

Business Plan – Key Content



Typical Business Plan Content

- Business details
- Business aims & objectives
- Market information - size, growth, competitors
- SWOT & competitive advantage
- Details of customers
- Marketing strategy - marketing mix etc.
- Premises & equipment needs
- Key people - functions & background
- Financial highlights – Start –Up costing, turnover, profit, break-even, funding details
- Detailed monthly cash flow forecast

Burns (2010)



Avoid the Following

- Poor structure
- Spelling and grammar mistakes
- Poorly considered business idea
- Poorly evidenced business idea
- Poor market research
- Lack of organisational structure (how the business will operate day to day)
- Lack of theory to back your content
- Too many financial assumptions
- Leaving the reader with more questions than answers



What Makes You Different

- Dragons Den

What to do well

- Define your Business Idea/Brand
- Your vision
- Your market
- Your USP (with evidence)
- Good competitor research
- Good organisational structure
- Demonstrate how the business will operate
- Evidence business viability
- Evidence with appropriate theory

Business Idea / Brand

- Existing with a twist?
- New / Unique
- Pricing? Discount prove sustainability
- Show brand development in appendix
- IP
- Make it interesting – imagine you are doing this for real.

Your Vision

- What are your longer term plans for the business?
- Define it.....

Your Market

- Targeting who?
 - Customers
 - Competitors
- (Copy of analysis worksheet I use with clients on BREO)



Organisational Structure

- People
- Resources
- Business type
- Owner skill/experience



Operations

- Business Functions
 - Operations
 - Location/production/facilities/equipment
 - Sales and Marketing
 - Products and Services
 - Pricing
 - Finance
 - Insurance
 - Admin
 - HR
 - Processes (Systems Manual)



Analysis Tools

- SWOT
- PESTEL
- Porters 5 Forces



Summary

- Viable Business Idea
- Evidence your thinking and statements
- Demonstrate market opportunity with good research
- Brand and a clear effective marketing strategy
- Report supported by theory and evidence of wider reading

References:

- Burns P. (2010) *Entrepreneurship and Small Business: Start Up, Growth and Maturity* Basingstoke: Palgrave Macmillan

Questions?

A Peer to Peer Dragons Den

Preparation: Review your business idea considering the key marking criteria

1. Demonstrate a clear/structured business idea / proposition
2. Comprehensive product/market analysis
3. Detailed explanation of the organisation and its functions
4. Development and explanation of your financial / funding plan

Questions may include:

- Describe your business idea
- Who are your customers?
- What makes you different?
- Why will your customers buy from you?
- Who are your competitors?
- Where will you be based?
- What pricing policy will you adopt?
- How will you manage your customer relationship?
- What are your start up costs?
- How much income do you expect to generate in your first year?
- What will you be investing in your business initially?
- What skills do you have to run a business?
- How secure is your business idea? Can you protect it?

Agenda

- Introduction to Key Concepts in Entrepreneurship, Creativity and Innovation



Innovation and Creativity

Radical Innovation v Incremental Innovation

Innovation and Creativity – Key Thinking

“Companies achieve competitive advantage through acts of innovation” Porter (1990)

Entrepreneurs ability to spot opportunities and innovate in times of change is what sets them apart. Entrepreneurs are not the only people who use innovation as all businesses whatever the size are encouraged to innovate to stay ahead of their competitors.

Creativity is interlinked – in a review of research published at that time, Van Grundy (1987) highlights that creativity can contribute to innovation but can be used for other purposes in itself.

Burns (2011)

1st Phone:
Radical
Innovation



Incremental
Innovation

iPhone 7Plus to iPhone 8

YouTube.com

Advantages of Innovation

- A higher and sustainable profit
- The ability to challenge competition
- Offering value-added to the customer in the form of improved quality, lower price and greater choice

Needle (2010)

Innovation and Competitive Advantage

Competitive advantage can be gained by frequent incremental innovations

Apple

Innovation – Key Thinking

“the means to break free from established patterns”

Mintzberg (1983)

Creativity exercise

How many uses for?

Innovation – Key thinking

Schumpeter (1996)

1. The introduction of a new or improved service
2. The introduction of a new process
3. The opening up of a new market
4. The identification of new sources of supply of raw materials
5. The creation of new types of industrial organization

Schumpeter's work most closely links innovation with entrepreneurship – challenging classical economic theory regarding the optimization of existing resource within stable environments and looked upon disruption as a 'god sent external force'

Creative Problem Solving Methodologies

4 Stages of the Creative Process

Generation – Problem and fact finding
 Conceptualisation- Problem definition and idea finding
 Optimisation – Idea evaluation and action planning
 Implementation - Agreement, acceptance and implementation

Where are the challenges with this?
 Habit? Mindset? Restrictive practice/resources?

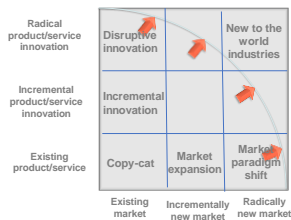
Kuratko and S.
 Hornsby (2018)

Reflective Exercise – Creative Dreams?

In today's frenetic world, how can we create boundaries that structure our working days to ensure that there is room for creative thinking?



Start-up Typologies



Activity by Table

Review the Assessment Strategy in this Unit Report and reflection 40%
 Exam 60%

Create 2 assessments using a creative and innovative approach to assessment writing that measure the learning outcomes of the unit

Paper copies of the Unit Information form are available

Lego Serious Play

Starting the Venture

Reference List

- Burns P. (2011) *Entrepreneurship and Small Business, Start up Growth and Maturity*, 3rd Ed. Palgrave McMillan.
Burns P (2014) *New Venture Creation A framework for Entrepreneurial Start-Ups*, Palgrave McMillan
Dawson P & Andriopoulos C. (2017) *Managing Change, Creativity and Innovation*. 3rd Ed. Sage Publications Ltd
Kuratko D & Hornsby J. (2018) *New Venture Management*. 2nd Ed. Taylor Francis
Porter, M. E. (no date) *The competitive advantage of nations*. Macmillan
Seemiller C & Grace M (2016) *Generation Z goes to College*. John

Thank you

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Further Information:
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Homework

Journal Entry

Guided Reading:

Entrepreneurship

Innovation and Creativity

Write up an Exam Revision

Plan

