



*“Planning without action is futile, action without planning is fatal.” - Unknown*

Passion for your ideas is the first step—but if you don’t research a plan, those ideas may remain in the realms of daydreams. In this activity, you’ll complete a simple business plan. You don’t have to be running a business to use this—you can apply these planning steps to most ventures.

In this activity, you will:

- Plan and organize the steps you need to take as an entrepreneur
- Begin to do the research you need for a comprehensive plan

### Part 1: Your Plan

Name your business:

Describe your product or service in one sentence.

**Why do this?** This is the heart of your “pitch.” You’ll have a short statement that you can use any time someone asks about your business—friends, family, customers, and investors!

Who are your customers?

**Why do this?** You’ll be able to explain the purpose of your business to anyone who asks. And knowing who your customers will be will help you target the promotion of your venture.

Does anyone else offer the product or service that you offer?

**Why do this?** This will help you predict how your venture will succeed. If you have competition, you’ll need to think of a way to make your venture stand out.

## Level 2 Business Plan

Why might these customers buy from you instead of the competition?

Think through the steps in your process, or to producing your product. What will you need along the way?

**Why do this?** A list of materials you will need will help you predict what you'll need to start up your venture. Then you can predict the cost, which will help your financial plan. Knowing how you will obtain your materials or other crucial supplies will help you get going.

How will your customers learn about your venture?

**Why do this?** Thinking about how to get the product or service to your customers will tell you a little bit about what might make a good promotion.

For example, say you were planning on selling eggs. You planned to sell them at the roadside on your farm. Your first idea for promotion may be to set up a road sign. You did your research and found that local egg customers often buy them at the Saturday market, but that the eggs sell out early and people often come away without any. So you plan to put up a sign at the market advertising your eggs and when they would be available.

### Promotion Ideas:

- Flyers
- Posters/Notice board ads with pull off phone numbers
- Coupons/incentives
- If you're donating profits to local charity, you could get a story in local paper.

For more ideas, visit the Marketing section in the **Resources Area**

Will you work with others? Note how many people you may work with. Then write down all the jobs associated with your venture. Assign a person to every job.

**Why do this?** If you work with others, knowing which jobs will be assigned to each person helps you plan the work of your business. You'll also find out if there are any jobs that you don't have anyone to do yet.

# Level 2 Business Plan

Make some predictions about your finances. Create realistic income statements and cash flow projections. What will your costs, sales and profits be for the year?

**Why do this?** You need to have an idea about the amount of money that will be coming in and going out of your business or venture. Doing a cash flow projection can help you figure out if your business will survive the start-up, and whether you will make money (or break even). If you plan to ask people to lend you money, showing them your financial forecast shows them you are realistic, and have a plan to pay them back.

## Financials

### Business Start-up Costs

Materials	\$
Equipment	\$
Other	\$
Total	\$

### Operating Costs (cost of running your business)

Supplies	\$
Advertising	\$
Transportation	\$
Other	\$
Total	\$

### Funding for my business

Savings	\$	
Loans	\$	from
Gift	\$	from
Investor	\$	from
Other	\$	

### Prices I will charge for my venture

Service/product 1	\$	for
Service/product 2	\$	for
Service/product 3	\$	for

## Level 2 Business Plan

Complete the sentences below to create your short-term goal statement:

**My business/venture will start on** (enter a date)

**I will** (write a measurable goal)

**by** (enter a date)

### Part 2: Reviewing Your Plan

Come back to your business plan on the date you entered above. Think about your planning:

- How did making your plan help you make decisions about your venture?
- How did planning and organizing help to make your ideas become reality?
- In what other areas of your life do you think this kind of planning would help you be successful?