



# Engineering Entrepreneurs' Program

[www.engr.ncsu.edu/eep](http://www.engr.ncsu.edu/eep)

## **Business Planning Part 1**

Dr. Thomas K. Miller III  
Dr. Stephen J. Walsh, PE



Monday February 10th

*Marshall Brain*

(MarshallBrain.com)

Entrepreneur

Founder of 'HowStuffWorks.com'



# Team Assignment

Due Wednesday, February 12th

## Create:

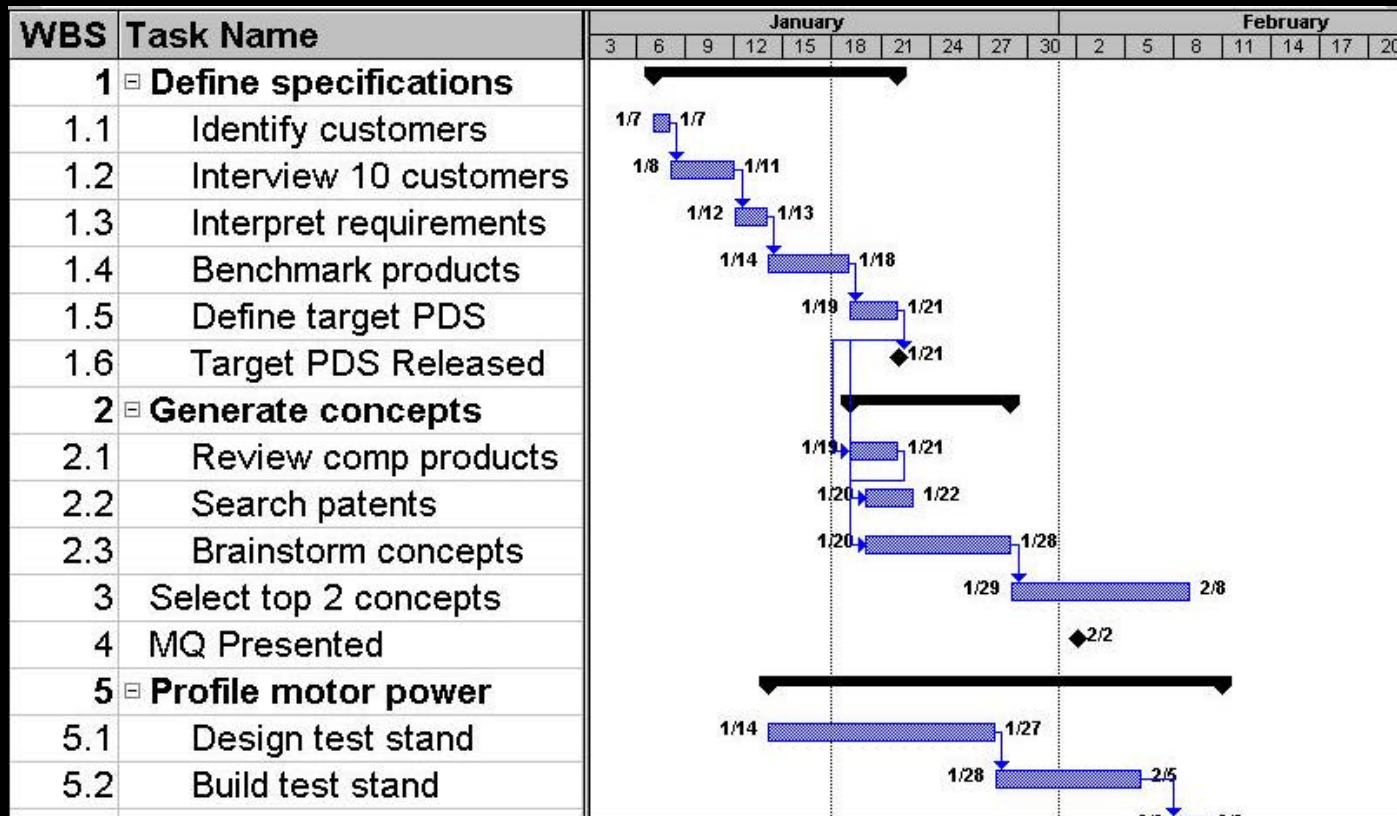
1. A Project Plan Template & start to fill it in
2. A 'Base-line' Gantt-Chart for your project  
(Your weekly Gantt-Chart updates are due every Wednesday)

Note: Your Project Plan and Gantt-Chart(s) will be display on your team's portion of the EEP website ([www.engr.ncsu.edu/eep](http://www.engr.ncsu.edu/eep)).



# Project Management Tools

## Example Gantt-Chart





# Contents of a “Typical” Project Plan

- Title Page: Team name and logo, author/editor name, team member names, creation date, last edited date, property of..., page numbers and a disclaimer)
- TOC (Table of Contents)
- LOF (List of Figures)
- LOT (List of Tables)
- The Problem Statement
- Objectives – “Statement of Scope”
- Schedule – Milestone based with explicit ‘Exit Criteria’ for each milestone (embed a copy of your Gantt-Chart)
- List of Deliverables – Milestone based
- Specifications: Functional, Design, and Test/Verification
- Needed resources – people, equipment, facilities, etc...
- Projected Costs
- Organization chart with explicit responsibilities (yes, everyone!)
- Known “Risks” and contingency plans
- Control procedures



# Business Planning Part 1

## What is a Business Plan?

A Business Plan is a story that describes...

What? .....you are doing,

Why? .....you are doing it, and

How? .....you are doing it.

## Where do you start?

Start with the end in mind...

... then work backwards!

An Example: 'The Anatomy of a Tennis Racket'



## 'The Anatomy of a Tennis Racket'

**First:**

Go to your neighborhood sporting goods store and find the aisle with the tennis rackets

**Second:**

Ask yourself the question *'What had to happen in order for this tennis racket to be on this shelf?'*



# Business Plan Table of Contents

- Executive Summary
- Business Strategy & Management Team
- The Market
- The Product & Service
- Sales, Promotion, and Distribution
- Issues, Opportunities and Risks
- Financials
- Appendix A – Management Resumes
- Appendix B – Market Analysis Data
- Appendix C – ‘WhateverElseYouThinkOf’
- List of Figures
- List of Tables



# Business Plan Table of Contents con't

## Executive Summary

Introduction

Management

Markets, Customers & Competition

Product & Service

Financial Projections

Financial Requirements

Challenges & Milestones

Note: The Executive Summary is your resume.

If you do not hook them here, then they will not read on!



# Business Plan Table of Contents con't

## Executive Summary

### Introduction

In this section you provide a “50,000 ft” view of:  
How the company is organized;  
What the company does; and  
Why it does it.



# Business Plan Table of Contents con't

## Executive Summary

### Management

In this section you provide the Names, Titles, Roles-Responsibilities of the Management Team.

**NOTE – THIS IS NOT THE RESUME SECTION, IT SIMPLY STATES WHO DOES WHAT.**



# Business Plan Table of Contents con't

## Executive Summary

### Markets, Customers & Competition

In this section you describe:

Size of the market

Your target share of the market

Who will buy from you

Who is your competition

Rookie mistakes:

- The market size is \$500 Billion and I can get 1%. So, I have a \$500,000,000 business
- We have a revolutionary product and, hence, have no competition



# Business Plan Table of Contents con't

## Executive Summary

### Product & Service

In this section you provide a **brief** description of what you are going to sell – note that this includes “customer service.”



# Business Plan Table of Contents con't

## Executive Summary

### Financial Projections

In this section you provide a “50,000 ft” view of your revenue streams over the next 3 to 5 years – include your breakeven point.

(aka ‘The Land of Make-Believe’)



# Business Plan Table of Contents con't

## Executive Summary

### Financial Requirements

In this section you provide a “50,000 ft” view of what you intend to do with the funds you raise. .



# Business Plan Table of Contents con't

## Executive Summary

### Challenges & Milestones

In this section you brag a bit about what you have accomplished to date and what challenges appear on the horizon.



# Business Plan Table of Contents

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The rest of the Business Plan provides details and data to support the Executive Summary



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# End of Business Planning Part 1

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