

Name: _____

Starting Your Own Business Project

The Project:

- Over the next couple of classes, you will be creating a business.
- Once this project is complete, you should have a much better idea of what it is like to start your own business: the planning and commitment that is involved and the process of working and making decisions with others.

Requirements:

- You must create a business that sells a good(s) or provides a service.
- Your business must be realistic for our community (within 20 miles).
- You must complete all individual work. If you are absent, you will have to make-up work from that day(s) on your own time.
- You are responsible for this packet and any other components of this project. If you lose any worksheets, computer documents, etc., you must print another copy and/or redo any work.

Your Grade:

- Your grade is based on individual work as outlined on the grading rubric.

Part One

Entrepreneurial Characteristics Interest Inventory

Do you have the personal characteristics of successful entrepreneurs? Read the questions in the following survey and indicate the response that best describes you. Total your ratings to get an idea of how entrepreneurial you are.

Select a number from 0 (lowest) to 10 (highest) to rate yourself. Add the numbers for the individual questions to find your Entrepreneurial Characteristics Interest.

Low				Average				High		
0	1	2	3	4	5	6	7	8	9	10

1. Do you often see opportunities to provide a product or service? _____
2. Do you like to work with other people? _____
3. Would you like to be your own boss? _____
4. How do you feel about taking risks? _____
5. Are you a self-starter? _____
6. Are you well organized? _____
7. Do you take responsibility? _____
8. Can you stay focused on a task? _____
9. Can you remain focused on the result and not give up easily? _____
10. Are you driven to personal success? _____
11. Are you confident in your abilities? _____
12. Are you willing to work hard and long hours? _____
13. Are you able to think quickly and make good decisions? _____
14. Do you handle change well? _____
15. Are you motivated by making a profit? _____

Entrepreneurial Characteristics Interest: _____

Business Owners Name(s): _____

Starting Your Business and Your Product Idea

Ever dream of being your own boss, turning your best ideas into big money-makers? Here is your chance to walk step-by-step through the planning process of a new business venture!

Think back at a time before cell phones (do you even remember a time?), online shopping, SUV's, performance fleece, and iPods. None of these products or services would exist if someone had not figured out how to turn a good idea into a hot-selling product of service. Now it's your turn!

1. *You must dream up a product (good or service) that will form the core of your business. Go through the following questions, write down ideas and responses in your packet. Remember, this is brainstorming, you do not have to have your final idea right away!*

- What unique interests or talents do you have and how might they be used in a business venture? Think of your own hobbies and interests. Remember, if it's your passion, then you'll love it!

- Where is there a need that is not being met? Think about your own daily life or those of your friends and family for inspiration.

- Where is there a need that could be met better or more efficiently?

- Now list the possible businesses that you came up with below.

2. *Think about the pros and cons of each business idea. You will now decide which business idea you will use.*

- **What's the verdict?** What business will you start?

3. Now, tell me about your business (these answers will later go in your **Description of the Business** section of the business plan)

- What is your business idea - what goods or services will your business provide?
- What's your long term vision for this business? For example: do you want to expand in offering different products or services, expand to new locations, improve your product or service, etc.?
- Identify 3 short term goals for this business (aligned to help achieve your long term goal).
- Considering your long term vision, type of business needs, and risk aversion, what form of business ownership will you use (partnership, partnership, or corporation)? Please state your reasons for this choice.
- Please tell me about your strengths in this business venture. (Are you exceptionally creative for the marketing? Do you have exceptional organizational skills to take charge?)

- Overall, what experiences and skills do you have to help your business?
- What overall weakness do you have? (Can you outsource to compensate?)
- What other additional information would you like to tell me about your new business venture?

The Mission Statement

A business' mission statement should be a clear and succinct representation of the enterprise's purpose for existence. It should incorporate socially meaningful and measurable criteria and should address points such as the type of product or service or offers, the moral/ethical position of the business, its desired public image, its target market and the expectations of growth and profitability.

The intent of the Mission Statement is to give any employee who is making a strategic decision, a starting point as they consider that decision.

The Mission Statement can range from a very simple statement to a very complex set of ideas. The following are examples of a few companies' mission statements:

- “Southwest Airlines is dedication to the highest quality of Customer Service delivered with a sense of warmth, friendliness, individual pride, and Company Spirit.”
- Ford Motor Company: “To become the world's leading consumer company for automotive products and services”
- Google : “To organize the world’s information and make it universally accessible and useful.”
- “Ben & Jerry’s is founded on and dedicated to a sustainable corporate concept of linked prosperity. Our mission consists of 3 interrelated parts: *Product Mission* To make, distribute & sell the finest quality all natural ice cream & euphoric concoctions with a continued commitment to incorporating wholesome, natural ingredients and promoting business practices that respect the Earth and the Environment. *Economic Mission* To operate the Company on a sustainable financial basis of profitable growth, increasing value for our stakeholders & expanding opportunities for development and career growth for our employees. *Social Mission* To operate the company in a way that actively recognizes the central role that business plays in society by initiating innovative ways to improve the quality of life locally, nationally & internationally. *Central To The Mission Of Ben & Jerry’s* is the belief that all three parts must thrive equally in a manner that commands deep respect for individuals in and outside the company and supports the communities of which they are a part.”

So, when you are preparing your Mission Statement remember to make it clear and succinct, incorporating socially meaningful and measurable criteria and consider approaching it from a grand scale. As you create your Mission Statement, consider including some or all of the following concepts.

1. The moral/ethical position of the enterprise
2. The desired public image
3. The key strategic influence for the business
4. A description of the target market
5. A description of the products/services
6. The ideal location
7. Expectations of growth and profitability

And remember, you may use a paragraph form, a bulleted list, or any other appropriate style.

Mission Statement for

(business name)

Step 1: Brainstorm ideas and list your ideas below.

1.
2.
3.

Step 2: Write your Final Mission Statement below:

Customer Analysis and Description of Competition

Researching Your Business:

Before you can get into the "nitty-gritty's" of starting your business, you must do some research. A good business owner knows the business' market and competitors. One of the top reasons a new businesses fails, is lack of planning and research.

Customer Analysis:

- Describe the people, businesses, and communities who you see buying your products or services? (This is considered your target market.)
- Do you understand your target market's needs and wants? Give a detailed description of your customers such as gender, age group, income level, culture, location, etc.
- Is your target market looking for low cost, value, or high end goods/services?
- Will your prices be competitive in quality and value?
- What is your anticipated sales forecast by month for the first year? Remember, sales can be slow at first until you develop a customer base and a reputation!

Description of Competition:

Your competitors are any other businesses that sell a similar product or provide a similar service. They are not necessarily those that are located in the same town; they may be internet-based businesses. They may also be businesses that provide comparable products or services, such as a movie theater and a bowling alley - they are both entertainment businesses.

- Who are your major competitors in the community?
- Who are your major competitors online or through mail order?
- Who are your major competitors that provide comparable products or services?
- What are the conditions of the economy?
- How are the conditions of the economy affecting your industry?

Conclusion:

Now it is time to put all of this together. Taking into consideration your customers and competitors, answer the following.

- Why will customers want to come to you instead of those other businesses you have listed? (location, convenience, price, quality, promotions, etc.)
- What will you do for your customers that will be unique?
- What will make your customers want to come back to your business again?
- Summarize in a few sentences what will make your business stand out and set you apart from your competitors.

The Operational Plan

Researching Your Business:

Before you launch your idea, entrepreneurs spend an extensive amount of time figuring out the operations for executing their business plan. Answer the following questions to help guide you in this plan.

- **Where will your business be located?** Be specific (like Algonquin Commons, Spring Hill Mall, etc.) *Hint: Your business should be located near your target market AND you should be able to afford rent wherever you locate!!!*

- **How will your business be organized?** (For example: How many stores? A main office somewhere? Non-storefront operations - trade shows, online, home-based business, etc.?)

- **Describe your operational plan:**
 - If you're a retail store...Where will you get your products from (your suppliers)? How many days of inventory (goods) will you have available? Do you have back-up suppliers? Will you have multiple stores? How will you arrange your store space?
 - If you're a service provider...Will you have a storefront? If so, describe the layout and how it's to be maintained? Will you have multiple storefronts? Describe the steps needed to perform the service and what's required to do so.

- **Analysis of Resources Needed:** What raw materials do you need? (Examples: storefront, signs, rent, utilities, racks, car/van for delivery services, office supplies, cash register, computer, phones, etc.)
- **Human Resource Plan:** List the type and number of each type of employee needed, for example, "Cashiers - 6 needed." Hint: don't forget shift managers, janitor, secretary, etc.

Marketing Plan

Congrats! You're well on your way! Now we need to develop your market for your unique product! Keep in mind it's a competitive industry so we must be smart in a start-up about marketing quickly, effectively, and efficiently.

Marketing Plan:

With each of the 4 "P's" of **Marketing**, describe how it will relate to your business.

1. Product: How is your product unique from your competitors? Why is your product filling a need or want that is currently not being met?
2. Place: Where will your product be available? Is this exactly where and when your customer wants the product as well?
3. Pricing: Is your pricing strategy for a bargain, value, or high-end product? Would you be willing to pay this amount? Can you make a profit off this price? Will you have repeat customers with this price?
4. Promotion: (what is the most effective way of promoting this product so your target customer is aware and enticed to buy? How can you promote most efficiently?)

Description of Marketing Activities:

Describe 4 possible ways to market your business (example: putting out a "grand opening" flyer):

1. _____
2. _____
3. _____
4. _____

Describe 2 free ways to market your business:

1. _____
2. _____

Describe 2 possible ways you could market your business online or through social media.

1. _____
2. _____

Schedule of Marketing Activities:

Based on the above information and any further discussion and research, lay out a tentative schedule or plan for your business' marketing activities:

- Month #1 - Initial Business Opening:
 - 1.
 - 2.
- Month #2:
 - 1.
 - 2.
- Month #3:
 - 1.
 - 2.

Develop Your Product:

You need to create your good or service with an actual physical replica or a knock-out visual of your good or service (poster, drawing, brochure, etc.). You can create your visual by hand or with the computer. Keep in mind that this is not an advertisement, but a visual representation of your product or service.

Here is the rubric that will be used to grade your product replica/visual.

Product Grading Rubric			
Scoring: 2 = Needs Improvement, 6 = Average, 10 = Excellent			
Creativity	2	4	6
Uniqueness	2	4	6
Appropriate for Target Market	2	4	6
Clear Description of Product	2	4	6
Professional looking Product Design	2	4	6
Total Points:	/30		

Use this space to sketch out your design ideas:

Part Seven

The Business Plan

Instructions:

It is now your turn! You will develop a business plan, using the outline on the page that follows and all of the information you have researched thus far.

You will use the following criteria and format:

1. Your business plan must be **typed** and carefully proofread.
2. Your business plan must have a **title page** with the information given on the next page.
3. Your business plan **MUST** include the six outlined sections.
4. Each of the six **sections** must be **clearly** marked and **separated with section headings**.
5. Each component of the six sections should be described in about **3 - 6 sentences**. Their length will vary, but keep in mind - **answers must be thorough for full credit!**

Grading:

Your Business Plan will be graded as follows.

- | | |
|--|---------|
| • Answering all elements in the business plan | 60 pts. |
| • Convincing, strong conclusion | 10 pts. |
| • Sentences and paragraphs are grammatically correct | 10 pts. |
| • Expressed ideas clearly and concisely | 10 pts. |
| • Professional appearance | 10 pts. |

Business Plan Outline:

Developing a business plan is your road map to success in the business world. Without a business plan, you have no written goals or objectives to measure your success. Starting a business can be full of uncertainties. Developing a thorough business plan helps minimize those uncertainties. Below you will find an outline of the elements of a typical business plan. You're well on your way because you've already answered the sections below in your packet!

Title Page

- Business name
- Business contact information (address, phone, e-mail)
- Owner's names and titles
- Date

I. Description of the Business:

- The business idea; major products and/or services
- The mission statement
- Ownership structure
- Skills, experience, strengths and weaknesses of your team
- Long and short-term goals

II. Customer Analysis:

- Description of customers
- Location, number and resources of customers

III. Description of Competition:

- Characteristics of industry
- Condition of the economy
- Strengths and weaknesses of major competitors

IV. Operations Plan:

- Organization of the business
- Description of major operations
- Analysis of resources needed
- Human resource plans

V. Marketing Plan:

- Marketing Plan
- Description of major marketing activities
- Description of resources needed
- Schedule of marketing activities

VI. Concluding Statement

- Summarize your business goals and objectives and express your commitment to the success of your business.

Part Eight

The Presentation

This is the last part of your project. This is your chance to share your outstanding business concept with your classmates and a panel of "investors". After your presentation, you will answer a few questions from the investors and they will then choose how much money they will invest in your business. Your classmates will also evaluate your presentation.

Planning Your Presentation:

You can choose how you will present your business and what kinds of props and/or media you will use, but you must follow the guidelines below:

1. Your presentation **MUST** be no more than **3 minutes** and should touch on various aspects of your businesses plan: business name and members, mission statement, product, long and short term goals, customer analysis, description of competition, operational plan, marketing strategy. You can decide how in depth you will be in each topic.
2. **Be informative**, be **creative**, but **keep it simple!** Your goal is to show others a glimpse of your business plan and excite them, but not overwhelm them with too many details. You are trying to SELL the class and investors on your business idea!
3. Keep any aides (props, media, PowerPoint presentation, etc.) **relevant** to your business. For example: make sure any props help your presentation rather than cause a distraction; don't use pictures of children if your business targets only adults; etc.

Presentation Day:

On the actual day of our business presentations, you will be presenting your business idea to the class. The following guidelines should be followed:

1. Wear **appropriate attire** related to your business (dress pants, polo, collared shirt, tie, skirt, sweater, etc.). No jeans!!
2. Have your **materials ready** when your group is called.
3. Presentation should be **no longer than 3 minutes**.
4. **Believe in your business** in order to sell yourself and your business! **Convince** the class and investors that you have the best business concept!
5. Presentations will be followed by **questions from the investors** and time for evaluation by the investors and your classmates.

Project Grading Rubrics

Starting Your Own Business Packet 50 points

- Grading is based on completion and depth of response
 - Part One - Entrepreneurial Characteristics Interest Inventory _____ / 2
 - Part Two - Starting Your Project and Your Product Idea _____ / 13
 - Part Three - The Mission Statement _____ / 5
 - Part Four - Customer Analysis and Description of Competition _____ / 14
 - Part Five - Operational Plan _____ / 8
 - Part Six - Marketing Plan _____ / 8

Developing Your Product 30 points

- Your product/service can be displayed with an actual physical replica or a professional visual.
- Here is the rubric for this component:

Product Grading Rubric			
Scoring: 2 = Needs Improvement, 6 = Average, 10 = Excellent			
Creativity	2	4	6
Uniqueness	2	4	6
Appropriate for Target Market	2	4	6
Clear Description of Product	2	4	6
Professional looking Product Design	2	4	6
Total Points:	/30		

The Business Plan 85 points

- Includes all components of the business plan _____ / 60
- Convincing, strong conclusion _____ / 10
- Sentences and paragraphs are grammatically correct _____ / 5
- Ideas are expressed clearly and concisely _____ / 5
- Professional appearance _____ / 5

The Presentation 12 points

- Prepared (computer files, visual aids, notecards ready to go) _____ / 2
- Professional attire - no jeans! _____ / 2
- Presentation is informative, creative, convincing _____ / 5
- Speaks to audience, clearly and loudly _____ / 2
- Stays within the 3 min time limit (team) _____ / 2

Participation 10 - 20 points

- Self-evaluation (average) _____ / 5
- Evaluation from group members (sum of averages) _____ / 0, 5, or 10
- Evaluation from teacher (average) _____ / 5

Total Project Score _____ / _____ points
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