



SHAKE UP START UPS

Business planning

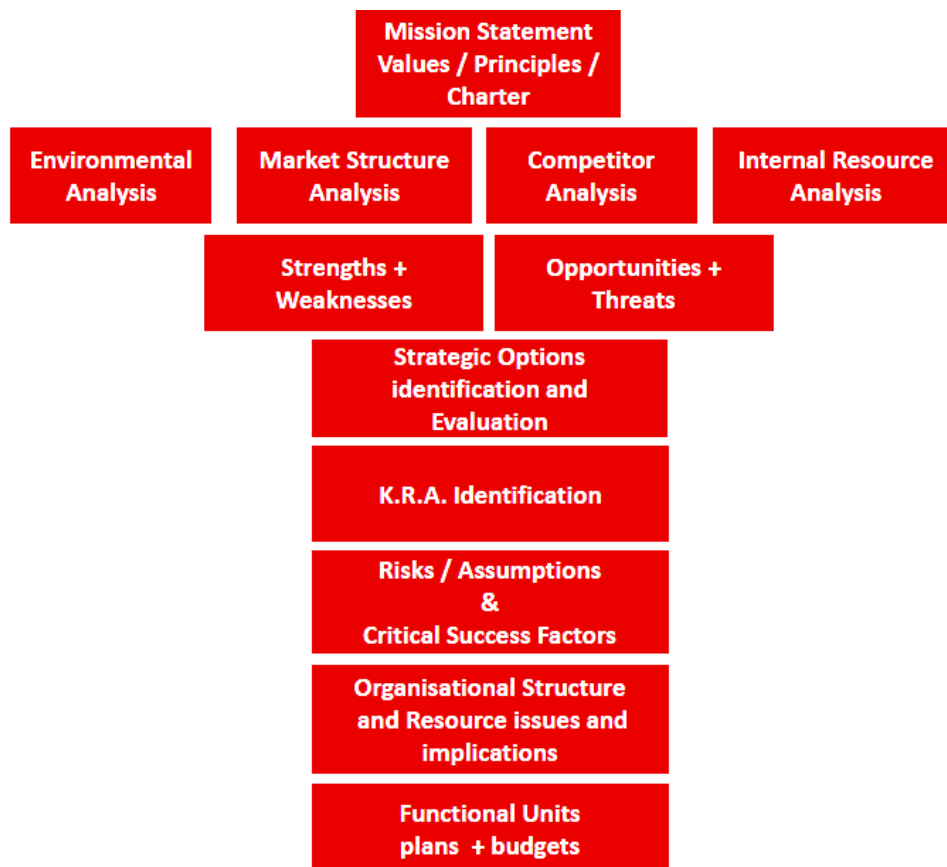
The business planning process is designed to answer two questions:

Where are we now?

Where do we want to be in next year or two?

The result of this process is a business plan that serves as a guide for entrepreneur to run the start-up company. Describing the most critical tasks that must be completed and the time frame for completion, a business plan allows companies to allocate resources to accomplish goals.

Picture 1: Key elements in business planning



Don

what the customer wants. Sometimes the entrepreneur's vision doesn't align properly with what customers want.



Environmental analysis: Political, Economic, Social, Technological, Environmental, Legal

Market structure analysis: Porter's five forces (Industry competitors, Suppliers, Buyers, Substitutes, Potential entrants)

7 'S' framework for Internal Analysis

Where are we strong and where do we need to improve?

Picture 2: 7 "S" framework

	1	2	3	4	5	6	7	8	9	10
Strategy				X						
Structure						X				
Systems			X							
Staff								X		
Skills						X				
Style										
Shared values				X						

SWOT analysis: internal analysis (Strength, Weaknesses)

external analysis (Opportunities, Threats).

SMART goals/objectives

Once you have planned your project, turn your attention to developing several objectives/goals that will enable you to be successful. These objectives should be:

Specific - Well defined, Clear to anyone that has a basic knowledge of the project

Measurable - Know if the goal is obtainable and how far away completion is, Know when it has been achieved

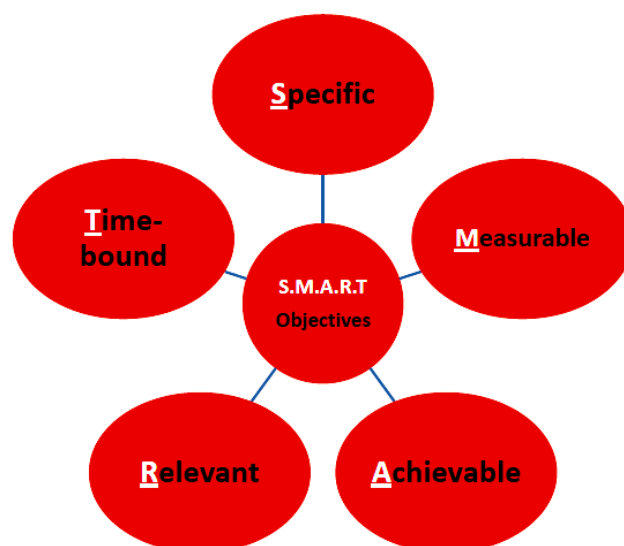
Achievable - Agreement with all the stakeholders what the goals should be

Realistic - Within the availability of resources, knowledge and time

Time-Based - Enough time to achieve the goal, Not too much time, which can affect project performance

Picture 3: SMART objectives

S.M.A.R.T – Objectives





SHAKE UP START UPS

The Business Model Canvas

It is a strategic management and entrepreneurial tool. It allows you to describe, design, challenge, invent, and pivot start-up business model.

Picture 4: Business model canvas

The Business Model Canvas		Designed for:	Designed by:	On: <input type="text"/>	For: <input type="text"/>	How: <input type="text"/>
Key Partners Who are our Key Partners? Who are our key suppliers? Which Key Resources are we acquiring from partners? Which Key Activities do partners perform? Which Key Channels do partners use? Which Key Customer Segments do partners serve?	Key Activities What Key Activities do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue streams? Costs? Channels? Customer Segments?	Value Propositions What value do we deliver to the customer? What problem do our customers' problems are we helping to solve? What bundles of products and services are we offering to each Customer Segment? Which customer needs are we satisfying?	Customer Relationships What types of relationships does each of our Customer Segments expect us to establish and maintain with them? Which relationships are established? How are they integrated with the rest of our business model? How costly are they?	Customer Segments For whom are we creating value? Who are our most important customers? Are we serving many different customer segments? Are we serving each segment individually or in a mass segment? Are we serving the market online or offline?		
Key Resources What Key Resources do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue streams? Costs? Channels? Customer Segments?	Channels Through which Channels do our Customer Segments want to be reached? How are we reaching them now? How are our Channels changing? Which ones work best? Which ones are most cost-effective? How are we integrating them with our customer relations?	Cost Structure What are the most important costs inherent in our business model? Which Key Resources are most expensive? Which Key Activities are most expensive? Which Key Channels are most expensive? Which Key Customer Segments are most expensive? Which Key Partners are most expensive? Which Key Activities are most expensive?	Revenue Streams For what value are our customers really willing to pay? For what do they currently pay? How are they currently paying? How would they prefer to pay? How much does each Customer Segment contribute to overall revenue?			



Investment

After carefully prepared previous steps, start-ups need to calculate amount of money that will be used for their project.

	Investment	Value (€)	%
I	Investment in tangible assets		
	Land		
	Objects		
	Facilities		
	Intangible assets		
II	Investment in current assets		
	TOTAL		
	SOURCE OF FINANCING		
	Source	Value (€)	%
1	Bank loan		
	<i>Tangible assets</i>		
	<i>Current assets</i>		
2	Own capital		
3	Other (specify)		
	TOTAL		100,00%

Profit-
statement

Loss

A profit and loss statement (P&L) is a financial statement that summarizes the revenues, costs and expenses incurred during a specific period of time, usually a fiscal quarter or year. These records provide information about a company's ability – or lack thereof – to generate profit by increasing revenue, reducing costs, or both¹.

¹ <http://www.investopedia.com/terms/p/plstatement.asp> (22.12.2015.)



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Profit & Loss Statement													
Year													
(Currency unit)	January	February	March	April	May	June	July	August	September	October	November	December	Total
Net income from service for industry A	0	0	0	0	0	0	0	0	0	0	0	0	0
Net income from service for industry B	0	0	0	0	0	0	0	0	0	0	0	0	0
Net income from project A	0	0	0	0	0	0	0	0	0	0	0	0	0
Net income from project B	0	0	0	0	0	0	0	0	0	0	0	0	0
Net income from project C	0	0	0	0	0	0	0	0	0	0	0	0	0
Total net income	0	0	0	0	0	0	0	0	0	0	0	0	0
Local travel	0	0	0	0	0	0	0	0	0	0	0	0	0
International travel	0	0	0	0	0	0	0	0	0	0	0	0	0
Total travel costs	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital expenditures	0	0	0	0	0	0	0	0	0	0	0	0	0
Office supplies	0	0	0	0	0	0	0	0	0	0	0	0	0
Repair & maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Other costs	0	0	0	0	0	0	0	0	0	0	0	0	0
Total other costs	0	0	0	0	0	0	0	0	0	0	0	0	0
Salaries of employees	0	0	0	0	0	0	0	0	0	0	0	0	0
Local consultants	0	0	0	0	0	0	0	0	0	0	0	0	0
International consultants	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Labour costs	0	0	0	0	0	0	0	0	0	0	0	0	0
Advertising	0	0	0	0	0	0	0	0	0	0	0	0	0
Website	0	0	0	0	0	0	0	0	0	0	0	0	0
Other marketing costs	0	0	0	0	0	0	0	0	0	0	0	0	0
Total marketing costs	0	0	0	0	0	0	0	0	0	0	0	0	0
Net cash position	0	0	0	0	0	0	0	0	0	0	0	0	0
Tax	0	0	0	0	0	0	0	0	0	0	0	0	0
Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0
Net profit	0	0	0	0	0	0	0	0	0	0	0	0	0
As % -age of total net income	#D1J/0!	#D1J/0!	#D1J/0!	#D1J/0!	#D1J/0!	#D1J/0!	#D1J/0!	#D1J/0!	#D1J/0!	#D1J/0!	#D1J/0!	#D1J/0!	#D1J/0!





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Gamification

A “start-up” is a company that is confused about 1) what its product is, 2) who its customers are, and 3) how to make money. As soon as it figures out all 3 things, it ceases to be a start-up and then becomes a real business. Except most times, that doesn’t happen.

Dave McClure, business angel

Tips:

Have a plan for how the business will be run.

When budgeting startup cash needs, assume your business will probably generate zero revenue for the first year.

Step 1 - business idea

Define your own business idea and prepare your vision.

Involved actors discuss presented ideas.

Step 2 - validation

Let’s validate your idea

What your customers want. Sometimes the entrepreneur's vision doesn't align properly with what customers want. Prepare market analysis.

Step 3 - Swot

Your idea is interest to potential clients.

Do you have a team which will support you - support system? Which are your skills, what is your strength and where you see weakness and your opportunity?

Step 4 - Let’s create business model

Combine your previous steps and create your own business model in A4 chart.

Step 5 - Raise the money

Even the best business plans go awry. Successful startups will expect the unexpected, and have an answer ready for it.

Firstly calculate all you cost based on previous steps. Later on prepare your plan for picking up.

