Assignment 5: Business Plan – Final
Due Week 10 and worth 150 points

This assignment consists of two (2) sections: your final business plan and your business plan financials. **Note:** You must submit both sections as separate files for the completion of this assignment.

You have completed all of the necessary sections of your business plan and will now create a final draft. Use any / all feedback you have received to polish your plan to the point that you could confidently show it to investors and potential partners or customers.

Refer to the Outline of a Business Plan, beginning on p. 399 of the course text. Not all businesses will include all of these components in this order, but use the outline as a guide. Specifically your plan will not require the Development, Milestones, and Exit Plan section of the business plan.

Section 1: Business Plan – Final (MS Word or equivalent)
Construct a ten to thirty (10-30) page business plan. **Note:** Twenty (20) pages are sufficient for most businesses.

1. Write a one to three (1–3) page executive summary for your business plan, in which you justify:
    a. A clear and concise business concept.
    b. A thoroughly planned business concept.
    c. A capable management structure.
    d. A clear-cut market need.
    e. Significant competitive advantages for your business.
    f. Realistic financial projections.
    g. That investors have an excellent chance to make money.
    h. A realistic and developed exit plan.

   Note: Read Chapters 4 and 18 of the course text: *Successful Business Plan*. Use the plan preparation worksheets on pp. 58–61 and the sample executive summaries on pp. 62–66 to help guide you, choose to write either a synopsis summary or a narrative summary, and include highlights from the each section of your business plan.
2. Combine all of the sections stated below and revise your initial business plan draft, which you submitted in Week 8, based on feedback you have received.
    - Executive Summary
    - Company Description *(Assignment 1)*
    - Industry Analysis and Trends (*Assignment 1*)
    - Target Market (*Assignment 2*)
    - Competition (*Assignment 2*)
    - Strategic Position & Risk Assessment (*Assignment 1*)
    - Marketing Plan & Sales Strategy (*Assignment 2*)
    - Operations Plan (*Assignment 3 Part 1*)
    - Technology Plan (*Assignment 3 Part 1*)
    - Management & Organization (*Assignment 3 Part 1*)
    - Ethics & Social Responsibility (*Assignment 3 Part 2)*
    - The Financials (*Week 7 Discussion*)
3. The Financials and the Management description—must spark enough interest to convince a reader to continue. Enhance the two (2) mentioned sections to appropriately engage the reader.
    - *Hints:* The financial section of your business plan will be derived from the previously completed financial worksheets.
4. Format your assignment according to these formatting requirements:

a. Cite the resources you have used to complete the exercise. **Note:** There is no minimum requirement for the number of resources used in the exercise.
b. Be typed, double spaced, using Times New Roman font (size 12), with one-inch margins on all sides; references must follow APA or school-specific format. Check with your professor for any additional instructions.
c. Include a cover page containing the title of the assignment, the student's name, the professor's name, the course title, and the date. The cover page and the reference page are not included in the required page length.

Section 2: Business Plan Financials (MS Excel worksheets bundled with course textbook)

5. For year one, submit a revised Income Statement, Cash Flow Projection, and Balance Sheet from the "Business Plan Financials" Excel template based on your feedback from *Project Deliverable 4: Business Plan – Draft.*

The specific course learning outcomes associated with this assignment are:

- Describe strategic planning techniques used to formulate alternative strategies designed to achieve stated business goals.
- Create a plan to implement a firm's strategy and manage the change from current operations.
- Analyze strategies for exerting the internal leadership needed to drive the implementation of strategic initiatives and improve operating excellence.
- Use technology and information resources to research issues in strategic management.
- Write clearly and concisely about strategic management using proper writing mechanics.

Grading for this assignment will be based on answer quality, logic/organization of the paper, and language and writing skills, using the following rubric.

Points: 150	**Assignment 5: Business Plan – Final**			
Criteria	**Unacceptable Below 70% F**	**Fair 70-79% C**	**Proficient 80-89% B**	**Exemplary 90-100% A**
1. Write a one to three (1–3) page executive summary for your business plan, in which you justify: a. A clear and concise business concept. b. A thoroughly planned business concept. c. A capable management structure. d. A clear-cut market need. e. Significant competitive advantages for your business. f. Realistic financial projections. g. That investors have an excellent chance to make money. h. A realistic and developed exit plan. Weight: 10%	Did not submit or incompletely wrote a one to three (1–3) page executive summary for your business plan, in which you justified: a. A clear and concise business concept. b. A thoroughly planned business concept. c. A capable management structure. d. A clear-cut market need. e. Significant competitive advantages for your business. f. Realistic financial projections. g. That investors	Partially wrote a one to three (1–3) page executive summary for your business plan, in which you justified: a. A clear and concise business concept. b. A thoroughly planned business concept. c. A capable management structure. d. A clear-cut market need. e. Significant competitive advantages for your business. f. Realistic financial projections. g. That investors have an excellent	Satisfactorily wrote a one to three (1–3) page executive summary for your business plan, in which you justified: a. A clear and concise business concept. b. A thoroughly planned business concept. c. A capable management structure. d. A clear-cut market need. e. Significant competitive advantages for your business. f. Realistic financial projections. g. That investors have an excellent	Thoroughly wrote a one to three (1–3) page executive summary for your business plan, in which you justified: a. A clear and concise business concept. b. A thoroughly planned business concept. c. A capable management structure. d. A clear-cut market need. e. Significant competitive advantages for your business. f. Realistic financial projections. g. That investors have an excellent

	have an excellent chance to make money. h. A realistic and developed exit plan.	chance to make money. h. A realistic and developed exit plan.	chance to make money. h. A realistic and developed exit plan.	chance to make money. h. A realistic and developed exit plan.
2. Combine all of the sections stated below and revise your initial business plan draft, which you submitted in Week 8, based on feedback you have received. Weight: 40%	Did not submit or incompletely combined all of the sections stated below and did not submit or incompletely revised your initial business plan draft, which you submitted in Week 8, based on feedback you have received.	Partially combined all of the sections stated below and partially revised your initial business plan draft, which you submitted in Week 8, based on feedback you have received.	Satisfactorily combined all of the sections stated below and satisfactorily revised your initial business plan draft, which you submitted in Week 8, based on feedback you have received.	Thoroughly combined all of the sections stated below and thoroughly revised your initial business plan draft, which you submitted in Week 8, based on feedback you have received.
3. The Financials and the Management description—must spark enough interest to convince a reader to continue. Enhance the two (2) mentioned sections to appropriately engage the reader. Weight: 20%	Did not submit or incompletely enhanced the two (2) mentioned sections to appropriately engage the reader.	Partially enhanced the two (2) mentioned sections to appropriately engage the reader.	Satisfactorily enhanced the two (2) mentioned sections to appropriately engage the reader.	Thoroughly enhanced the two (2) mentioned sections to appropriately engage the reader.
4. Clarity, writing mechanics, and formatting requirements Weight: 15%	More than 6 errors present	5-6 errors present	3-4 errors present	0-2 errors present
5. For year one, submit a revised Income Statement, Cash Flow Projection, and Balance Sheet from the "Business Plan Financials" Excel template based on your feedback from Project Deliverable 4: Business Plan – Draft. Weight: 15%	Did not submit or incompletely, for year one, revised the Income Statement, Cash Flow Projection, and Balance Sheet from the "Business Plan Financials" Excel template based on your feedback from Project Deliverable 4: Business Plan – Draft.	Partially, for year one, revised the Income Statement, Cash Flow Projection, and Balance Sheet from the "Business Plan Financials" Excel template based on your feedback from Project Deliverable 4: Business Plan – Draft.	Satisfactorily, for year one, revised the Income Statement, Cash Flow Projection, and Balance Sheet from the "Business Plan Financials" Excel template based on your feedback from Project Deliverable 4: Business Plan – Draft.	Thoroughly, for year one, revised the Income Statement, Cash Flow Projection, and Balance Sheet from the "Business Plan Financials" Excel template based on your feedback from Project Deliverable 4: Business Plan – Draft.

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Outline of a Business Plan

I. Executive Summary

Every business plan varies. You may not necessarily have these same components in the following order in your plan. Use this outline as a guide.

II. Company Description

A. Company Name
B. Mission Statement/Objectives
C. Form of Business
D. Trademarks, Copyrights, and Other Legal Issues
E. Products or Services
F. Management/Leadership
G. Location and Geographical Information
H. Development Stage
I. Milestones Achieved to Date
J. Specialty Business Information
K. Financial Status

III. Industry Analysis & Trends

A. Size and Growth Rate of Industry
B. Industry Maturity
C. Sensitivity to Economic Cycles
D. Seasonal Factors
E. Technological Factors
F. Regulation/Certification
G. Supply and Distribution
H. Financial Characteristics
I. Anticipated Changes and Trends in Industry
J. Global Industry Concerns

IV. The Target Market

A. Demographics/Geographics
B. Lifestyle and Psychographics
C. Purchasing Patterns
D. Buying Sensitivities

E. Market Size and Trends

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V. The Competition

A. Competitive Position
B. Market Share Distribution
C. Global Competition
D. Future Competition
E. Barriers to Entry

VI. Strategic Position & Risk Assessment

A. Industry Trends
B. Target Market
C. Competitive Environment
D. Company Strengths
E. Risks Assessment
F. Definition of Strategic Position

VII. Marketing Plan & Sales Strategy

A. Company's Message
B. Marketing Strategy
C. Marketing Tactics
D. Strategic Partnerships
E. Online Marketing Tactics
F. Sales Force and Structure

VIII. Operations

A. Plant and Facilities
B. Manufacturing/Production Plan
C. Labor Requirements
D. Capacity Utilization
E. Quality Control
F. Equipment and Furniture
G. Inventory Management
H. Supply and Distribution
I. Order Fulfillment and Customer Service
J. Research and Development
K. Financial Control
L. Contingency Planning
M. Other Operational Concerns

IX. Technology Plan

A. Technology Goals and Position
B. Internet Goals and Plan
C. Software Needs
D. Hardware Needs
E. Telecommunications Needs
F. Technology Personnel Needs

X. Management & Organization

A. Key Employees/Principals

B. Compensation and Incentives

C. Board of Directors/Advisory Committee

D. Consultants/Specialists

E. Management to Be Added

F. Organizational Chart

G. Management Style/Corporate Culture

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XI. Social Responsibility & Sustainability

A. Social Responsibility Goals

B. Company Policy

C. Social Responsibility Certifications

D. Community Involvment

E. Sustainability

XII. Development, Milestones & Exit Plan

A. Long-Term Company Goals

B. Growth Strategy

C. Milestones

D. Risk Evaluation

E. Exit Plan

XIII. The Financials

A. Income Statements

B. Cash Flow Projections

C. Balance Sheet

D. Sources and Use of Funds

E. Plan Assumptions

F. Break-Even Analysis

XIV. Appendix

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Synopsis Executive Summary Plan Preparation Form

Take highlights from each section of your completed plan and address the areas listed below. Remember to be brief and clear. Cover each topic in no more than one to three sentences. Describe only the most important and impressive features of your business. After the first two topics, Company Description and Statement of Mission, place the remaining sections in any order that gives the best impression of your business to your target reader. For the reader's quick comprehension, use topic headings at the beginning of each paragraph (see the Sample Plan at the end of this chapter); if you'd like a Summary that seems less like a list, omit the headings. Feel free to combine related topics, such as "Target Market" and "Marketing Strategy," to create a more fluid document.

Company Description: List the company name, type of business, location, and legal status, e.g., corporation, sole proprietorship, partnership.

Statement of Mission: Write the concise statement of company purpose you developed in Chapter 5.

Stage of Development: State whether your company is a start-up or continuing business, when it was founded, how far along the product or service is in its creation, and if you've already made sales or started shipping.

Products and Services: List the products or services your company sells or plans to sell; this can be generic for a company with many products—e.g., women's sportswear—or specific for a company with just a few.

Target Market(s): List the markets you intend to reach and why you chose them; indicate the results of any market analysis or market research.

Marketing and Sales Strategy: Briefly describe how you intend to reach your target market(s), and the advertising, direct mail, trade shows, and other methods you will use to secure sales.

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Competitors and Market Distribution: Indicate the nature of your competition and how the market is currently divided. ____________________

Competitive Advantages and Distinctions: Show why your company will be able to compete successfully; list any important distinctions, such as patents, major contracts, or letters-of-intent. ____________________

Management: Briefly describe the histories and capabilities of your management team, particularly those of company founders. ____________________

Operations: Outline your key operational features, such as locations, crucial distributors or suppliers, cost-saving production techniques, etc. ____________________

Financials: Indicate your company's expected revenues and profits for years one through three. ____________________

Long-Term Goals: Describe the expected status—e.g., sales, number of employees, number of locations, market share of your company—five years from now. ____________________

Funds Sought and Exit Strategy: Indicate how much money you are seeking, how many investors you plan to have, how the funds raised will be used, and how investors or lenders will get their money out. ____________________

Use this information as the basis of your plan's synopsis Executive Summary.

Narrative Executive Summary Plan Preparation Form

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This form provides you an opportunity to outline the Executive Summary portion of your business plan if you choose to write a narrative type of Summary.

The Company: Describe how your company is organized, its stage of development, stage of product creation, legal status, location, and company mission.

The Concept: Explain the background of your company, how the product came about, how the market opportunity was recognized, and the products and services.

Market Opportunity: Describe your target market, market trends that exist, why there was a need for the company, the results of market research, the competition, and market openings.

Competitive Advantages and Distinctions: Indicate why your company can compete successfully; list important distinctions such as patents, major contracts, and letters-of-intent; specify barriers-to-entry for new competitors.

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Management Team: Describe the background and capabilities of your key managers, and relate past successful business experiences.

Milestones: List the milestones by which you will measure success and at what date you expect to reach them; these might include specific revenue or profit levels, the percentage of market share reached, shipments of first product, and the number of employees or locations.

Financials: Specify the amount of funds sought, the number of likely investors, the use of funds secured, and how investors or lenders will get their money back—through an exit plan (acquisition, public offering, merger) or security (collateral) for a loan.

Use this information as the basis of your plan's narrative Executive Summary.

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SAMPLE PLAN: SYNOPSIS EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

The Company

ComputerEase, Incorporated, provides computer software and software-as-a-service (SaaS) training services, primarily to the corporate and business market. In addition to offering local training at its own dedicated facilities, the firm delivers on-premises training to corporations located in the Greater Vespucci, Indiana, area. It also offers online versions of its courses that can be accessed from anywhere with an Internet connection. The technology business services industry is one of the fastest growing in the United States, and ComputerEase intends to capitalize on that growth. The company's stock is currently held by President and CEO Scott E. Connors and Susan Alexander, Vice President, Marketing.

States legal status, location, stock ownership, and industry opportunity.

The Company's Mission

ComputerEase views its mission as increasing the corporate community's productivity by helping them realize the maximum benefit from their personnel and computers through software training. ComputerEase is dedicated to building long-term relationships with customers through quality training and support, to being known as the premier software training company in the Greater Vespucci area, and to expand online course offerings globally to English-speaking countries throughout the world. The goal is steady expansion, becoming profitable by the third year of operations. ComputerEase also is dedicated to contributing back to the Vespucci community by providing free computer training programs for inner-city youth, low-income residents, and "welfare-to-work" program participants.

Provides a sense of how the company views itself and its long-term goals.

Products and Services

The company provides software training programs targeted to the corporate market, and currently has a portfolio that covers a broad range of leading business software programs. There are two ways that training is delivered. On-premise training is provided by in-person instructors, either at the customer's place of business or at ComputerEase's Corporate Training Center. Online training is offered via the Internet. In addition to providing training for the most-used enterprise and business software and Web-based business services, ComputerEase also creates custom programs at corporate customers' request for both on-premise and online delivery. The online training programs incorporate some video training segments, enhancing the learning experience.

Marketing and Sales Strategy

ComputerEase differentiates itself in its marketing by emphasizing the needs of the corporation, not merely of the students taking the classes. Locally, the firm employs highly regarded sales professionals with extensive ties to the target market who secure sales predominantly through face-to-face solicitations. For customers who access ComputerEase's online training, the company has an aggressive online marketing strategy that includes advertising on prominent training websites, exhibiting at

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training industry trade shows, publishing a monthly email newsletter on best practices in corporate training, and using search engine marketing by purchasing keywords. To support its customer base, ComputerEase also maintains an active Facebook business page, a LinkedIn profile, and a YouTube channel.

The Competition

No market leaders have yet emerged in the corporate software training field — either in the Vespucci region or online. Competition is diverse and uneven, creating substantial market opportunities. ComputerEase maintains the following advantages over existing competition: strategic partnerships with leading software publishers; formal certifications from those publishers; a growing reputation for delivering highly effective training and superior customer support; a company-owned, state-of-the-art computer Training Center; a local sales staff with strong ties to target customers; and a national network of third-party consultants and computer retailers that bundle ComputerEase's courses with their own services.

Shows market opportunity.

Target Market

ComputerEase's "brick-and-mortar" business operates in the Greater Vespucci, Indiana, area. Vespucci is the 16th-largest city in the United States, with a diverse and healthy economy. U.S. Census Bureau data shows that more than 10,000 organizations with more than 50 employees each (ComputerEase's primary target market) are located in the area. ComputerEase's online market is composed of English-speaking countries where a high percentage of businesses are automated or in the process of becoming automated. The market for online computer training has grown by more than 33% each year for the past five years, and is projected to sustain this rate of expansion for the remainder of the decade.

Management

President and Founder Scott E. Connors brings significant technology-related management experience to this position. Immediately before starting ComputerEase, Connors served as regional vice president for Wait's Electronics Emporium, a large computer hardware and electronics retail chain. Previously, he was a sales representative for IBM. Vice President Susan Alexander brings direct experience in marketing to the target market from her prior position as assistant marketing director for AlwaysHere Health Care Plan, and sales experience as sales representative for SpeakUp Dictation Equipment.

Emphasizes past business ownership and directly related experience.

Operations

ComputerEase owns its Corporate Training Center with 20 PCs fully equipped with all the latest versions of the most popular business software programs. The company offers corporate training sessions at the Center, as well as at local corporations' place of business. It plans to open a second Training Center with some of the funds currently being sought. ComputerEase utilizes the excess capacity of the Training Center by offering Saturday and evening classes to consumers. Additionally, ComputerEase has three development PCs for creating the interactive course content based on the instructor-led courses and documentation. All equipment is leased, resulting in lower capital expenses and ensuring the latest equipment at all times. All data center operations, including the servers that host the online training applications and student data, are outsourced to a local managed services provider. Video production is outsourced to a local company experienced in creating instructional videos.

Stage of Development

ComputerEase began operations in January 2014, and opened its first software Training Center classroom in August 2014.

Financials

The financial strategy of ComputerEase emphasizes reinvestment of income for growth during the first few years of operation, with the company reaching profitability within the next three years. Annual revenue projections for the current year are $466,000; for year two, $987,750; and for year three, $1,637,230.

Tells investors there is no return on capital for at least three years.

Funds Sought and Utilization

The company is currently seeking $160,000 in investment financing. These funds will be used for expansion, primarily opening an additional Training Center, hiring new staff, and increasing marketing activities. Long-term plans are for the company to aggressively market and expand its online business into English-speaking countries outside the U.S.; work with customers to develop interactive online custom training programs for employees; and either develop a franchise operation or expand to become a regional company-owned chain, adding at least one training location annually.

Cites specific numbers and uses for funds.

SAMPLE PLAN: NARRATIVE EXECUTIVE SUMMARY

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EXECUTIVE SUMMARY

The Concept

The technology business services industry is one of the fastest growing in the United States. The use of computers, tablets, and mobile devices in virtually every business setting has provided unprecedented opportunities to companies offering training services to business clients, both in person and online. Because no market leader has emerged in this field, either in Vespucci, Indiana, or online, a well-conceived and well-executed company can secure a leading position.

Provides a sense of the health and opportunities of the industry.

Background

Scott E. Connors, President and Founder of ComputerEase, Incorporated, recognized this opportunity when, as Regional Vice President for Wait's Electronics Emporium, he conducted a study of the potential market for corporate software training in the Indiana, Ohio, and Illinois areas. As a result of this study, he realized that a professionally managed software training company could quickly become the region's market leader. When developing an online component to ComputerEase's training classes, Connors discovered a huge potential for online training services.

Gives history of motivation for business.

The Company

ComputerEase is positioned to become the premier provider of software training targeted to the corporate market. The company began operations in January 2014, and was quickly able to secure corporate clients with software training programs offered at the customers' location.

The client base expanded when ComputerEase opened its first Training Center in August 2014, with 20 personal computer stations. At this same time, ComputerEase launched its software-as-a-service (SaaS) training services, accessible from any computer with an Internet connection. Both of these initiatives offer greater flexibility to corporate employees. ComputerEase offers software training for all leading software programs, as well as custom programs at corporate customers' request.

Tells developmental stage, products and services, long-term goals, legal status, and ownership.

ComputerEase is incorporated in the state of Indiana and stock is currently held by President Scott E. Connors and Vice President Susan Alexander.

The Market

The company targeted large corporations in the Greater Vespucci, Indiana, area as the base of its initial operations. As the 16th-largest city in the United States, Vespucci offers a diverse and healthy economy with more than 10,000 companies employing over 50 employees each. ComputerEase's online market includes an even larger pool — English-speaking countries with a high percentage of automated businesses.

Competitive Position

Currently, corporate software training programs are offered in the Vespucci area by small, local, underfunded, and generally poorly managed companies and through national online programs, with no leader having yet emerged in either space. Market

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research indicates an extremely high level of dissatisfaction with current providers among current customers of software training. ComputerEase's growing reputation for delivering highly effective training and superior customer support both in person and online, along with its company-owned, state-of-the-art computer Training Center, local sales staff with strong ties to target customers, and national network of third-party consultants and computer retailers, sets the company apart from its competition.

Management Team

The current management of President Scott E. Connors and Vice President of Marketing Susan Alexander gives ComputerEase an excellent team with which to begin operations. Mr. Connors brings extensive technology-related management and sales experience from his years with Wait's Electronics Emporium and IBM.

Emphasizes previous business ownership and related experience.

In her positions as assistant marketing director for AlwaysHere Health Care Plan, and sales representative at SpeakUp Dictation Equipment, Ms. Alexander gained significant experience in sales and marketing to ComputerEase's target market: corporate human resource directors. Her personal connections with this target audience are extensive, giving ComputerEase immediate access to the potentially most lucrative clients.

The Future

The company has many opportunities for growth now and in the future. First, the company plans to expand its online offerings beyond the U.S. to English-speaking countries around the world. Second, the company may become a franchise operation, selling franchise licenses, materials, and training for independent operations under the ComputerEase name.

Provides investors with a sense of growth opportunities.

Financials

The company projects rapid growth, with sales revenues of $466,000 in the current year, $987,750 for year two, and $1,637,230 in year three. It emphasizes the reinvestment of income for expansion rather than profit taking, funding growth internally rather than through additional investment beyond that currently sought.

Funds Sought

The company anticipates only one round of financing (unless franchising is later undertaken) with $160,000 being sought from one investor. These funds will be utilized to add a new training center, hire staff, and expand marketing activities.

Gives specific numbers and uses of funds.