

WEDNESDAY: Developing and Presenting a Business Plan

Introduction

As each entrepreneur makes the decision to start a business organization, he or she must decide what type of business organization will be the most advantageous for the new business. Many businesses start as sole proprietorships or partnerships and grow to become corporations. The type of business organization can change as the business expands or declines. Entrepreneurs need to understand the advantages and disadvantages of each type of business organization. Legal liability, tax obligations, and financial responsibilities are all factors that entrepreneurs must review when deciding how to organize the new business.

For this project, you will be developing a business plan. The business plan is divided into three sections. **Section 1** *actually describes your business*, **Section 2** *describes the product OR service you will be offering*. **Section 3** *describes business operations – cost/revenue/profit*.

Each student/group will present your business plan to the class in two minutes or less. You can choose to present a poster, a google presentation, or some other method of presentation that is approved by Ms. McLean. Students will be graded on completion of this planning sheet, as well as on thorough presentation of all elements of the business plan. Students will then choose to invest or not invest in a company based on the quality of the presentation. Whichever company gets the most votes will receive additional credit.

Section 1 – Business Description

Your final presentation should contain a description of your proposed business. In the description of your business, describe the unique aspects and how or why they will appeal to consumers. The description of your business should *clearly identify goals and objectives* and it should *clarify why you want to be in business*.

When describing your business, you should answer the following questions:

1. What is the name of your business?
2. Type of Business firm (proprietorship, partnership, LLC, corporation, franchise) you are creating:

Why:

Advantage(s) of this type of firm:

Disadvantages(s) of this type of firm:

3. Business market (perfectly competitive, monopolistic, monopolistic competitive, oligopolistic) you will enter:

Why:

Characteristics of your market:

Section 2 – Product/Service

Describe the benefits of your goods and services from your customers' perspective. Successful business owners know or at least have an idea of what their customers want or expect from them. And, it certainly is a good strategy for beating the competition or retaining your competitiveness. Use the following questions to help describe your innovative product or service:

1. What type of product/service are you going to produce? Why? What you are selling, and why it is in demand?
2. How will your product or service will benefit the customer?
3. Are there any close substitutes to your product? What are they?
4. Who is your main competition? Why?
5. What is different about the product or service your business is offering than other businesses.
6. Do you think that the business you created could thrive realistically? Why?
7. What would be one of the greatest factors of supply that could hinder your production? How?
8. How would you get around that factor in question 8, if possible?
9. How is the next generation of your business going to be established?

Section 3 – Business Operations (Costs / Revenue / Profit)

1. Estimate/Identify fixed and variable costs for your product or service. Consider personnel, equipment, advertising, utilities, rent, etc.

2. Estimate/Identify other startup costs. How much money do you have? How much money will you need for start-up? How much money will you need to stay in business?

* This is just the beginning for most entrepreneurs – once you have an idea and a business firm you now need to develop a marketing plan, decide on employees, wages, insurance....just to name a few.