Business Planning for Dummies

students who are not

Clemson Covid Challenge
May 28, 2020
Big Picture

• Last Week: Identifying Problems Worth Solving - John D. DesJardins
• Next Week: Tips for Creating a Quality Video Pitch - Adobe
• This Week:
  • Introduction to IP - Delphine Dean
  • Business Planning and Pitching - Reed Watson
Business Plan - Elements

- **Business concept.** Describes the business, its product and the market it will serve. It should point out just exactly what will be sold, to whom and why the business will hold a competitive advantage.

- **Financial features.** Highlights the important financial points of the business including sales, profits, cash flows and return on investment.

- **Financial requirements.** Clearly states the capital needed to start the business and to expand. It should detail how the capital will be used, and the equity, if any, that will be provided for funding. If the loan for initial capital will be based on security instead of equity, you should also specify the source of collateral.

- **Current business position.** Furnishes relevant information about the company, its legal form of operation, when it was formed, the principal owners and key personnel.

- **Major achievements.** Details any developments within the company that are essential to the success of the business. Major achievements include items like patents, prototypes, location of a facility, any crucial contracts that need to be in place for product development, or results from any test marketing that has been conducted.
GOLDEN CIRCLE

Why: Do you do what you do?
What is the purpose?
BELIEFS

How: Do you do what you do?
PROCESS

What: do you do?
RESULTS

#forginabetteryou
GOLDEN CIRCLE

Why: Do you do what you do? What is the purpose?
BELIEFS

How: Do you do what you do?
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RESULTS

#forginabetteryou
You're only Six degrees away from everyone...

Six Degrees Social Engine
The Most Exclusive Invite Only Social Network Where You Will Meet Amazing People Based on Your Interests

Six degrees of separation is the idea that all living things and everything else in the world is six or fewer steps away from each other so that a chain of "a friend of a friend" statements can be made to connect any two people in a maximum of six steps.

- Wikipedia

Build a Professional Networks or start up a group of friends based on your common interests. The Internet has opened our world now let it open its opportunities to you.
GOLDEN CIRCLE

Why: Do you do what you do? What is the purpose?
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#forginabetteryou
Why?

• Experience/resume building
• Networking
• Quarantine-induced boredom
• Make money
• Help people
How?
What you are deeply passionate about

What you can be the best in the world at

What drives your economic engine
GOLDEN CIRCLE

Why: Do you do what you do? What is the purpose? **BELIEFS**

How: Do you do what you do? **PROCESS**

What: do you do? **RESULTS**

#forginabetteryou
Additional resources

• Simon Sinek – How Great Leaders Inspire Action
• Jim Collins – Good to Great
How Good-to-Great Companies were Selected

The good-to-great companies were selected through a careful evaluation process that began with 1,435 companies taken from Fortune 500 lists since it began in 1965.

Screening Process for Selecting Good-to-Great Companies

Cut 1
1,435 companies
Selected from the Fortune 500, 1965 - 1995

Cut 2
126 companies
Selected into full CRSP data pattern analysis

Cut 3
19 companies
Selected into industry analysis

Cut 4
11 companies
Selected into good-to-great set

Main Test
11 Elimination Criteria
Industry Comparisons
Cumulative Stock Returns of $1 Invested, 1965 – 2000

- Good-to-Great Companies: $471
- Direct Comparison Companies: $93
- General Market: $56
### Good to Great: The Entire Study Set

<table>
<thead>
<tr>
<th>Good-to-Great Companies</th>
<th>Direct Comparisons</th>
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<tr>
<td>Abbott Laboratories</td>
<td>Upjohn</td>
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<tr>
<td>Circuit City</td>
<td>Silo</td>
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<td>Fannie Mae</td>
<td>Great Western</td>
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<td>Gillette</td>
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<td>Kimberly-Clark</td>
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<td>Eckerd</td>
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<td>Wells Fargo</td>
<td>Bank of America</td>
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**Unsustained Comparisons**

- Burroughs
- Chrysler
- Harris
- Hasbro
- Rubbermaid
- Teledyne
Breakthrough!

Buildup...

Level 5 Leadership
First Who Then What
Confront the Brutal Facts
Hedgehog Concept
Culture of Discipline
Technology Accelerators
Discovered People
Discovered Thought
Discovered Action

Flywheel