

# **Mentorship Workshop for Young Entrepreneurs**

**Unemployed Youths Africa Inc.**

**Know thy self – Socrates**

## **MODULE 3**

**December 26, 2020 to May 21, 2021**

**Importance of Data**

**For Financial Projections**

**JANUARY 22, 2021**

Build your resilience with values & vision

**WHY**

Do the essential with mission & goals

**WHAT**

Be competitive with timely targets

**HOW TO**

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# **BUSINESS PLAN TEMPLATE FOR ENTREPRENEURS**

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### **Business Overview**

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2. Mission, Vision, Values

3. Industry Overview And Trends

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6.2 Target Market

7. Products And Services

8. The Competition

8.1. Competitors And Types Of Competition

8.2. Competitors' Strengths And Weaknesses

8.3. Competitive Advantage And Differentiator

## A. Reminders on Preparing Your Business Plan

- Constantly refine your OBJECTIVES & HOW TO achieve them
- Must be consulted on a REGULAR basis & REVISED often
- Review your documents to
  - Identify where your business is going
- Invest TIME to do it in detail with RESEARCH
  - Backed up with SOLID FACTS & FIGURES

## **B. JUSTY solid ASSUMPTIONS**

- For accurate forecasting
  - Record SALES, VARIABLE COST & FIXED COST
- Projection of what SALES you need to cover fixed and variable cost
- Assumptions + Objectives help to
  - Establish Specific MARKETING STRATEGIES
- Everything in your business plan has to tie together

## **C. State Your Start-Up Requirements** **– with DETAILED Cost & Expenses figures**

### EXAMPLE

- Do I have sufficient working capital?
- Will my real estate needs change?
- What are my hiring needs?
- What are my possible sources of funding and how will they be used?
- These details give your plan credibility and build confidence that you know exactly where you're going."

## **D. Have Supporting Information Such As:**

- Feasibility studies
- Surveys
- Market analyses
- Information about key competitors
- Industry overviews.

Keep information clear & concise – stick to FACTS - Avoid irrelevant data.

## **CASH FLOW**

Your cash flow statement can give you an idea of your business's current financial health.

### **A cash flow projection can help you to:**

- Predict cash shortages and surpluses
- See and compare business expenses and income for periods
- Estimate effects of business change (e.g., hiring an employee)
- Prove to lenders your ability to repay on time
- Determine if you need to make adjustments (e.g., cutting expenses)

### **You can include the following categories in your cash flow projection:**

Opening balance

Cash in (e.g., sales)

Cash out (e.g., expenses)

Totals for cash in and cash out

Uses of cash (e.g., materials)

Total cash flow for the period

Closing balance

Periods (e.g., month of January)

## **CASH FLOW**

Your cash flow statement can give you an idea of your business's current financial health.

### **Revisit your cash flow projection periodically**

Cash flow projections are not fixed. Revisit your projection periodically or when markets change to see where you stand.

If there are **major differences or flaws** in the cash flow forecast, recalculate the numbers and do some research. **Identify issues** with your projection early to prevent major inaccuracies in the future.

### **To ensure accurate cash flow projection, consider variable expenses such as:**

Months with extra pay or expensis checks

Sales variations during high sales seasons

The months expenses increase when premiums are due (e.g., insurance)

Seasonal hiring of additional workers

A good guiding principle is to not project too far into the future.

## E. Emphasize Human Resources Management

- Show how you can attract & recruit
  - Skilled, QUALIFIED & COMPETENT staff
  - With the Right APTITUDE & ATTITUDE
- Include
  - Organizational structure
  - Clear Human Resource requirements
  - Outsourcing Strategies.
- Will an Investor:
  - Find a business with purpose and no over diversification?
  - Buy your business because they love the business?
  - Understand how your business generates profits?
  - Find a well-managed and productive business?

## **F. Get Outside Help**

- To gain greater OBJECTIVITY & PERSPECTIVE
  - Hire outside Consultants & Professional Advisers to review your:
    - Business Strategy
    - Financial Plan;
    - Operational & Technology Systems; and,
    - Sales & Marketing Strategy

## **G. You should do the first draft of your Business Plan**

- As you're closest to your own business's reality
- NETWORK with your industry peers at INDUSTRY & BUSINESS EVENTS
- Seek-out experienced individuals who can provide MENTORSHIP
- A Consultant can revise your plan to help you make a stronger business pitch to investors & the market