**HEC 106: Business Planning**

**Course description**

Business planning is critical in the achievement of business objectives and hitting targets. This Business Planning course provides a thorough grounding in how to create, measure and implement a business plan. Students will cover the key strategic, planning and budgetary issues for implementing a successful business plan and have the opportunity to review the initial stages of their own plans using their own real data.

**Course Objectives**

This course will assist the student to;

1. Appreciate the importance of a business plan when starting up a business.
2. Acquire knowledge needed to prepare a great business plan.

**Learning outcomes**

At the end of the course, the student should be able to;

* Prepare a great business plan according to the principles and skills acquired
* Use a business plan as a tool for in making business decisions

**Detailed Course Content**

**Introduction to a Business plan**

* Understanding a Business Plan
* Importance of a business plan
* Users of a business plan
* General principles

**Company description**

* Business name, registration, founders, address, type of business
* Business form (sole proprietorship, partnership, corporation)
* Vision, Mission, Goals and Objectives

**Product/ service description**

* Product/ service
* The features and benefits of the product or service
* The solution the business will offer to the marketplace

**Customer analysis**

* Target customers (Individuals - age, gender, socio-economic characteristics, etc..; Corporations - size, industry, etc...)
* Customers need or want
* Location of customers

**Competitor analysis**

* Direct or indirect competitors
* The strengths and weaknesses of your competitors
* Positioning a business with the competitors

**Business strategy**

* SWOT analysis
* Your competitive advantage
* Business strategy (cost leadership, differentiation, focus)

**Industry analysis**

* What industry does the business represent?
* What are the industry conditions (expanding, declining, new, mature, etc....)?
* Entry barriers to the industry

**Operating plan**

* Input factors needed (materials & equipment)
* Production process
* Quality control
* Record keeping and procedures
* Credit policies and procedures

**Management plan**

* Key personnel
* Their background (Industry and management experience)
* Organisation chart
* Number of employees at start
* Remuneration structure

**Marketing Strategy**

* Pricing strategy
* Product strategy
* Promotion and advertising strategy
* Place (Distribution) strategy

**Financial plan**

* Start-up requirements/ costs
* Financing plan
* Projected sales
* Projected expenditure
* Projected Profit and loss statement

**Critical risks**

* Pre-launch phase
* Post launch phase

**Executive summary**

* Definition of an executive summary
* Importance of an executive summary
* Format of an executive summary

**Mode of Delivery**

* Straight Lectures
* Class Discussions and Assignments
* Practical Sessions

**`Mode of Assessment**

Tests & Course works 20

Practical Sessions 10

End of Semester Examination 70

**Total mark 100%**

**Reading List**

Bhide, A (1996), “*The questions every entrepreneur must answer*”, Harvard Business Review, PP 120-32.

Bishwanath, G. (2000). *Entrepreneurship Development in India*, National Publishing House, Jaipur and New Delhi

Gupta, K. (2003). *Entrepreneurship and Small Business Management*. Sultan Chand and Sons.

Sahlman, W. A. (1997). “*How to write a Great Business Plan*”, Harvard Business Review, Vol. 75, No. 4, PP 98-108.

Verma, J. C. &l Singh, G. (2002). *Small Business and Industry – A Handbook for Entrepreneurs*. New Delhi, Sage.

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