

Start-up Workshops and Rôle of Mentors

Die Wirtschaftssenioren
Alt hilft Jung

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Agenda

- ◆ Construction Stones to a Business Plan
- ◆ Proposed Format for a Student Start-up Workshop
- ◆ Target Group and Educational Requirements
of Participants
- ◆ Rôle of Mentors and Required Prerequisites/Experience

What are the Construction Stones to a Proper Business Plan? (max 3 pages A4)

1. Summary for the Quick Reader

Prepared at the end, summarising the essentials, placed at the beginning

2. Description of the Business Idea

- What is the product or service like?
- What is its advantage to the customer?
- What is the difference to similar products/services already in the market?
- What is the product's unique selling proposition?
- What is the timeframe for introduction?

Construction Stones to a Business Plan - continued

3. Market and Competition

- What type of customer is the product/service aiming at?
- How big is the market? What are the prospects of the market?
- Which competitors are active in the market with similar products/services?

4. Marketing

- What is the price positioning?
- Which distribution channels are to be used?
- How is the product/service promoted?
- Location study (physical location or virtual location – internet)

Construction Stones to a Business Plan - continued

5. Production and Procurement

- Own production or purchased?

6. Management and Organisation

- founder profile – what does founder enable to run the business?
- legal structure and organisation
- personnel and qualification

7. Chances and Risks

- SWOT-analysis

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Format proposal

- ◆ Participants: 8-10 students (vocational school or university)
1 mentor, 1 talent scout/observer, organiser
- ◆ Timeframe: 5 days full time (might need to be expanded if economic knowledge of participants requires)
- ◆ technical requirements: 2 rooms, laptops, MSOffice, presentation facilities

Day 1: Introduction, Teambuilding, Development of Business Case

Participants receive introduction by host/mentor about the week's deliveries and agree on rôles and behaviours in the group.

Mentor explains business plan components.

Group is expected to develop their own business case. No preset business idea! Ideal would be a real intended business case. Mentor supports in creative techniques, but does not dominate group. Observer does not actively participate in discussions, prepares feedback on behaviour.

Delivery for the day is one mutually agreed business idea.

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Day 2: Formulation of Chapters of Business Case

In order to develop the most important parts of the business plan the participants define 2 sub teams (4-5 participants each).

Sub team 1 works on „Description of Business Idea“, in parallel sub team 2 on „Market and Competition“. After a defined time the sub teams exchange the chapters and discuss and supplement the other sub team's elaboration, so that every participant has covered both subjects. The same procedure will be exercised with chapters „Marketing, Pricing, Distribution“ and „Production and Procurement“.

Each sub-team is expected to produce a write-up of 2 of the 4 chapters of the business plan.

During the exercise the Mentor supports the teams and challenges the proposals. He/she also gives economical background such as market definition, price calculation, distribution channels etc.

Day 3: Financial Model

On day 3 the complete team is expected to complete the financial model. (Capital Plan, Finance Plan, Cash Plan, Profitability Analysis).

Here the mentor probably needs to lead more explicitly; he/she explains the tools, helps to develop sales and cost estimates. The mentor also discusses financing options (bank loans, venture capital, crowd funding etc.) and supports with plausible assumptions.

Consistency checks with described business plan chapters.
Feedback loop with assumptions and expectations.
If required adjustments.

Day 4: Risk Analysis, Founder Capabilities, Other Topics

Risk assessment performed by SWOT analysis.

Discussion of essential founders capabilities. Aspects from potential assessment tool, motivation, discipline, engagement, social and professional competence, expertise, resilience etc.

Discussion of corporate structures (ltd company, plc), potential legal restrictions (permits, licences).

Business organisation.

Day 5: Round-up

Preparation of summary of business plan.

Final review and feedback.

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Target Group

Target groups for the start-up workshops are:

- Unemployed young people who want to found their own business
- Students of economical disciplines
- Pupils graduating from vocational schools, provided they have sufficient economical knowledge

Educational Requirements for Participants

Pupils in particular need to have sufficient economical education.

They should be familiar with concepts like e.g. turnover, costs, VAT, depreciation, profit, sales channel.

Also some familiarity with basic legal and administrative frameworks (e.g. corporate structures, permissions, licences) are required.

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Mentors' Tasks

The mentor ...

- ◆ guides the team without dominating it
- ◆ moderates discussions in the team, contributes only when required
- ◆ supports the team with creativity techniques
(to develop a business idea)
- ◆ is able to help and answer questions if demanded by team
- ◆ encourages and inspires the team
- ◆ intervenes if discussions lead to a dead end
- ◆ indicates problems or restrictions without immediately delivering a solution or way out

Mentors' Qualities

The mentor ...

- ◆ has a good economical background
(but not necessarily a degree in economics)
- ◆ has some years' experience in leading a company
or in managerial position
- ◆ likes to work with young people and has some educational capabilities
- ◆ is prepared to guide (not lead or head!) a team at arms length
- ◆ has good knowledge of local culture,
local legislation and local administrative and other restrictions

- ◆ is prepared to work benevolent
- ◆ is prepared to dedicate the required time to the project

Materials for Mentors

In preparation for the start-up workshops mentors will be provided:

- ◆ Guidelines for Mentors
- ◆ Structure of a business plan
- ◆ Financial models as Excel-spreadsheets
- ◆ Example of a good business plan
- ◆ Example of an insufficient business plan
- ◆ Overview about creativity techniques

Proposal for the Training of Mentors

The exact design depends on the experience of the participants

Possible contents:

- ◆ Personal skills:
 - ◆ Moderating group discussions
 - ◆ Being able to motivate
 - ◆ Basic pedagogical knowledge
- ◆ Professional abilities:
 - ◆ Strategic management (based on TQM or EFQM)
 - ◆ Basics of holistic marketing
 - ◆ financial system, business planning & controlling
- ◆ Case studies:
 - ◆ Construction of a Business Plan
 - ◆ SWOT-Analysis

Discussion

Which kind of adaptations should be undertaken to implement the Start-up workshops in Spain?

Thank you for your attention and contribution
Muchas Gracias!