

## Entrepreneurship Academy Capstone Project:

The Business Plan you will write as part of this class will demonstrate your ability to apply the business concepts taught in this class.

The 4 component parts and Final Report will be submitted as scheduled throughout the semester. This will help keep groups and individuals "on track" and avoid failure of this project as well as this class. I will provide feedback to the groups/individuals, so you will have an understanding of where you stand as you proceed with the project, since it will be a significant part of your final grade.

Each part will be submitted as a "group/individual project" using the following guidelines:

- A **cover sheet** on each part of the project containing:
  - The Name of the Company Business
  - Your Class Period
  - Your Group Number
  - Name of all Group Members
- Presentations must be presented in a professional manner (i.e. typed, and free of spelling, punctuation and grammatical errors b and organization)
- Submitted in Written Standard English
- Presentation report must be in a basic narrative format rather than as an outline. Bullet and numbered lists are acceptable as an integral part of a narrative format
- **Violations involving any of the above three items may result in points lost**

## PRELIMINARY INFORMATION

You, along with the other member of your group, will be going through the steps of starting a new, appropriate small business of your choosing. Before beginning any business the first thing you need to do is to develop a business plan. A business plan is a road map of where the business is, where it wants to be, and how it intends to get there. It tries to anticipate the cost, challenges, and opportunities of a business before, and during its operation. Writing and putting together a Business Plan will be your task for the remainder of this trimester.

### Entrepreneurship Academy Business Plan Capstone Guidelines

## PART 1-THE BASICS

This section should provide the reader an overview or Executive Summary of the Business Plan you are beginning to write. It should be no more than two typed pages and should include the following at a minimum:

- **Demonstration of the format selected**
- **A brief description of the type of product/service/business involved.**
  - This description should be detailed enough so that the reader will have no trouble understanding the nature of your proposed business
  - Some time should be spent with this selection, since it will be the basis for the remainder of your project. The **product/service/business selected should be realistic, that is it should be a product/service/business that you and the members of your group could reasonably expect to start, with your abilities and finances.**
- **Name of the proposed business**

- **Mission Statement**-a broad one, two, or three-sentence statement setting forth your vision/goals for your company/business.
- **Start-up size including**
  - Square Footage of business
  - Number of employees
  - Cost Anticipated
- **Location of company**
  - This will help determine cost for rent or construction
  - Some potential options for selling product/services include, but are not limited to, a large mall, a small local strip mall, the internet, etc. Be aware, your sales venue will affect the costs that you will need to consider in the future.
- **Ownership** [Sole proprietorship/Partnership/Corporation] and Why.
- **Anticipated competitors**
- **The general market you will be targeting**
  - Be as specific as possible, since you will be required to put actual numbers to this later.

The information in this section should be rather general. It is important that you realize that this is a preliminary overview and that many of these items may/will change as you continue your research and develop your plan over the next few weeks. This is a critical starting point though and your initial effort should be reflected in this section.

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#### **PART 2-MANAGEMENT/HUMAN RESOURCES**

**This section should be approximately 3-4 pages in length and should be detailed. Your Management/Human Resource requirements including the following:**

**Organization:** of the business, including a standard organization chart, also include in your plan the hours of operation and the number of employees you will need to hire.

**Job Descriptions and Specifications:** including whether they will be full or part time and what rate of pay will each of them get for their different duties and tasks.

**Strategic Plan:** where do you see this business going in 1-3 years, your goals and objectives for these periods and some outline of how you plan to get there? The Strategic Plan should include a **SWOT Analysis** with an explanation of what this means to your business.

**Quality Assurance Plan**-Outlines how ill you assure yourselves that you are carrying out the goals/objectives laid down in your Mission Statement and your Strategic Plan-You need to be specific as to "**HOW!!!!**" your will do this.

**Management Style and why**-Democratic, Participative, Empowered, Team based, Project based, etc.

#### **PART 3-THE MARKETING PLAN**

The Marketing Plan should outline-To whom you will sell your product/services? How do you plan to sell your product/services? A key element of any marketing plan is the promotional mix, including

advertising, so you must include how you plan to advertise your business and its products. Remember this also includes costs.

This section should outline your entire Marketing Plan, should be approximately 3-4 pages in length and should contain the detailed information on the following specified items at a minimum:

- Target Market Segments and realistic numbers for each segment
- Product line features
- Pricing Decisions, including pricing strategy
- Promotional Mix-including Form, Frequency and cost of each type. How are you going to advertise your business? i.e. internet, flyers, newspaper etc.
- Create a flyer to promote your business. The Desk-top Publishing Class here at Morton High School is going you to take your sketches and create a professional flyer.

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#### **PART 4-ACCOUNTING AND FINANCE**

**Based on the previously developed material, you must now determine if your business/company is financial feasible. In other words is it going to work? The following section should be approximately 2-3 pages in length and should contain detailed information on the following specified items at a minimum**

**Complete list of all Start-up costs** and costs that need to be covered before income is available to support the business

**Method for financing the business** based on the above start-up costs and related costs that need to be covered before the business can be opened.

**Projected Sales budget**-an estimate of the number/types sales company anticipates.

- Using the budgeted sales price and your volume estimates, project the revenues your company can generate over the 1<sup>st</sup> twelve months of operation
- Not all months will be the same. Hopefully, your sales volume will increase as you becomes better known
- Seasonality may also be an issue depending on your area of business; some months of the year may lend themselves to better sales than others

**Projected Operating Budget**-what it will cost to operate your business for the 1<sup>st</sup> year.

- Be specific!!! Be detailed!!!
- Be sure to include the costs discussed elsewhere in your business plan.
- You will need to consider all the costs associated with fixed assets. List all of the fixed equipment purchased or to be purchased and method of financing, short-term or long-term. This may include the following:

- Display Cases
- Cash Registers
- Phone Equipment
- Computers
- Computer Software and signage

These items will vary depending on your business.

- Additional fixed costs that should be included but not limited to the following:
  - Rent
  - Heat
  - Light
  - Telephone

-Advertising etc.

- Some extensive research will be required to produce reasonable estimates
- Document the source of your estimate. It may be a print out of the internet or a notation from a phone call, or a clipping from a newspaper or magazine.
- **You must use realistic costs. This can be obtained from the internet, newspaper, phone calls, magazine etc. You will have to state/document where you obtained the information from. Some costs may be monthly, quarterly, or yearly. You need to make sure that your costs are "realistic".**

**Projected Income Statement:** Should be in a standard format (3 year projection). All of the information should be based on realistic as well as some factual sources not just guesses. You must be able to demonstrate financial projections through calculations based on facts.

**Presentations and Peer Evaluations:**

Each group/individual will be required to present their Business Plan during the final weeks of the third trimester in a minimum of 15-minute PowerPoint Presentation as well as a display board and Business Portfolio. Presentations should reflect all materials covered in all four sections of the Business Plan and be put together in a well-planned, professional manner.

Each group member is expected to participate in the presentation. All four previously submitted parts must be combined into a final finished Business Plan, presented in a professional folder or report binder and handed in the day of the presentation. A copy of all PowerPoint Slides must be submitted with your final business plan as well. The presentation will be graded on preparation, organization, knowledge of material, presentation and use of visual aids.

On the day of your presentation the group will complete a peer evaluation which includes an evaluation of the participation of each group member. This evaluation will be completed after the presentation. Please be honest and fair when evaluating your fellow group member.