

Personal Development

Entrepreneurship Skills

Business Plan Basics

The business plan is a tool to help you find and explore opportunities.

Students at any level of education can use the concept of preparing a business plan as a method of exploring all kinds of ideas for starting a business. It is merely a series of questions that lead you to think about the requirements and the possibilities of any kind of business. Until you start to ask these questions, you aren't able to visualize the details necessary to be successful in a business.

There are many different approaches to writing a business plan, some more complex than others. But the basic components of a business plan can be organized as follows:

- providing a description of the business,
- choosing the best marketing strategy,
- identifying the management plan, and
- analyzing the finances needed to start the business and make it successful.

BUSINESS PLAN QUESTIONS

The business plan is a tool designed to help you find and explore opportunities. It also provides you with a way to analyze potential opportunities continuously. A business plan is personal and should never be "canned" or prepared professionally by others. No one knows you or your ideas better than you do. It is the process of seeking the answers to important questions about your enterprise that are important as you try to realize the dream of owning your own business.

Use the following questions to make decision about a business idea of your choice. Be sure to write out your answers...to remember your decisions and build on them.

1. How can you describe the business...in only one paragraph please?
2. What is your product, or service?
3. Who will buy it?
4. Where should you set up (locate) the business?
5. How can you attract customers?
6. What is your competition?
7. How much should you charge for the products or service?
8. How will you organize the managers and/or workers of the business?
9. What should you consider to be able to produce the product and get it to the customer?
10. How much money is needed to get the business started?
11. How many customers will you have per month and how much will they buy per month?
12. How much does it cost to make the product or provide the service?
13. How much money will your business earn each month by selling your product or service?
14. How much investment will you need to keep the business going until you make a profit?

15. How much money do you need to borrow to start this business?

16. How will you make the business grow in the future?

QUESTIONS FOR CREATIVE THINKING

Use some of the following questions to guide your thinking about starting a business:

A. What kind of business would you start if your family would lend you €5,000 to get it started?

B. What kind of business would you start if you and two classmates had access to a loan for €100,000?

C. What kind of business could you start if you want to do business with another country?

D. What type of business could you start while still going to school?

E. What type of business could you start using the skills you have now?

F. What type of business could you run while also working in a part time job (to provide the security of a salary while the business grows)?

G. How could you start a business and then later make it into your own franchising business for purposes of expansion?

After developing your business plan you will want to discuss your ideas with the class or an advisor to improve your plan and determine what you learned in the process of preparing a business plan.