








# Team Alignment Map

Mission:

Period:

<div>Joint Objectives</div> <div>What do we intend to achieve together?</div> <div></div>	<div>Joint Commitments</div> <div>Who does what and with whom?</div> <div></div>	<div>Joint Resources</div> <div>What resources do we need?</div> <div></div>	<div>Joint Risks</div> <div>What can prevent us from succeeding?</div> <div></div>
		<div></div>	
		<div></div>	<div></div>

# Checklist for a good Business Plan Canvas

## **Does the level of granularity of your Canvas correspond to your objectives?**

Your Canvas should only contain the most important building blocks when your objective is to explain the essence of your business model, also called the blueprint of your strategy. Your Canvas should have much more detail if its objective is to serve as a blueprint for implementation.

## **Is every Building Block in your Canvas connected to one another?**

Great Canvases have a story and flow where every building block relates to another. You should not have any “orphan” building blocks in your Canvas that don’t connect to another building block. For example, a revenue stream always needs to come from a related customer segment for a related value proposition. Or a key partner always provides a key resource or activity that contributes to a value proposition. Or, there is no such thing as a customer segment with no specific value proposition.

## **Is every Building Block in your Canvas precise enough?**

Make sure every building business model block is self explanatory. For example, writing “products” in revenue streams is unclear. More precise would be “product sales” or “margins on product sales”.

## **Does your Canvas distinguish between “as-is” and “to-be”?**

Make sure you clearly distinguish between what exists in your business model the “as-is” state and what you want to or plan to build the “to-be” state. Color-coding can help achieve this distinction easily.

## **Does your Canvas distinguish between “knowns/facts” and “unknowns/assumptions”?**

When you are designing new business models, make sure you clearly distinguish between what you know (e.g. the demand for a specific value proposition) and what you don’t know (e.g. which channels customers would prefer). You have facts to prove what you know (e.g. pre-orders), but only assumptions about the building blocks you think could work

Social Entrepreneurship

# Business Plan Template



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# Business Plan - Why should you make it

- It can help convince investors or lenders to finance your business.
- It can persuade partners or key employees to join your company.
- Most importantly, it serves as a roadmap guiding the launch and growth of your new business.

Writing a business plan is an opportunity to carefully think through every step of starting your company so you can prepare for success. This is your chance to discover any weaknesses in your business idea, identify opportunities you may not have considered, and plan how you will deal with challenges that are likely to arise. Be honest with yourself as you work through your business plan. Don't gloss over potential problems; instead, figure out solutions.

# Characteristics of a good Business Plan

- ▶ It is clear and concise.
- ▶ A person outside of your industry should be able to understand it.
- ▶ Avoid overusing industry jargon or terminology.
- ▶ Most of the time involved in writing your plan should be spent researching and thinking. Make sure to document your research, including the sources of any information you include.
- ▶ Avoid making unsubstantiated claims or sweeping statements. Investors, lenders and others reading your plan will want to see realistic projections and expect your assumptions to be supported with facts.

# Key Elements of a Business Plan

- ▶ Executive Summary
- ▶ Company Description
- ▶ Product & Service Description
- ▶ Marketing Plan
  - ▶ SWOT Analysis Worksheet
  - ▶ Competitor Data Collection Plan
  - ▶ Competitive Analysis Worksheet
  - ▶ Marketing Expenses Strategy Chart
  - ▶ Pricing Strategy Worksheet
  - ▶ Distribution Channel Assessment Worksheet
- ▶ Operational Plan
- ▶ Management & Organization
- ▶ Organization Chart
- ▶ Startup Expenses & Capitalization
- ▶ Financial Plan

# Executive summary

- ▶ The Executive Summary is the most important part of your business plan. Often, it's the only part that a prospective investor or lender reads before deciding whether or not to read the rest of your plan. It should convey your enthusiasm for your business idea and get readers excited about it, too.
- ▶ Write your Executive Summary **LAST**, after you have completed the rest of the business plan. That way, you'll have thought through all the elements of your startup and be prepared to summarize them.
- ▶ The Executive Summary should briefly explain each of the below.
  1. **An overview of your business** idea (one or two sentences).
  2. **A description of your product and/or service.** What problems are you solving for your target customers?
  3. **Your goals for the business.** Where do you expect the business to be in one year, three years, five years?
  4. **Your proposed target market.** Who are your ideal customers?
  5. **Your competition and what differentiates your business.** Who are you up against, and what unique selling proposition will help you succeed?
  6. **Your management team and their prior experience.** What do they bring to the table that will give your business a competitive edge?
  7. **Financial outlook for the business.** If you're using the business plan for financing purposes, explain exactly how much money you want, how you will use it, and how that will make your business more profitable.
- ▶ Limit your Executive Summary to one or two pages in total.

# Company Description

**Company mission statement** - A mission statement is a brief explanation of your company's reason for being. It can be as short as a marketing tagline (*"MoreDough is an app that helps consumers manage their personal finances in a fun, convenient way"*) or more involved: (*"Doggie Tales is a dog daycare and grooming salon specializing in convenient services for urban pet lovers. Our mission is to provide service, safety and a family atmosphere, enabling busy dog owners to spend less time taking care of their dog's basic needs and more time having fun with their pet."*) In general, it's best to keep your mission statement to one or two sentences.

**Company philosophy and vision** - What values does your business live by? *Honesty, integrity, fun, innovation and community* are values that might be important to your business philosophy. *Vision* refers to the long-term outlook for your business. What do you ultimately want it to become? For instance, your vision for your doggie day-care center might be to become a national chain, franchise or to sell to a larger company.

**Company goals** - Specify your long- and short-term goals as well as any milestones or benchmarks you will use to measure your progress. For instance, if one of your goals is to open a second location, milestones might include reaching a specific sales volume or signing contracts with a certain number of clients in the new market.

**Target market** - You will cover this in-depth in the Marketing Plan section. Here, briefly explain who your target customers are.

**Industry** - Describe your industry and what makes your business competitive: Is the industry growing, mature or stable? What is the industry outlook long-term and short-term? How will your business take advantage of projected industry changes and trends? What might happen to your competitors and how will your business successfully compete?

**Legal structure** - Is your business a sole proprietorship, LLC, partnership or corporation? Why did you choose this particular form of business? If there is more than one owner, explain how ownership is divided. If you have investors, explain the percentage of shares they own. This information is important to investors and lenders.

***After reading the Company Description, the reader should have a basic understanding of your business's mission and vision, goals, target market, competitive landscape and legal structure.***



# Products and Services

1. **Your company's products and/or services:** What do you sell, and how is it manufactured or provided? Include details of relationships with suppliers, manufacturers and/or partners that are essential to delivering the product or service to customers.
  2. **The problem the product or service solves:** Every business needs to solve a problem that its customers face. Explain what the problem is and how your product or service solves it. What are its benefits, features and unique selling proposition? Yours won't be the only solution (every business has competitors), but you need to explain why your solution is better than the others, targets a customer base your competitors are ignoring, or has some other characteristic that gives it a competitive edge.
  3. **Any proprietary features that give you a competitive advantage:** Do you have a patent on your product or a patent pending? Do you have exclusive agreements with suppliers or vendors to sell a product or service that none of your competitors sell? Do you have the license for a product, technology or service that's in high demand and/or short supply?
  4. **How you will price your product or service:** Describe the pricing, fee, subscription or leasing structure of your product or service. How does your product or service fit into the competitive landscape in terms of pricing—are you on the low end, mid-range or high end? How will that pricing strategy help you attract customers? What is your projected profit margin?
- Include any product or service details, such as technical specifications, drawings, photos, patent documents and other support information, in the Appendices.

***After reading the Products & Services section, the reader should have a clear understanding of what your business does, what problem it solves for customers, and the unique selling proposition that makes it competitive.***

# Market research to quantify your market

## Market research

There are two kinds of research: *primary* and *secondary*. *Primary* market research is information you gather yourself. This could include going online or driving around town to identify competitors; interviewing or surveying people who fit the profile of your target customers; or doing traffic counts at a retail location you're considering.

*Secondary* market research is information from sources such as trade organizations and journals, magazines and newspapers, Census data and demographic profiles. You can find this information online, at libraries, from chambers of commerce, from vendors who sell to your industry or from government agencies.

This section of your plan should explain:

- The total size of your industry
- Trends in the industry – is it growing or shrinking?
- The total size of your target market, and what share is realistic for you to obtain
- Trends in the target market – is it growing or shrinking? How are customer needs or preferences changing?

# Barriers to Entry

What barriers to entry does your startup face, and how do you plan to overcome them?

Barriers to entry might include:

- High startup costs
- High production costs
- High marketing costs
- Brand recognition challenges
- Finding qualified employees
- Need for specialized technology or patents
- Tariffs and quotas
- Unionization in your industry

# Threats and Opportunities

Once your business surmounts the barriers to entry you mentioned, what additional threats might it face? Explain how the following could affect your startup:

- Changes in government regulations
- Changes in technology
- Changes in the economy
- Changes in your industry

SWOT Analysis Worksheet

	Strengths	Weaknesses	Opportunities	Threats
Product/ Service Offering				
Brand/ Marketing				
Staff/HR				
Finance				
Operations/ Management				
Market				

Can any of your strengths help with improving your weaknesses or combating your threats? If so, please describe how below.

Based on the information above, what are your immediate goals/next steps?

Based on the information above, what are your long-term goals/next steps?

SWOT



# SWOT Analysis

Strengths	Weaknesses
Opportunities	Threats

# Key competitors

- ▶ List key companies, products, services that compete with yours. Do they compete across the board, or just for specific products/ customers/ or geographic areas?
- ▶ Also include indirect competitors that customer might consider as alternate use of his resources.
- ▶ Products, Price, benefits, size of company, profitability, Quality, Selection, Service, Reliability, Stability, Expertise, Company Reputation, Location, Appearance, Sales Method, Credit Policies, Advertising, Image

# Competitive Analysis Worksheet

For each factor listed in the first column, assess whether you think it's a strength or a weakness (S or W) for your business and for your competitors. Then rank how important each factor is to your target customer on a scale of 1 to 5 (1 = very important; 5 = not very important). Use this information to explain your competitive advantages and disadvantages.

FACTOR	Me	Competitor A	Competitor B	Competitor C	Importance to Customer
Products					
Price					

Now that you've assessed your industry, product/service, customers and competition, you should have a clear understanding of your **business's niche** (your unique segment of the market) as well as your **positioning** (how you want to present your company to customers). Explain these well.



# How will you market?

- ▶ Advertising ? – Online / Print / Radio / Cable television / Out-of-home
- ▶ Marketing? - Your website / Social media marketing / Email marketing / Mobile marketing / Search engine optimization / Content marketing / Print marketing materials (brochures, flyers, business cards) / Public relations / Trade shows / Networking / word-of-mouth / Referrals
- ▶ What image do you want to project for your business brand?
- ▶ What design elements will you use to market your business? (This includes your logo, signage and interior design.) Explain how they'll support your brand
- ▶ Pricing – What's the pricing strategy – Cost plus ? Value Based (perceived value or brand image based) ? Other? Does your pricing strategy reflect your positioning? , higher, lower or the same as competitors? How important is price to customer? Will you give any other benefits?

# Cost of Acquiring Each New Customer



Distribute \_\_\_\_\_ (quantity of promotional effort) by \_\_\_\_\_ (medium)

At a total cost of \$ \_\_\_\_\_

- ▶ Acquire \_\_\_\_\_ new customers as a result
- ▶ Divide the money spent by the number of new customers: \$ \_\_\_\_\_ divided by \_\_\_\_\_ = \$ \_\_\_\_\_
- ▶ By using this media message to reach this target market, the cost to acquire 1 new customer is: \$ \_\_\_\_\_
- ▶ To get \_\_\_\_\_ (goal) customers the budget would be: \_\_\_\_\_ (number of customers) x \$ \_\_\_\_\_ (cost per customer) = \$ \_\_\_\_\_

This will give you a good understanding of how much money you should budget to increase your sales and meet your sales goals. Your plan should never be set in stone. If you make changes to a tactic you can always update your marketing plan to reflect those changes. A solid, well thought out marketing plan will help you focus on how you need to expend your efforts. It might take some work to find the initial information, but once you have a plan in place, you can invest your time, energy and motivation into making your business a success.

## ▶ 80/20 Rule

Invest 80% of your advertising budget and effort in proven promotions and 20% in testing new variations. Most businesses using this system continue growing, even in a highly competitive market.

# Distribution Strategy?

- ▶ Retail / Direct sales / Ecommerce / Wholesale / Inside sales force / Outside sales representatives / OEMs
- ▶ If you have any strategic partnerships or key distributor relationships that will be a factor in your success, explain them here
- ▶ Analyse alternative channels on parameters like Ease of Entry, ease of access, costs, Competitors' Positions, your management Experience, staffing Capabilities, marketing Needs



# Operations Plan

- ▶ Production - How will you will produce your product or deliver your service? Describe your production methods, the equipment you'll use and how much it will cost to produce what you sell.
- ▶ Quality control - How will you maintain consistency? Describe the quality control procedures you'll use.
- ▶ Legal environment- What type of legal environment will your business operate in? How are you prepared to handle legal requirements? Licenses/trademarks/insurance/staff medical ...
- ▶ Personnel - Type, number of people you need, training needs
- ▶ Suppliers - Who they are, type of agreements with them, risk handling
- ▶ Inventory, credit policies etc etc -anything that gives insights into how your day to day business will be managed



# Expenses

- ▶ What will it cost you to get your business up and running? The key to accuracy here is attention to detail. For each category of expense, draw up a list of everything you will need to purchase. This will include both tangible assets (for example, equipment, inventory) and services (for example, remodeling, insurance). Then determine where you might purchase these goods or services. Research more than one vendor; i.e.: comparison shop. Do not look at price alone; terms of payment, delivery, reliability, and service are also important.
- ▶ Contingencies Add a reserve for contingencies. Be sure to explain in your narrative how you decided on the amount you are putting into this reserve.
- ▶ Working Capital - You cannot open an empty bank account. You need a cash cushion to meet expenses while the business gets going. Eventually, you should do a 12-month cash flow projection. This is where you will work out your estimate of working capital needs. For now, either leave this line blank or put in your best rough guess. After you have done your cash flow, you can come back and enter the carefully researched figure.
- ▶ Sources -Now that you have estimated how much capital will be needed to start, you should turn your attention to the top part of this worksheet. Enter the amounts you will put in yourself, how much will be injected by partners or investors, and how much will be supplied by borrowing.
- ▶ Collateral - If you will be using this plan to support a bank loan request, use the section near the bottom to show what assets are offered as collateral to secure the loan, and give your estimate of the value of these items. Be prepared to offer some proof of your estimates of collateral values.

# Financial Projections

- ▶ They help you plan your startup budget, assess when you can expect the business to become profitable, and set benchmarks for financial goals.
- ▶ When seeking outside financing, you will need financial projections to convince lenders and investors of the business's growth potential.
- ▶ It will include: 1) Startup expenses      2) Payroll costs      3) Sales forecast  
4) Operating expenses for the first 3 years of business      5) Cash flow  
statements for the first 3 years in business      6) Income statements for the  
first 3 years in business      7) Balance sheet      8) Break-even analysis  
9) Financial ratios      10) Cost of goods sold (COGS), and      11) depreciation  
for your business

# Start Up Expenses

## Startup Expenses

Enter your company name here

### Sources of Capital

#### Owners' Investment (name and percent ownership)

Your name and percent ownership	\$	-
Other investor		-
Other investor		-
Other investor		-
<b>Total Investment</b>	<b>\$</b>	<b>-</b>

#### Bank Loans

Bank 1	\$	-
Bank 2		-
Bank 3		-
Bank 4		-
<b>Total Bank Loans</b>	<b>\$</b>	<b>-</b>

#### Other Loans

Source 1	\$	-
Source 2		-
<b>Total Other Loans</b>	<b>\$</b>	<b>-</b>

### Startup Expenses

#### Buildings/Real Estate

Purchase	\$	-
Construction		-
Remodeling		-
Other		-
<b>Total Buildings/Real Estate</b>	<b>\$</b>	<b>-</b>

#### Leasehold Improvements

Item 1	\$	-
Item 2		-
Item 3		-
Item 4		-
<b>Total Leasehold Improvements</b>	<b>\$</b>	<b>-</b>

#### Capital Equipment List

Furniture	\$	-
Equipment		-
Fixtures		-
Machinery		-
Other		-
<b>Total Capital Equipment</b>	<b>\$</b>	<b>-</b>

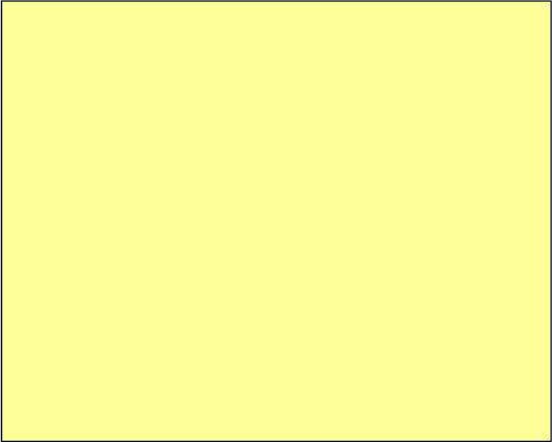
#### Location and Admin Expenses

Rent & Related Costs	\$	-
Utility deposits		-
Legal and accounting fees		-
Prepaid insurance		-
Pre-opening salaries		-
Other		-
<b>Total Location and Admin Expenses</b>	<b>\$</b>	<b>-</b>

#### Opening Inventory

Category 1	\$	-
Category 2		-
Category 3		-
Category 4		-
Category 5		-
<b>Total Inventory</b>	<b>\$</b>	<b>-</b>

#### Advertising and Promotional Expenses



	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	YEARLY
<b>Revenue (Sales)</b>													
Category 1													0
Category 2													0
Category 3													0
Category 4													0
Category 5													0
Category 6													0
Category 7													0
<b>Total Revenue (Sales)</b>	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Cost of Sales</b>													
Category 1													0
Category 2													0
Category 3													0
Category 4													0
Category 5													0
Category 6													0
Category 7													0
<b>Total Cost of Sales</b>	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Gross Profit</b>	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Expenses</b>													
Salary expenses													0
Payroll expenses													0
Outside services													0
Supplies (office and operating)													0
Repairs and maintenance													0
Advertising													0
Car, delivery and travel													0
Accounting and legal													0
Rent & Related Costs													0
Telephone													0
Utilities													0
Insurance													0
Taxes (real estate, etc.)													0
Interest													0
Depreciation													0
Other expenses (specify)													0
Other expenses (specify)													0
Other expenses (specify)													0
Misc. (unspecified)													0
<b>Sub-total Expenses</b>	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Reserve for Contingencies</b>	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Expenses</b>	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Net Profit Before Taxes</b>	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Federal Income Taxes</b>													

1<sup>st</sup> year  
Profit  
and  
loss  
project  
ions