

BE AN Entrepreneur

By
Prof. Ahmed Alshumaimri



Be an Entrepreneur



Part 1: The Entrepreneur
Chapters : 1,2,3,4



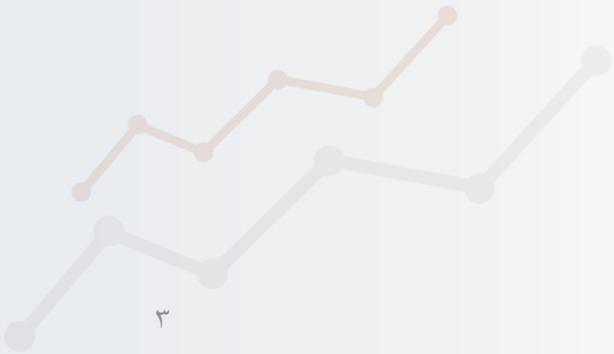
Part 2: The Business Plan
Chapters : 5,6,7,8



Part 3: The Enterprise
Chapters : 9,10,11,12,13

Chapter 6

THE BUSINESS PLAN



THE BUSINESS PLAN



What is a Business Plan?

Contents of the Plan

Chapter 5 overview

Explain why
entrepreneurs need
one,

How to go about
writing the plan.

1

2

3

4

5

Define the
business plan,

who will read
it, and

We highlight the:

executive summary,
company summary,

management profile,
and risk-and-reward
profile.



Learning Objectives



Define

Define a “business plan”



List

List the readers of a business plan



List

List the characteristics of a good business plan



List

List the components of a business plan



Know

Know what readers look for in the executive summary



Know

Know why he should write a business plan from the point of view of the investor.

Story from Real Life

- The founder of Haraj website is the millionaire Youssef Al-Rashidi. He established Haraj website in 2008 at a cost not exceeding 220 US dollars, while the market value of Haraj site currently exceeds 200 million US dollars, according to the statements of the founder of the site.
- He is an engineer who graduated from the College of Computer at King Fahd University of Petroleum and Minerals, in 2007. He had launched a forum on the Internet, called Haraj, and this forum was for shares, until people started offering their cars for sale to him. When he graduated and did not find a job, he returned to Haraj and thought of creating a special site for these advertisements.



Story from Real Life

CORPORATE ORGANIZATION



VOLUME OF SALES

In 2013, the management of “Haraj” transformed from an individual person to a corporate organization with more than 30 qualified and competent employees. In 2016, the founder of Haraj website refused to sell a share ranging from 20 to 30% of his website, with a value of \$20 million, because the offer did not fit the site’s popularity, in addition to the fact that the site was not established for a profit-only goal.

He said that the volume of sales traded monthly through the site has reached 400 million riyals, and 10,000 ads are added daily, indicating that he does not want to increase the site's commission (1%) because it is not for profit, but rather a symbolic amount to support the site and its operator in order to continue.

What is a Business Plan?

Business plan:



A detailed statement of what your business is going to do in the future.



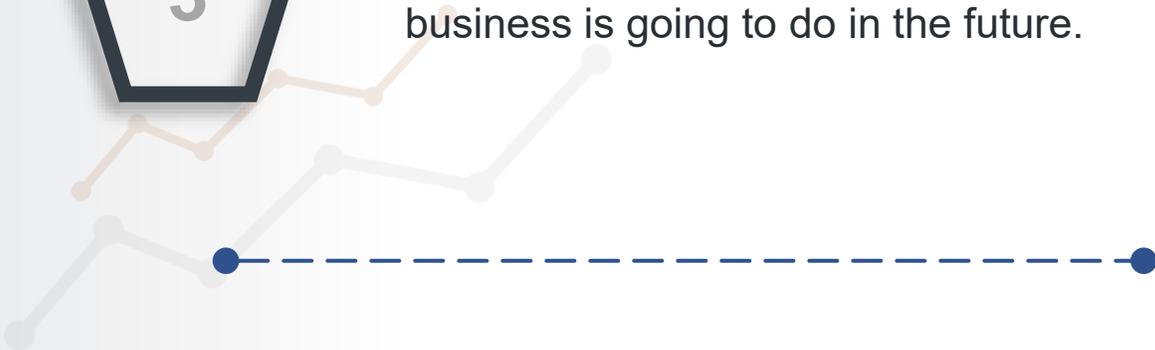
The business plan is your means of communicating your vision to the world to help you attract talent and money to the business.



It is a detailed statement of what your business is going to do in the future.



The readers of your business plan are: banks, venture capitalists, and private investors. Also, your management team and business partners.



What is a Business Plan?

Business plan:



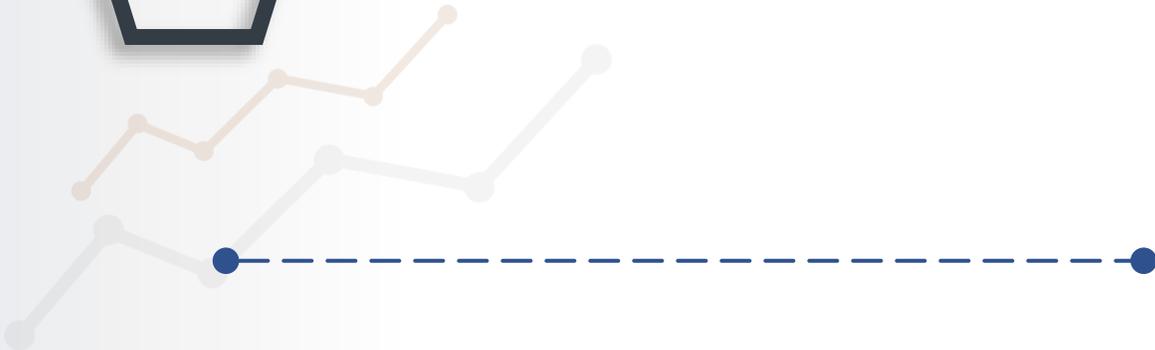
Write the plan from the point of view of the reader.



It will help enormously to put yourself in the place of your prospective investor.

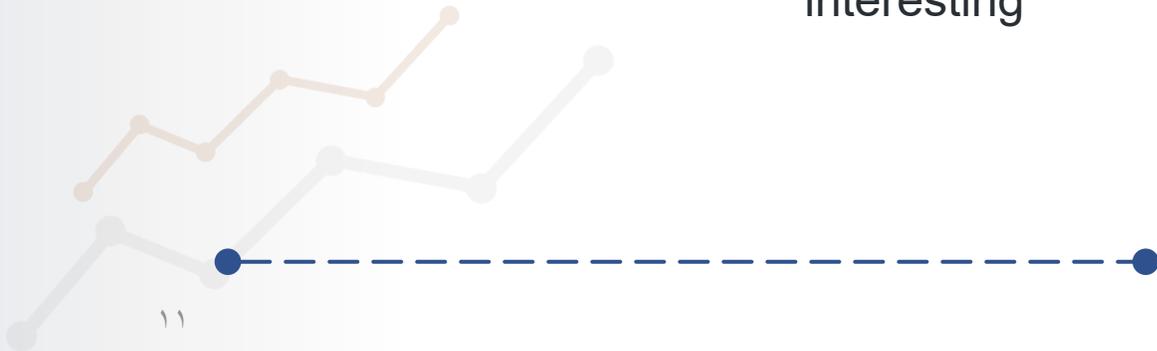
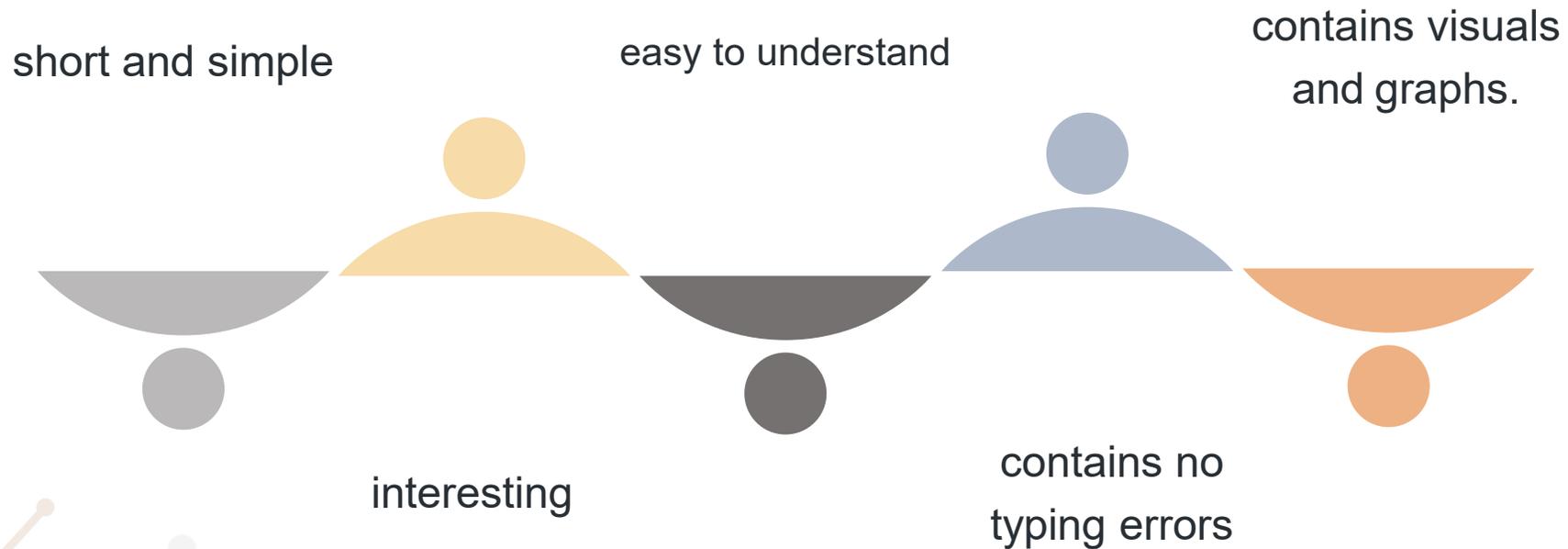


It will help you to respond to the reader's concerns, rather than letting yourself write what interests you, the entrepreneur.



What is a Business Plan?

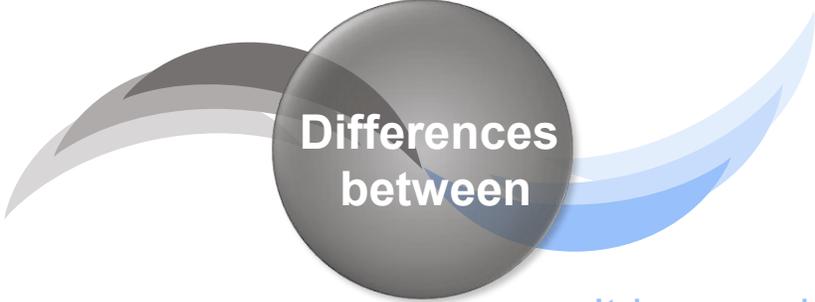
The characteristics of a good business plan:



What is a Business Plan?

Business model

- The method used by the firm to create and achieve value.
- It comes after the feasibility study, and before building a business plan.
- The goal is to build a preliminary picture of the main project elements
- A tool to aid in decision making
- It includes the most important elements of the project and written on one page.
- It is a visual drawn method
- It is used for innovative projects such as smart phone applications
- To answer the question: What should we provide or do?



Differences between

Business plan

- It is a roadmap that contains a detailed study of all aspects of the project in order to be able to implement it.
- It comes before the start of the project
- The goal is to develop a detailed plan for how the project will be implemented.
- A tool to aid in decision making
- A document with many pages containing project creation details.
- It is a narrative and explanatory method
- It is used in traditional and innovative projects
- To answer the question: How will we carry out or manage the project?

What is a Business Plan?

Find a Mentor:

In today's competitive world, an entrepreneur needs assistance to succeed. One way to get this type of assistance is by hiring a mentor. This will allow you to talk with individuals who are knowledgeable in the various aspects of business and learn from the success and mistakes of others – thus helping you to become more successful and avoid the same mistakes.

Contents of the Plan

1

Cover letter, title page,
and table of contents

2

Executive
summary

3

Vision and
Mission

4

Company
summary

5

Market
analysis

6

Marketing
plan

7

Operations
plan

8

Business model and
financial forecasts

9

Management
profile

10

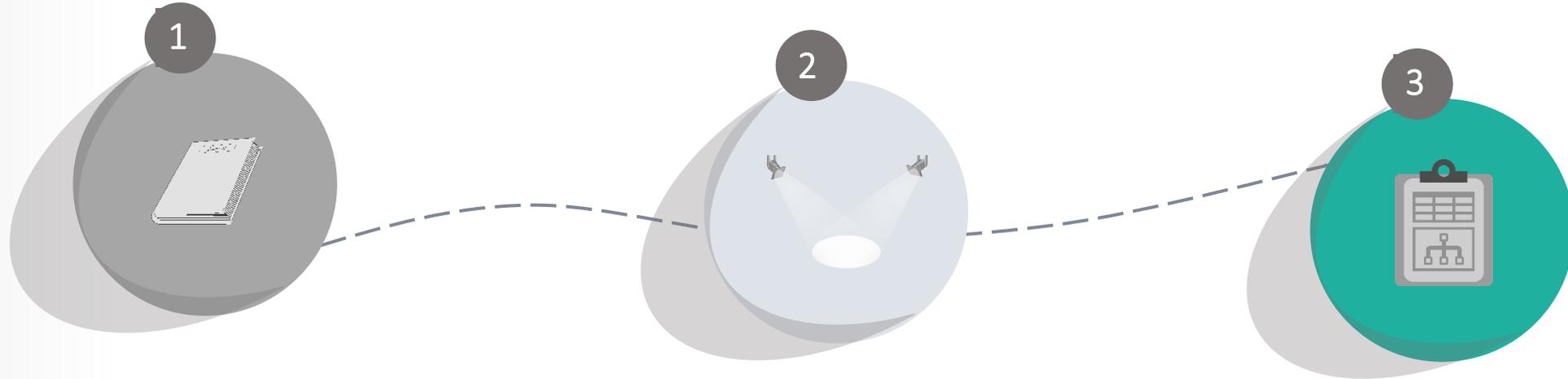
Risk-and—
reward profile

11

Appendix

Contents of the Plan

Cover letter, title page, and table of contents:



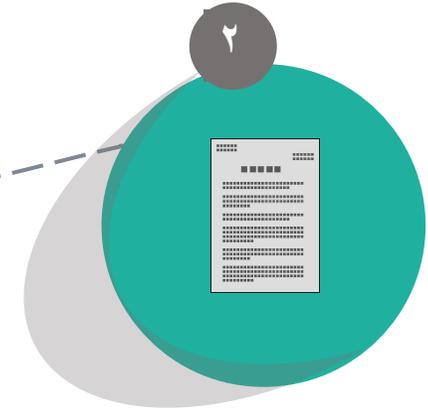
Every business plan begins with a clean and clear cover page that tells the reader what to expect in the document to follow.

The title page should highlight the plan's major focus. It should draw attention to the purpose of the plan and clearly spell out the project being presented.

The table of contents outlines the entire plan, specifically listing the sequence of the plan's topics that will lead the reader to your desired conclusion.

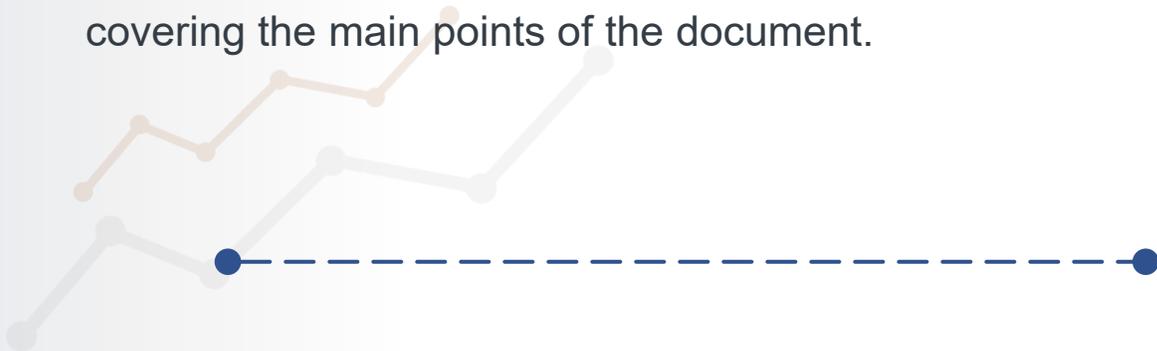
Contents of the Plan

Executive summary:



The first section of a business plan covering the main points of the document.

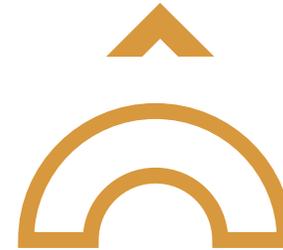
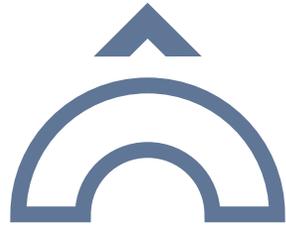
Its purpose is to convince readers that your business has merit. It encourages them to read the remaining sections.



Contents of the Plan

The executive summary should explain:

Financial requirements:
much is needed



Benefits: unique
selling proposition

Opportunity: market
potential of the business.

Purpose: intent of your
business plan.

Growth: how your
company will grow in
the next few years.

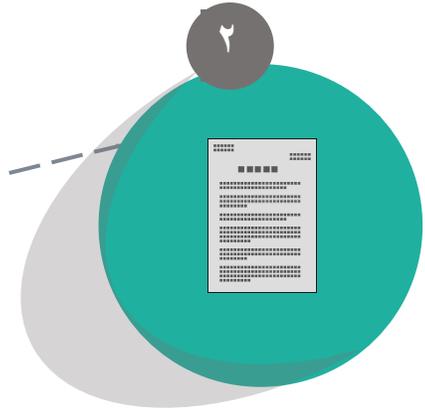


Contents of the Plan

Company summary:



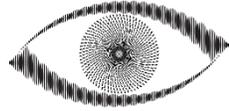
The section of the business plan that tells the readers what the company is, who is behind it and where it is going.



It provides a brief account of business operations, history, purpose and organization.

Contents of the Plan

VISION



A vision statement sets an organization's sights on the future. It is an inspirational statement of an idealistic emotional future of a company.

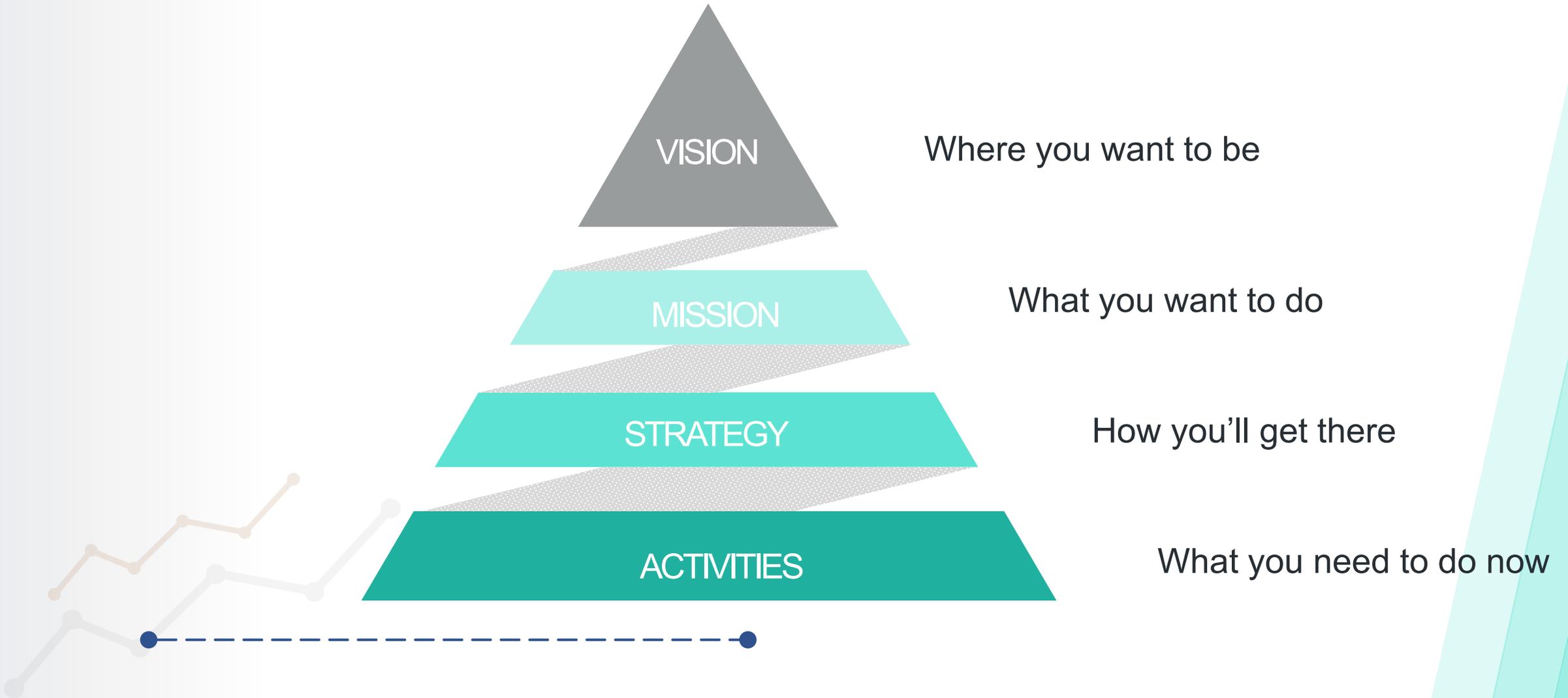


MISSION

A mission statement is a short statement of why an organization exists, what its overall goal is, identifying the goal of its operations: what kind of product or service it provides, its primary customers or market, and its geographical region of operation.

Contents of the Plan

Vision and Mission



Contents of the Plan

Vision



What are the hope and dream for the company? (The ideal future)



What problem are we solving for the greater good?



Who and what are we aspiring to change?

Vision Statement

To provide access to the world's information in one click.

Vision Statement of Accenture

To become one of the world's leading companies, bringing innovations to improve the way the world works and lives.

Contents of the Plan

Mission



What do you do?



Who do you serve?



How your brand is different
in your own way?

 To challenge the status quo. To think differently.	 To refresh the world and inspire moments of optimism and happiness.	 To give people the power to build community so that we can bring the world closer together.
 To empower every person and organization on the planet to achieve more.	 To fulfill dreams of personal, All-American freedom.	 To organize the world's information and make it universally accessible and useful.
 To create happiness for people of all ages, everywhere.	 To accelerate the world's transition to sustainable energy.	 To inspire and nurture the human spirit – one person and one cup at a time.

Our Mission

Honest Tea seeks to create and promote great-tasting, healthier, organic beverages. We strive to grow our business with the same honesty and integrity we use to craft our products, with sustainability and great taste for all.

Contents of the Plan

Management profile:



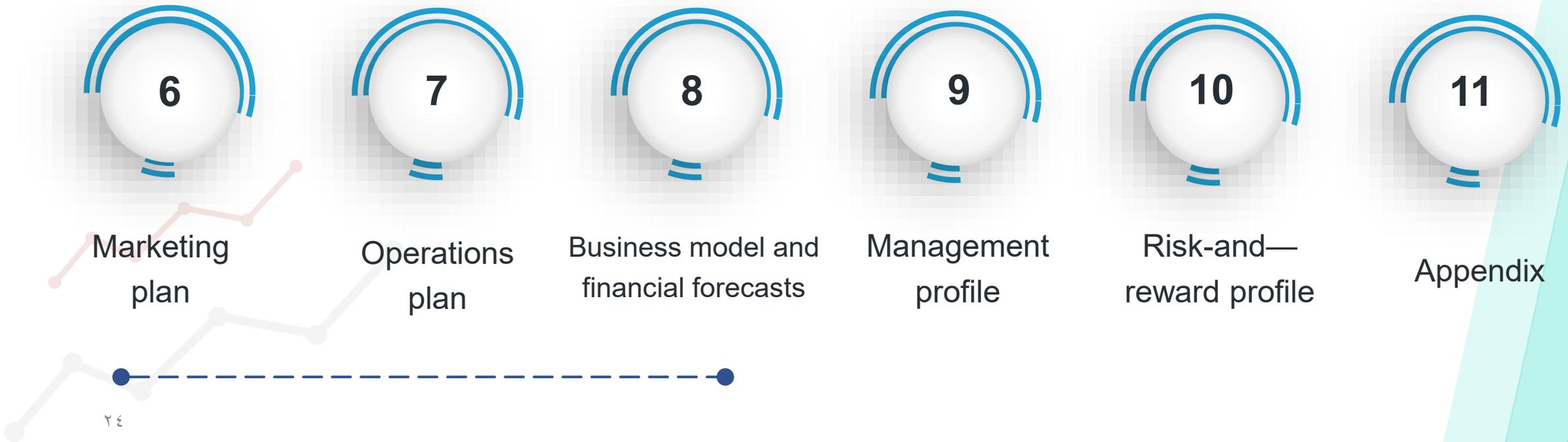
The section of the business plan that details the backgrounds of the company's management team.

فريق العمل

 جمعة محرم مصمم قوالب بوربوينت احترافية باحدث التقنيات المتوفرة على السوق العالي	 علي السيد مسؤول التسويق والعلاقات العامة مختصة في مواقع التواصل الاجتماعي	 احمد خليلي خبرة تزيد عن ٥ سنوات في مجال التصميم UX/UI	 وليد العفيفي مطور مواقع انترنت مع خبرة تزيد عن ٨ سنوات باستخدام بيئات العمل الحديثة	 محمد العفيفي مؤسسة عرب سلايد ويعمل في مجال تحليل أنظمة المعلومات لفترة تزيد عن ١٥ سنة
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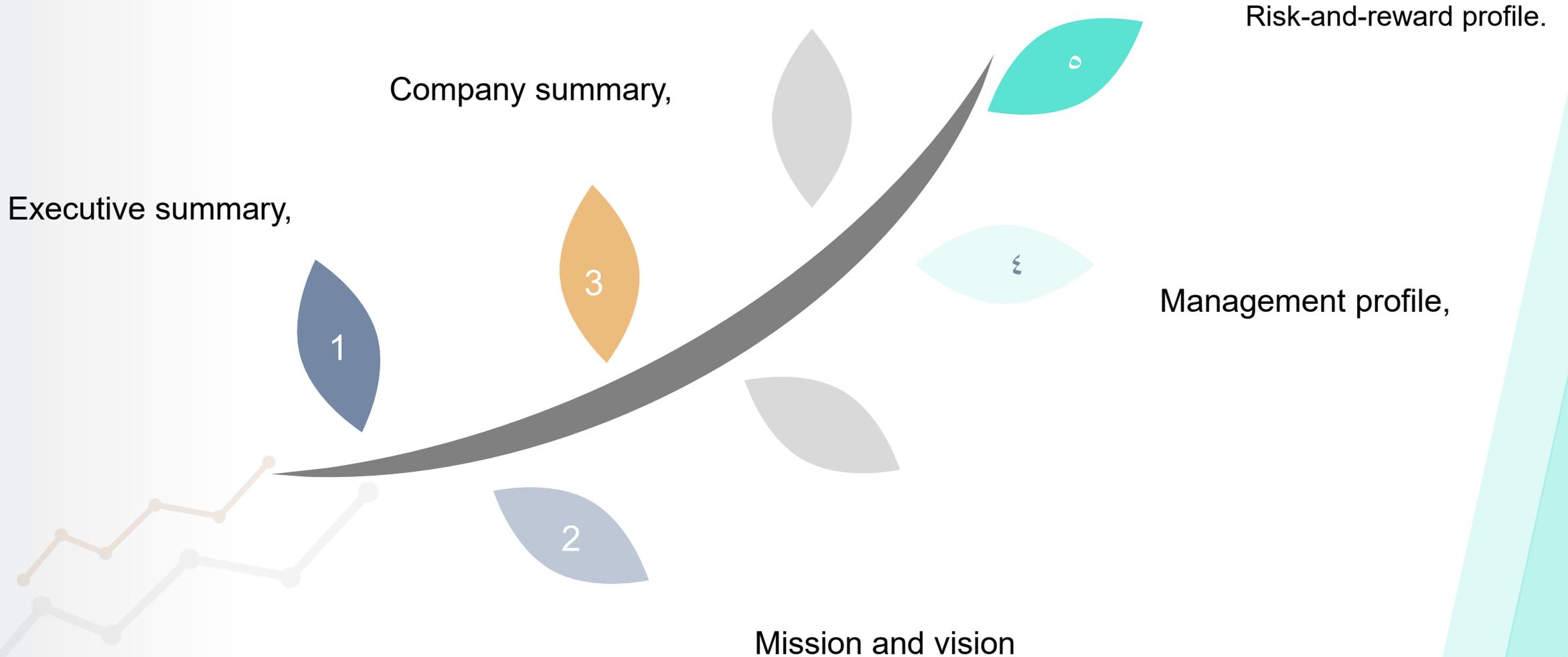
Contents of the Plan

We will allocate separate chapters for the remaining contents



Points to Remember

The major sections in the business plan are:



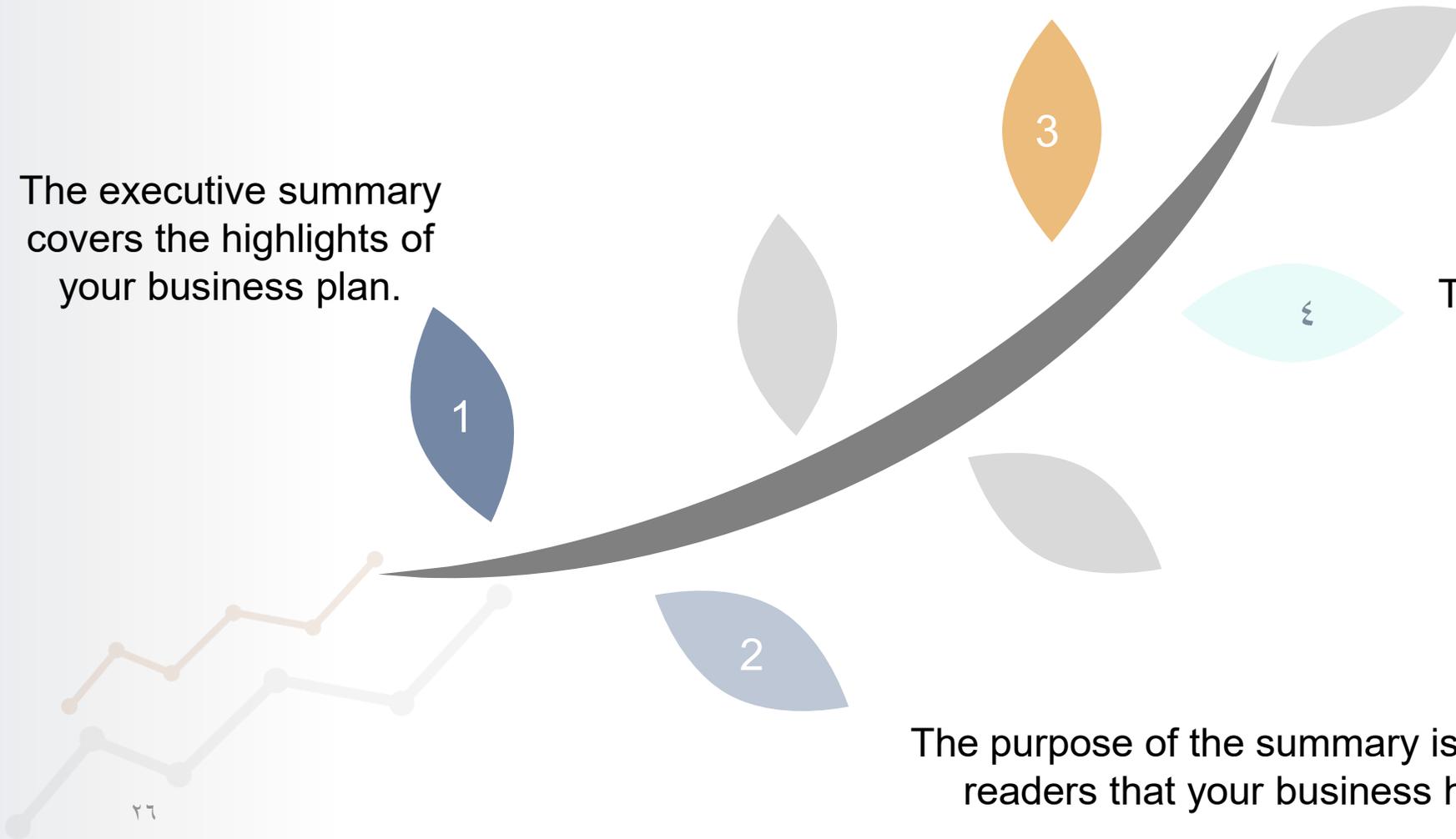
Points to Remember

The company summary tells the readers what the company is, who is behind it, and where it is going.

The executive summary covers the highlights of your business plan.

The company summary should include names, background, history, and goals.

The purpose of the summary is to convince readers that your business has merit.



Points to Remember



The management profile includes organizational chart of managers, resumes, and professionals.

Businesses have opportunities as well as risks. A good business plan does not skip the risks. Risk is unavoidable. Your business plan must unflinchingly confront risk in terms of potential problems and threats



Case study: 3D Printing Business Plan Template



Business Plan Example

LOLO Fitness

LOLO Fitness is a proposed fitness center targeting women in Jeddah, Saudi Arabia. The concept is to create an environment dedicated to obtaining/maintaining physical and mental well-being. LOLO Fitness will be the first of its kind in the community offering exercise machines designed for women, personal trainers, a dietary consultant, massage therapists, and apparel shop, all with women-only in mind. The class schedule will also concentrate on both mind and body exercise with everything from step aerobics to yoga. In order to start this business, LOLO Fitness will need start-up funds to purchase necessary equipment and furniture, and a line-of-credit to extend early cash shortages. See details in Page 148



Review Questions

Do your Business Plan

