



Business Planning Module Instructor's Guide

This course will be interactive with hands-on activities focusing on budgeting and saving aspects to help students have a better financial footprint. Participants will receive take-home materials to allow for other household member involvement in order to keep the lines of communication open about the impact finances have in their daily lives.

Objectives:

1. Clarify some of the myths and realities of small business ownership.
2. Start a self-assessment to determine your readiness to become a small business owner.
3. Set a plan of action to complete your self-assessments by seeking feedback from stakeholders, such as family, friends and potential customers.

Course Structure: The structure has been built for a 60-minute class. The following is the class outline.

- Students arrive and sign in. Course should start promptly at given time.
- Classroom introductions with Ice Breaker activity (5 minutes)
- Lesson: Business Planning (45 minutes)
 - Activity 1: What Is YOUR Motivation? Worksheet
 - Activity 2: Roots of Power Self-Assessment Worksheet
 - Activity 3: Planning Stage Self-Assessment Worksheet
- Conclusion: Q & A and filling out class evaluation/survey (10 minutes)
- Students should receive take-home course material and course completion certificate.

Included in this packet: PowerPoint presentation, class sign-in sheet, in-class handouts, take-home summary sheet, class certificates and student assessments.

In-class handouts:

- What Is YOUR Motivation? Worksheet
- Roots of Power Self-Assessment Worksheet
- Planning Stage Self-Assessment Worksheet
- Class summary sheet

Additional materials needed:

- Laptop, projector
- Writing utensils – pens, pencils, dry erase markers/chalk

Curriculum sources are the Federal Deposit Insurance Corporation, US Small Business Administration and Purdue University Extension.

CLASS ACTIVITIES

Icebreaker: Myth and Realities (5 minutes)

- GOAL: Evaluate the truth about business planning versus our assumptions and myths.

True or False	Answers	Presentation Notes
1. Starting a new business can be a huge personal sacrifice for your family.	True	Be honest with your family about the realities of this endeavor. You will be working long hours!
2. There are a lot of emotional ups and downs.	True	Business ownership is unpredictable. One day you sign a big client, and the next day equipment can break or a staff person can quit.
3. You have to “get it right” every time.	False	Successful business people make a lot of mistakes before they get it right. New situations come up that you cannot anticipate. The best you can do is to reduce or mitigate risks; keep growing and selling your business.
4. You do not need a big cash reserve to be successful.	It depends	It depends on start-up costs, how quickly you bring in sales, and so forth. It is a good idea to have at least six months of cash reserves on hand after you open your doors. You also need access to capital.
5. After about a year, you can relax and enjoy the profits.	False	Business owners rarely get to “relax” because they are constantly growing their businesses. You will need to pay off debt and reinvest profits to grow the business.
6. It is easy to get loans for a great idea.	False	It takes preparation, a business plan and a good credit score. Develop a relationship with a loan officer well before you need to ask for a loan.
7. Successful entrepreneurs do it all themselves.	False	You need advisors and peers to guide and coach you every step of the way.
8. You will not have a boss.	False	Your customers are your bosses. They can be demanding. You need to comply with licensing boards and other legal regulations, which are also demanding.
9. You will have more freedom, control and work-life balance.	False	You will be working or thinking about your business 24/7.
10. Starting a business is risky.	It depends	Although there is risk in starting a business, successful business owners tend to avoid risk. They will do everything they can to minimize risks.

- MATERIALS: None
- INSTRUCTION:
 1. Read the list of myths and realities from the slide. (see Slide 5)
 2. Accept participant answers. Then, use the above table to clarify the reality in regards to each statement.
 3. If time, read the additional questions listed in the notes section of slide 5.
 4. Repeat Step 2.

Activity 1: What Is YOUR Motivation? Worksheet (7 minutes)

- GOAL: To identify your sources of motivation.
- MATERIALS:
 - What Is YOUR Motivation? Worksheet
 - Writing utensils, pen or pencil
- INSTRUCTION:
 1. Consider the following statements.
 2. Rate each statement according to the level at which they motivate you to start a business. (High, Medium or Low)

Activity 2: Roots of Power Self-Assessment Worksheet (10 minutes)

- **GOAL:** To determine your competencies in the realm of small business and to use this knowledge to begin developing an action plan.
- **MATERIALS:**
 - Roots of Power Self-Assessment Worksheet
 - Writing utensils, pen or pencil
- **INSTRUCTION:**
 - Read the following 40 statements, which describe some competencies that successful business owners tend to share.
 - Rate yourself (High – Medium – Low) on each statement.
 - Start this self-assessment in class beginning with the People Power and Sales Power categories. Finish this self-assessment on your own at home. Be sure to ask some trusted advisors, family and friends for feedback on what they see as your strengths and areas needing more development.
 - Use the Start-Stop-Continue Action Planner portion of the worksheet as a follow-up to your Roots of Power Self-Assessment in order to identify the actions you want to START, STOP, or CONTINUE.

Activity 3: Planning Stage Self-Assessment Worksheet (10 minutes)

- **GOAL:** To determine where you are in your business planning process.
- **MATERIALS:**
 - Planning Stage Self-Assessment Worksheet
 - Writing utensils, pen or pencil
- **INSTRUCTION:**
 - Read the following statements, which describe parts of the business planning process.
 - Determine if each step is Complete, In Process or Not Started (Yet).
 - There are no wrong answers. This list helps identify your stage in the planning process for starting a business. This assessment can serve as a basis of your following action plans and can help you identify your next steps in developing and implementing your business plan.