Business Plan

Getting Started

The following activity is designed for you to give students a chance to learn how to plan a business and experience the process of decision-making that will enable them to do the real thing some time in their lives.

The business plan is a tool designed to help you find and explore opportunities. It also provides you with a way to analyze potential opportunities continuously. A business plan is personal and should never be "canned" or prepared professionally by others. No one knows you or your ideas better than you do. It is the process of seeking the answers to important questions about your enterprise that are important as you try to realize the dream of owning your own business.

Use the following questions to make decision about a business idea of your choice. Be sure to write out your answers...to remember your decisions and build on them.

How can you describe the business...in only one paragraph please?

What is your product, or service?

Who will buy it?

Where should you locate the business?

How can you attract customers?

What is your competition?

How much should you charge for the products or service?

What advice do you need and who can provide it?

How will you organize the managers and/or workers of the business?

How will you split the profits? Who is responsible for the losses?

What should you consider to be able to produce the product and get it to the customer?

How much money is needed to get the business started?

How many customers will you have per month and how much will they buy per month?

How much does it cost to make the product or provide the service?

What are your operating costs? (Include your own salary)

How much money will your business earn each month by selling your product or service?

How much investment will you need to keep the business going until you make a profit?

What is your potential profit per year for Year I, Year II, and Year III?

How much money do you need to borrow to start this business?

How will you make the business grow in the future?