

Entrepreneur Exercise Workshops and Rôle of Mentors

Die Wirtschaftssenioren
Alt hilft Jung

Multiplier Workshop Enterprise +
University of Essen-Duisburg

Gunther Settelmeier, February 17th, 2015

Agenda

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

What are the Construction Stones to a Proper Business Plan?

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

Construction Stones to a Business Plan - continued

8. Capital Requirements and Financing, Cash Plan, Profitability Analysis

FÜR: ERTRAGSVORSCHAU / RENTABILITÄTSBERECHNUNG						
Alle Kosten beziehen sich auf Ihr Unternehmen, nicht auf Ihre Privatausgaben, Tilgungen für Kredite und Beiträge zur sozialen Absicherung sind aus dem versteuerten Gewinn in der Ertragsvorschau auf!						
ALLE BETRÄGE OHNE MEHRWERTSTEUER	1. Ge (Ru)					
Zeitraum	TT	Erstes Geschäftsjahr				
		1. Monat	2. Monat	3. Monat	4. Monat	5. Monat
Umsatz/Erlös/Provisionen			0	0	0	0
./. Wareneinsatz / Materialeinsatz						
Rohertag / Rohgewinn						
./. Personalkosten (ohne Unternehmer)						
./. Geschäftsführerbezüge (nur GmbH)						
./. Miete (Büro, Ladenlokal, Halle)						
./. Nebenkosten (Strom, Heizung, Wasser) / Werbung						

1. INVESTITIONEN		EUR
Grundstücke und Gebäude		
Renovierungskosten / Umbaukosten / Nebenkosten		
Betriebsausstattung (Büroeinrichtung, Maschinen, Arbeitsgeräte usw)		
Fahrzeuge		
Warenausstattung		
Kaufpreis / Übernahmepreis		

Liquiditätsplan		Erstes Geschäftsjahr				
alle Umsätze und Kosten einschließlich Steuern!		1. Monat	2. Monat	3. Monat	4. Monat	5. Monat
Anfangsbestand an flüssigen Mitteln (Kasse, Bank)						
+ Umsatzerlöse (inkl. Umsatzsteuer)						
+ weitere Zahlungseingänge (z.B. sonstige Einnahmen)						
= Summe Einnahmen (Liquiditätszugang)						
- Löhne/Gehälter (inkl. Sozialabgaben) für Personal		0	0	0	0	0
- Material/Waren über Lieferanten						
- Bareinkäufe						
- Marketing						
- Vertrieb						
- Miete, Nebenkosten						
- Telefon/Fax/Internet/GEZ						
- Anlageinvestitionen						
- Steuern (z.B. Umsatzsteuerzahllast)						

Agenda

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

Format proposal

- ◆ Participants: 8-10 students (highschool, 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 an agreed business idea.

.

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.

Testing of Format

- ◆ We strongly propose to test this format of a students workshop with a students team of a German high school, vocational school or university.
- ◆ We also suggest to hold the first of these workshops per country in co-operation with local sponsor and universities of Bochum and Essen, and with both local mentors and members of Alt hilft Jung.

Agenda

- ◆ Construction Stones to a Business Plan
- ◆ Proposed Format for a Student Start-up Workshop
- ◆ **Rôle of Mentors and Required Prerequisites/Experience**

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

Thank you for your attention and contribution
And enjoy the evening in Düsseldorf!