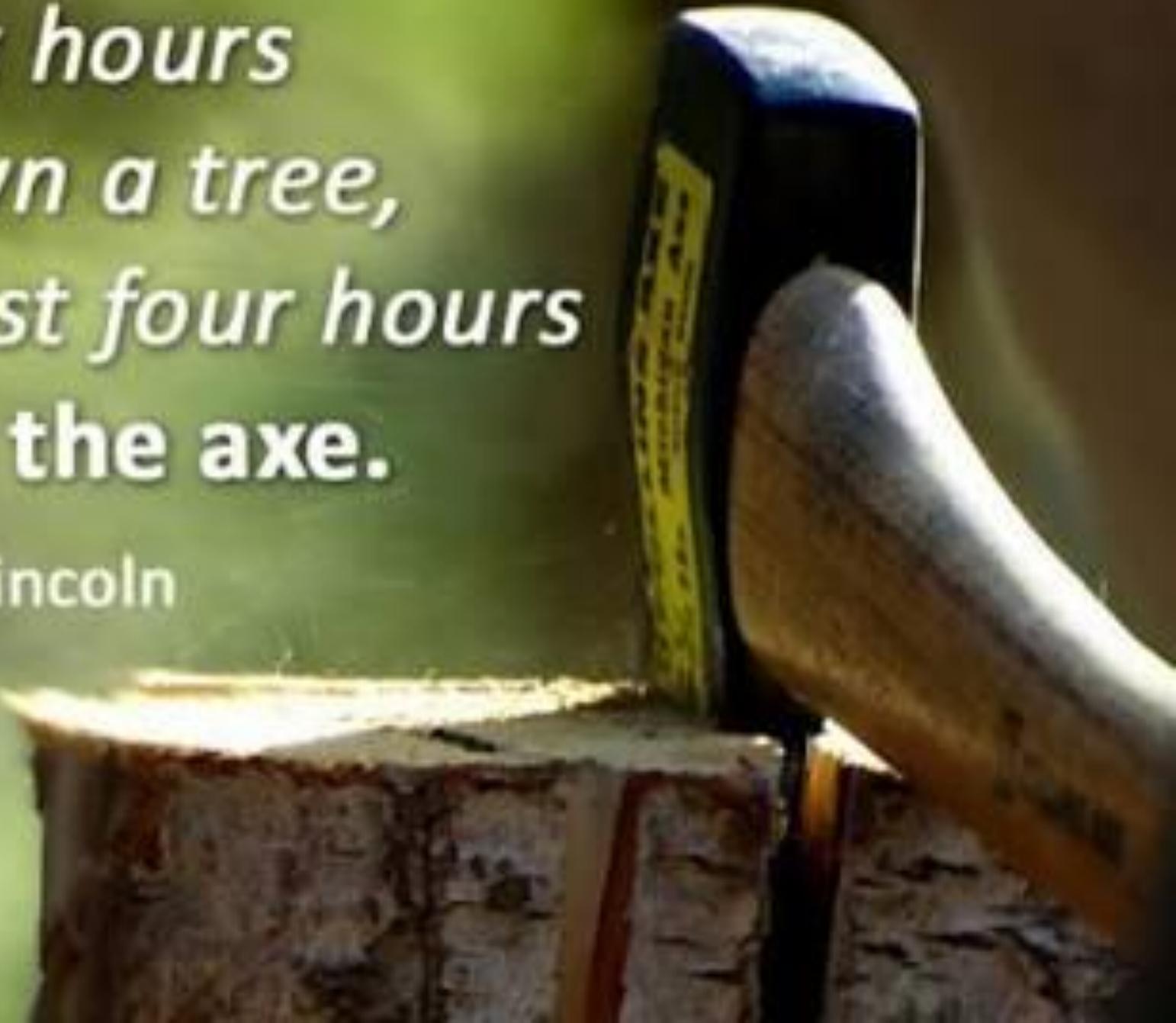
GOD HELPS THOSE WHO HELPS THEMSELVES!



FAILING
TO PLAN IS
PLANNING
TO FAIL

*If I had six hours
to chop down a tree,
I'd spend the first four hours
sharpening the axe.*

~ Abraham Lincoln



What if the plan **fails**?

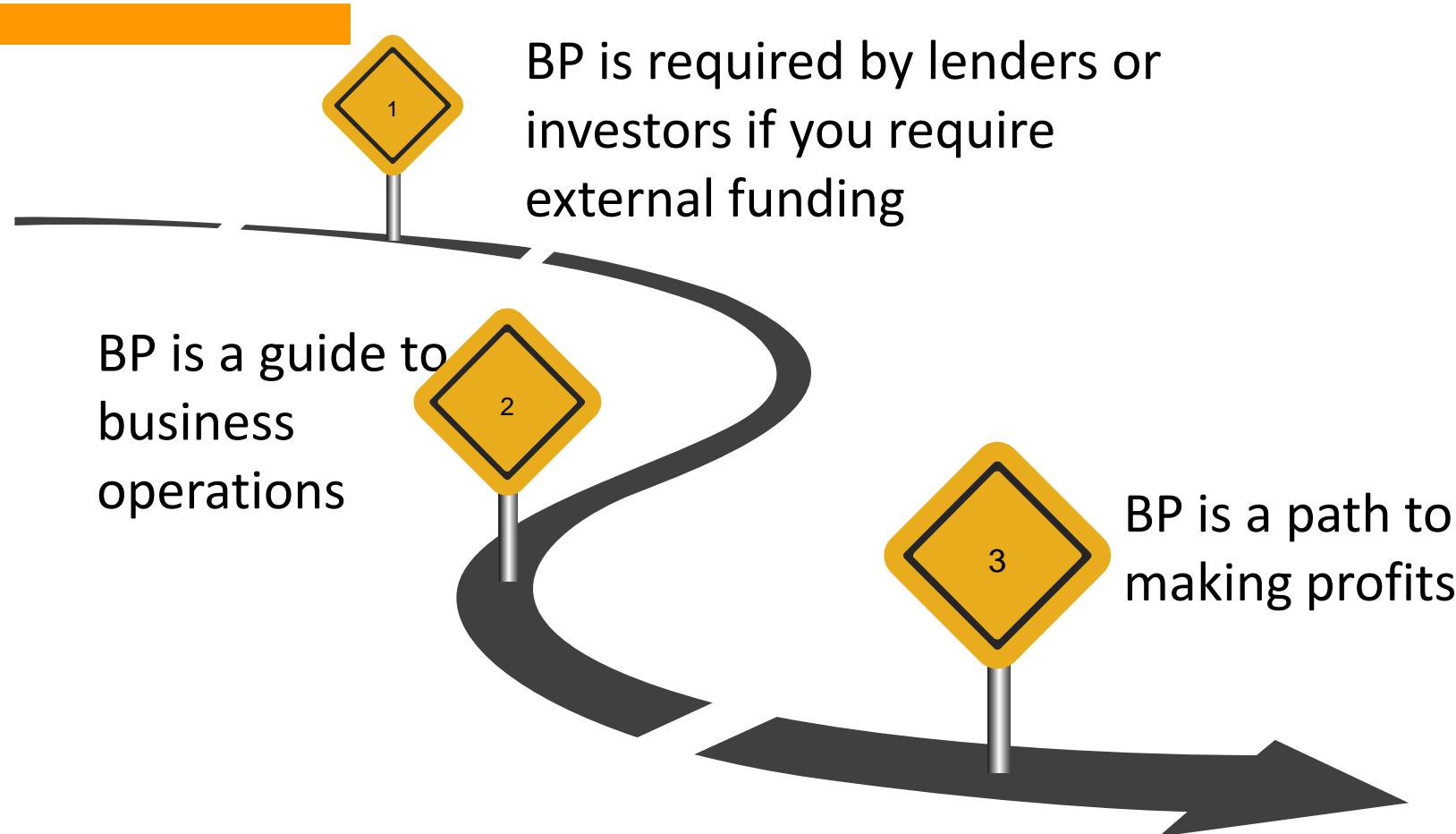
If the plan doesn't work,
change the plan,

**BUT NEVER
THE GOAL.**

**There is nothing like fixed plan.
We change plans to reach that
big goal**



Importance of business plan (BP)



Why Should you Write a Business Plan?

- 05 To communicate your goals to financers, employees, suppliers, and customers
- 04 To help dealing with new competitors and prepare business according to the situation
- 03 To prompt to think about the future
- 02 To help structure thinking
- 01 To provide direction



Who should write a business plan?

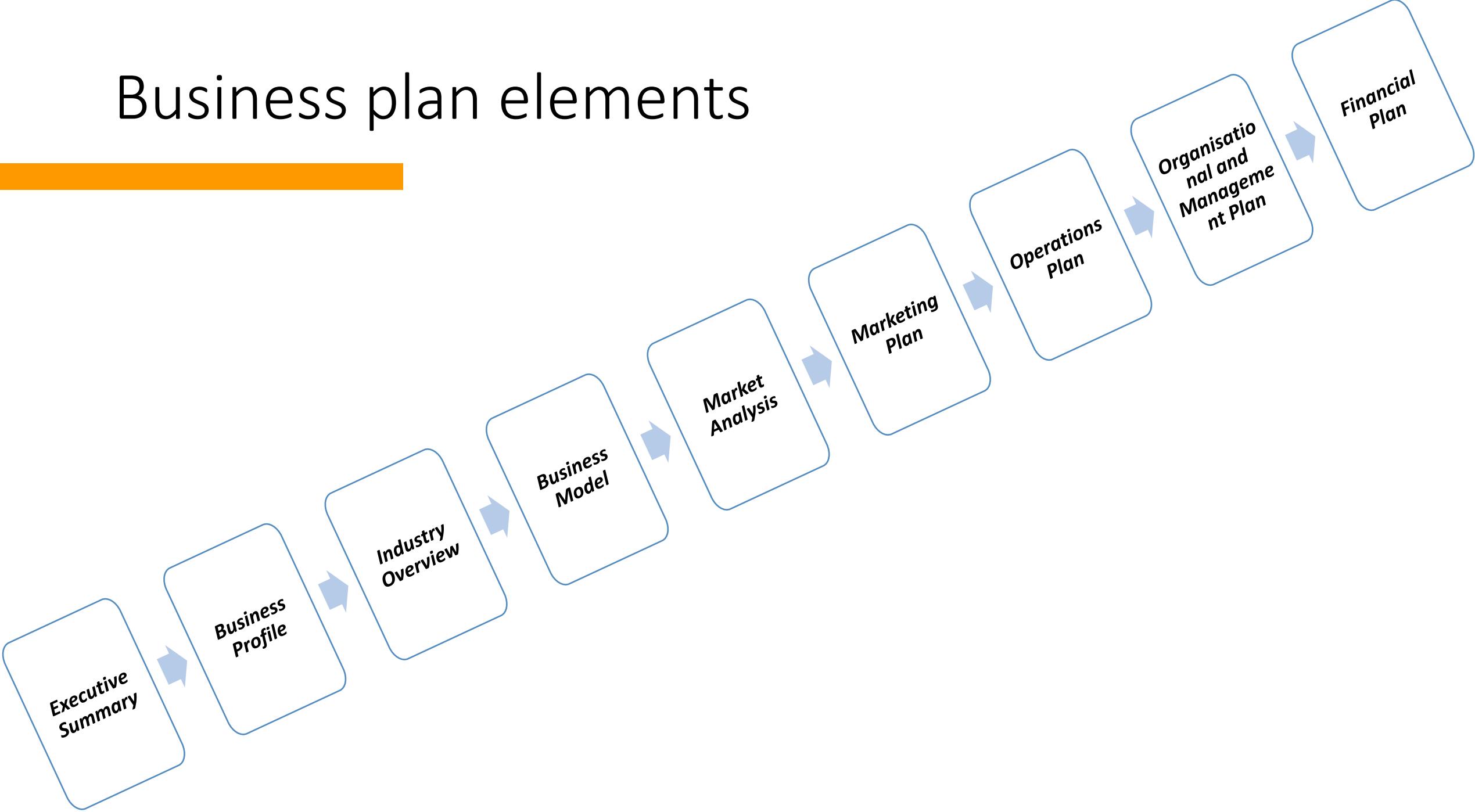


Who Should Write the Plan?



The person or a Team responsible for implementing the plan should be heavily involved in its development

Business plan elements



How Long Should a Business Plan Be?

- Will depend on the audience for your plan
- If you want to seek for equity capital from a potential investor, then the plan should be comprehensive and detailed.
- Thoughtfully and thoroughly considering all the areas of the plan is much more important



Elements of a Business Plan

Business description/profile

- Provide an overview of the business and its objectives
 - Why this business should exist
 - Having a mission statement will help communicate this

Mission statement

- It is a statement of **purpose** written to outline intentions and motivations
- It communicates the **purpose** and **principles** of what you're doing and why you're doing it
- Your mission is the beacon for your venture

Elements of a Business Plan

Your mission statement should answer three key questions...

1. What are the opportunities or needs that is there to address? **(the purpose of the venture)**
2. What are you doing to address these needs? **(the business of the venture)**
3. What principles or beliefs guide your work? **(the values of the venture)**



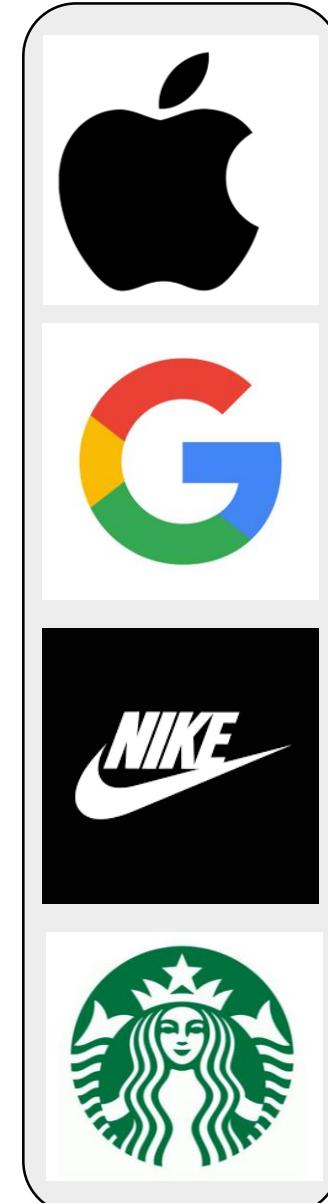
Examples of mission statement

Bringing the best user experience to its customers through its innovative hardware, software, and services.

To organize the world's information and make it universally accessible and useful.

To bring inspiration and innovation to every athlete in the world

To inspire and nurture the human spirit - one person, one cup, and one neighborhood at a time.





Visioning and missioning exercise (10 minutes)

Write down your proposed business's vision and mission statement

Business plan elements: Section 1: Overview

Business profile and industry overview

A business profile is a written introduction that provides a comprehensive overview of your company, its mission, history, products, and values.

It serves as a concise, but powerful marketing tool that helps you attract potential customers, investors, and talent

Following contents should be part of this section

- Name and address of business
- Name and address of principal(s)
- Nature of business
- Vision, Mission, and Objectives
- Statement of financing needed
- Statement of confidentiality of the report

Business plan elements: Section 1: Overview

Business model

Mention your business model (manufacturing, wholesale/retail/service...)

Lean canvas : Use Lean canvas to provide overview of your business model. May include BMC as well.

Sustainability strategy: What sustainability initiatives are you incorporating into your business?



Section 2: Market analysis/marketing plan

- Description of product(s)
- Target market segments
- Target market area
- Demand analysis
- Supply analysis
- Gap analysis
- Competitors' marketing strategies
- Project's marketing strategies
- Forecast of sales
- Non-current assets for marketing
- Total marketing expenses



Section 3: Production/operations

- Production facility location and description
- Methods/Processes involved
- Production schedule
- Non-current asset requirements and cost
- Sources and terms of acquisition of fixed assets
- Plant capacity and capacity utilization
- Raw material requirements and cost
- Direct labour cost



Section 4: Organizational and management plan

- Form of business
- Business name and logo
- Capability profile of project proponents
- Organizational structure
- Description of key positions and responsibilities
- Recruitment, selection and training of staff
- Cost of personnel for administration
- Non-current assets required for office administration
- Maintenance and repairs
- Office layout
- Pre-operating activities and expenses
- Organization and management expenses



Section 5: Financial Plan

- Total project cost
- Financing plan
- Security for loan
- Loan repayment and interest
- Cost Sheet
- Projected profit and loss statement
- Projected cash flow statement
- Projected balance sheet
- Break-even analysis
- Financial/investment analysis
- Financial assumptions





**Bring your ideas into reality through structured
plans!**

END of UNIT V