

Chapters for Handbook

1 Being an entrepreneur

One of the most frequently asked question is: *“Which properties do you need to run a successful business or to be a successful entrepreneur?”*

Obviously the opinions differ from each other, but the basic or most common principles are the same. You need:

- Eagerness for independence
- Innovative spirit
- Healthy risk appetite
- One's own initiative
- Impulsiveness
- Achievement- orientation
- Social authority
- Emotional stability

Some of the clearly stated Pros and Cons of being an entrepreneur are named exemplary in the following chart:

Pro +	Contra -
To be a free agent	Often a lot of work
You meet new people	You have to be confident also in hard times
To socialize	Sometimes it's hard to calm down or keep calm
It's diversified	

2 Businessplan

2.1 Introduction

Every business starts with an idea. But when you have this idea you must structure and organize it to improve your chances of success. You have to think about its advantages and problems, about your finances, about your customers and much more. Because of that you should write a business plan which explains everybody your future company. This work will maybe also show you the dangers and difficulties in your idea and help to eliminate them.

2.2 Chief contents

Part 1 - Business Idea

- (1) Describe your business idea.
- (2) Describe the different types of product/ service you are going to be selling (e.g. colour, sizes).
- (3) Find a business name and explain your decision.

Part 2 – Customer Group/ Target Market

- (4) Describe your typical customer (how old, how much they earn, where is he living...).

(5) How many customers are you waiting to buy from you?

Part 3 – Customer Relations

(6) Explain your communication policy (How do you want to present your product to the customers – newspaper, internet...).

(7) Find a strapline, a catchy phrase that goes with your business name (e.g. “Cadbury’s Crème Egg – how do you eat yours?”).

(8) How will your product be delivered to your customer?

Part 4 - Competitor Analysis

(9) Describe your competitors.

(10) SWOT analysis

Strengths (positive things about your business)	Weaknesses (things that could mean you struggle to make your business work)
Opportunities (external factors you can take advantage of – e.g. changes in law or market trends)	Threats (external factors that could affect how well your business do)

(11) Describe your unique selling point (What makes your product different from others? How will you show your customer that your product is the best?)

Part 5 – Key Activities

(12) Activities: Describe your first steps to realise your innovative idea.

(13) Resources: What do you need to realise your idea?

(14) Human Resources: Who do you need to realise your idea (employee)?

(15) Suppliers: Explain who you have chosen and what they will supply.

Part 6 – Back-up plan

(16) Think about changes that might be necessary in light of the SWOT analysis.

2.3 Explanations

Beschreibung der einzelnen Teile eines B.planes, orientiert euch an den Fragen, die in den einzelnen Parts als Hilfestellung stehen und erklärt, warum die Auseinandersetzung mit eben diesen Fragen wichtig ist. Gebt evtl. etwas Fachwissen dazu (z.B. aus den Businessplan-Anleitungen, die ihr vorliegen habt oder versucht's mal bei der Anleitung der Industrie- und Handelskammer; auch das Wirtschafts-Buch hilft ggf. weiter). Achtet bitte auf eigene Formulierungen, also Hände weg von copy&paste!

Part 1 - Business Idea

In Part 1- Business Idea – it's important to give an overlook of your product for your customers. In a short form they have to get all the important information about the product. For an entrepreneur it's necessary to know all the information by heart for always being ready to present your product/idea

in a short and easy understandable way. It's needful to know why the customer should have your product and what is the difference between your product and the product of the competitors.

Part 2 – Customer Group/ Target Market

Your product has to be customized to your customer so you need to have a very detailed description of your typical customer. You can have different selling strategies: either you want to get a very big number of person, because it's a thing everyone needs / uses (e.g. bed, phone, ...) or your product is intended only for a certain group of people (e.g. smartphone user, bus driving people,...). The fact that the sales figures sway with this decision is logical.

Part 3 – Customer Relations

The last chapter was for knowing your customer and his preferences. This chapter is about how to deliver your product to the customers, how you to draw attention to your idea. A funny and interesting slogan is always a very good opportunity to keep the product in mind for the customers.

Part 4 - Competitor Analysis

A competitor analysis is an assessment off the struggle and weaknesses of current and potential competitors. This analysis is an essential component of corporate strategy. Contingent on markets and industrial sectors such an analysis has a big influence of internal and external decisions. The aim of the competitor analysis is the prediction of the behavior of those competitors with which you could have an intense competition.

A famous method to create a competitor analysis is the so called "SWOT- Analysis". Here you focus on the strengths, weaknesses, opportunities and threats from your rivals:

- Strengths: Positive things about your business.
- Weaknesses: Things that could mean you struggle to make your business work.
- Opportunities: External factors you can take advantage of – e.g. changes in law or market trends.
- Threats: External factors that could affect how well your business does.

Part 5 – Key Activities

The Key- activities are those important functions a company has to operate, to stay successful on the market. Contingent on the industry or market the Key- activities are different. With these activities customers can be achieved, you maintain the relationship to customers and you are generating income.

Besides the Key- activities you also have Key- resources. Every business concept needs Key- resources, which are the reason why entrepreneurs can offer their products and services.

Key- activities and Key- resources are directly linked to each other, because these activities are made possible by the resources only.

Part 6 – Back-up plan

The Back- up plan is another essential part of a business plan. It is always necessary to anticipate with the worst and this is the reason why such a Plan B is so important. With a Back- up plan you can provide your business idea and often yourself in the worst case.

When you are writing such a Back- up plan it's recommended to incorporate every single topic from your business plan.

2. 4 Example (Students work)

Part 1 - Business Idea

(1) Describe your business idea

A device that is installed in the walls and on the floor that blows out air on one side and sucks it in on the other. With the air all the dirt gets sucked in. When the device is installed on the ceiling, spider webs can be prevented. The device can be controlled with a free app and is connected with the ventilation system. The device will make cleaning easier and faster than before.

(2) Different types of product

1. The BASIC system:

The BASIC system adopts to every kind of home and is controllable by an app that comes with the device. The customer gets an account and a password for the app so that only he can control his system. The BASIC system can be installed in new houses, with the system integrated into the wall and the structure of the building, just as well as in older houses, where the device is located outside of the wall. A grating can be installed as a protection for pets.

2. The SPIDER system:

The SPIDER system is installed on the ceiling where it can suck in spider webs. It can also be controlled by app and only sucks in air and does not blow it out. The SPIDER system can be combined with the BASIC system. The SPIDER system is connected with the ventilation system which blows the spiders out of the house without harming them. The system can only be installed in new build houses unless there is already a ventilation system installed.

3. The PRO system

The PRO system is used in factories, big rooms and schools. A grating is installed in the middle of the room that sucks in the air and the dirt. The second part of the system is installed in the walls where air gets blown out towards the grating in the middle of the room. The grating is protecting loose equipment from getting sucked in. A grating to protect animals in optional

(3) Business name

Click Click Clean

1. **Click** to open the app
2. **Click** to press the button 'Clean'
3. The room is **Clean**

This is not just the business name but also the name of the product

Part 2 – Customer Group/ Target Market

(4) Typical Customer

Our typical customers will most likely be around the age of 18+. Gender won't matter. Our customers will be a part of the upper middle class and live in a house or apartment. Especially pet owners who's pets loose hair will be interested in product. Also people with allergies, such as a dust or pet hair allergies, will be part of our typical clientèle.

(5) How many customers will we have

Especially factories, pet owners and families with many kids are just waiting for us to design this system. The number of our customers will increase year by year.

Part 3 – Customer Relations

(6) Communication policy

Advertisements will be launched in TV commercials, newspapers and flyers will be printed. Youtube videos will demonstrated what the device is able to do and pop up adds on social media will make even the young generation interested in the system. Billboards and free consultation will inform people who want to build a new house about the device and personal advisers will consult with customers who already own a house or apartment. Experts will be send to factories to inform them about the new system and cold calls will make sure that everyone knows about the new device. We would also like to cooperate with architects who can consult with new customers and help with the planning of the installation in new houses.

(7) Strap line

‘Click Click Clean’

- And the dirt is gone!

(8) Delivery

The device will be delivered by our company to the home of the customer where it will be installed by experts. Later on we will expand and let our own employees install the device.

Part 4 - Competitor Analysis

(9) Competitors

Our device is completely new on the market. The competitors that we have are the providers of cleaning robots and drivable cleaning machines

(10) SWOT analysis

- Strengths:

Our product does not just save time, but it is also very cost effective considering that you save the costs on cleaning products. The only costs coming up in the future are filters for the dirt, which are easy to change and to replace. Our product is easy to use because of its automatic function that can be controlled by app from anywhere. It is safe for pets and children and is ordable online.

- Weakness:

The product uses a lot of electricity and is expensive to install. You can't be in the room

when the device is working.

- Opportunities:

We could expand our products so bigger factories and schools could use it. We could also cooperate with companies who work on 'smart houses'.

- Threats:

Some people might like the old traditional cleaning. It would also cost some jobs because it takes away the cleaning, especially at schools and companies.

(11) Unique

We are unique because the installation and the app comes for free. The app is available for for Apple, Android and Windows Phone. Because of the app the system can be controlled from anywhere at anytime. Because of a device outside of the wall, people who have an old house without a ventilation system can use the product as well. Our idea is unique because it makes cleaning so much easier and is save for pets and children

Part 5 – Key Activities

(12) Activities

Consult with experts who we need to help us build the device and figure out technical details. Also we need to talk to sponsors and architects.

(13) Resources

We would need customers who are willing to try something new. We need the technique and the experts to build and to install it. We also need some money to launch our project. We need suppliers to build the device.

Part 6 – Back-up plan

(15) Changes

Maybe we have to install a grating in houses and smaller rooms as well if the power of the duster is not strong enough. (This is why we need technical experts to figure out details about the system)

(16) Saving money

We could offer updates that the customers have to pay for. Such as a faster installation or the newest technology update.

(17) Changes in the future

We could expand world wide and cooperate with companies who work on smart houses.

Summary: What did we learn

We learned that it is important to always be focused on your plan and that there are many things that you have to consider. An idea is not just an idea. There are many factors that you have to keep in mind, such as, is the technology to make your idea come true available or would you have to invent a completely new system.

We learned that you have to take a closer look at the market more than anything else and that the best idea is useless if the market isn't asking for a product like it. Money is always an issue and if a sponsor does not like your idea, you have almost no chance to start a successful business.

Furthermore, we found out that there are many things to consider that we didn't even think about in the beginning. When you have a great idea, you don't think of all the problems that might be in your way.

There is a long way with many obstacles between having the idea and actually producing the product.

3 Lessonplan

Lesson 1: Being an entrepreneur

Time	What you do	What you need
5'	<u>Access:</u> Show the picture; Students may guess what the topic is → Topic: Entrepreneurship	Picture (Material 1)
10'	<u>Phase 1</u> Collect important characteristics of an entrepreneur in a mindmap. → Passion, Perseverance, Resourcefulness, Open-Mindedness, Spongelike Nature, Aspire Independence, Eagerness for innovation, Risk disposition, achievement orientation, self-initiative, social competence, emotional stability	
10'	<u>Phase 2</u> Read the Text → Why do we need enterprises? → jobs, competition and structural change, innovation, freedom and stability	Text (Material 2)
65'	<u>Phase 3</u> Now you should find your own business idea. <ul style="list-style-type: none"> • Divide the class in groups of four students • Each group gets one dice, one game instruction and the cards. → A.) Play the game. → B.) Use the outcome of the game to create your business idea. → C.) Present your ideas in the class.	Game Instructions (Material 3) Cards (Material 4) Dice with 24 sides

Material 1

<http://www.bpb.de/izpb/8531/organisation-von-unternehmen?type=galerie&show=image&k=2>
(modified)



Material 2

<http://www.brainyquote.com/quotes/quotes/w/winstonchu165926.html#rVseRAclx4450KKv.99>

"Some people regard private enterprise as a predatory tiger to be shot. Others look on it as a cow they can milk. Not enough people see it as a healthy horse, pulling a sturdy wagon."

[Winston Churchill](#)

Material 3

Game instructions - Being creative!
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What I'd do for an idea...

Creativity is the foundation for groundbreaking innovations. But how can you come up with a good idea? The will the do so is crucial. With this game you can train your inexhaustible and determined thinking.

Goal of the game.

Get out of tricky situations and solve problems. This game has no loser, only winners who wonder about the world around them. No idea is too unrealistic, no idea is too erroneous and weird. The goal of the game isn't the perfect solution, but rather A solution. You can always optimize that solution in the end if you wish to do so.

Starting situation

Your grandma gives you a decent amount of money for your graduation. You and your friends decide to use that money to go on a 3 month long trip around the world but unfortunately there is no time to expand your budget and to buy things that you could need on your trip.

The process of the game

Roll the dice with the numbers on it first. For every number on the dice is a problem in your pamphlet that needs to be solved.

Mix the cards an pick 5 cards by random.

Those five symbols are the items you can use to solve the problem.

Alternative 1: Look through the list of problems and chose a problem that you want to solve

Alternative 2: Start with problem 1 and solve each problem after the other

Alternative 3: Make up a problem and solve it with your 5 items.

Problems:

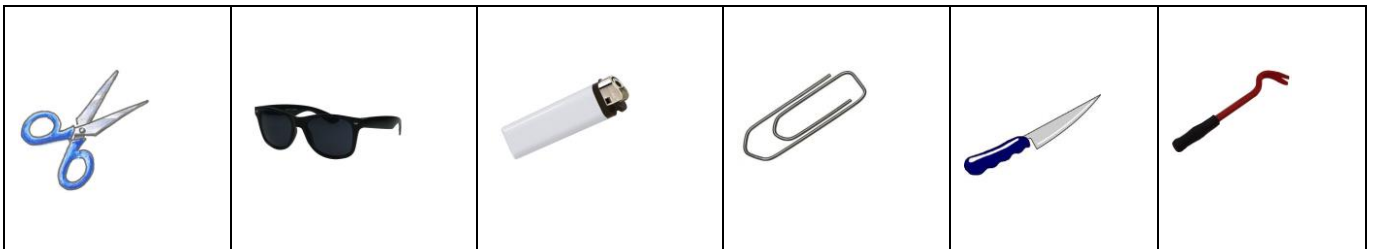
1. You are on a trip around the world. Your journey starts on a beautiful Caribbean island, the water is crystal clear and the sun is making the ocean sparkle. It would be perfect if there wouldn't be all those mosquitos which are just waiting to bite you but you won't let them ruin your adventure. Construct a device out of your five things to get rid of the nasty blood suckers.
2. You are on an island and you are running out of food, unfortunately there is no grocery store on the island. What will you do to get food?

3. Unfortunately you are missing the last ferry which could get you off the uninhabited island. Now that you are stuck in paradise you are slowly running out of food and you haven't found a fresh water spring yet either. What could you do to get the attention of a potential saviour?
4. The screen of your travel companion's smart phone cracked after it fell in the ground. Your phone is the only one left. What could you do to protect it from the same doom?
5. At night the cockroaches are bothering you. How could the five things help you keeping them away?
6. Not everyone was as smart as you guys when the mosquito attacked them. Another group of backpackers is infected with a contagious virus. How can you protect yourself and your companions from that infection?
7. You are stranded in the Atacama desert and you ran out of sunscreen. How can you protect yourself and your companions from the burning sun?
8. You guys are bored out. Think of a game that could be played with those 5 items.
9. On a hike you are tripping and falling in a 5 meter deep hole. On the bottom you find 5 things. Can you use them to get back out of the hole?
10. One of your companions has broken his arm. Can you use your 5 items to patch him up?
11. Your adventure is leading you to the rainforest. Unfortunately you got lost in the jungle and you have to spend the night in the wild. How can you protect yourself and your companions from being the midnight snack of a wild animal? Try to build an alarm system.
12. You are still trying to find your way out of the rainforest. When you are already thinking that you have to die of thirst you find a coconut. How can you crack it and drink the juice without losing any of it?
13. A wild, fast flowing river is between you and a comfortable bed in a luxury hotel. All of you can swim but you don't want to risk anything any more. How can you make it to the other side of the dangerous river?
14. The luxury hotel was too expensive but you still want to get some relaxation with the 5 simple things you got.
15. While lying on the beach in Tonga you realize that you are out of money. How can you make money out of the 5 things to get to your next destination?
16. The money is barely enough for a ride on a freighter. When you try to get on the ship, the gateway is shaking and you lose your luggage, including your phone, your money and your passport. The Capitan refuses to take you with him without money and passport. How will you get to the 150km far away German embassy?
17. You have enough of adventures and you want to go home but you promised your grandma to bring her something from your trip. What can you make out of your 5 items?
18. Finding clean water to drink was a struggle on your whole trip. But the people who live in the countries that you visited have to deal with that problem day by day. How could you change that?
19. The pollution of the oceans is a problem for animals, humans and plants. How could you change something about that with your five items?
20. We are all wasting energy day by day. Germany spends about 14 billion Euros a year on wasted energy. How can the five items help us to save some energy at home?
21. It's your little cousin's birthday and you forgot to get him a present. What can you tinker out of your 5 items that could work as a toy for someone who is in kindergarten?
22. Construct a unique thing for your home that everyone else will be jealous about.

23. Create a present for the pope.

24. Think of a problem that you could solve with your 5 items.

Material 4



Lesson 2 and 3: Writing a business plan

Time	What you do	What you need
5'	<p><u>Access:</u></p> <ul style="list-style-type: none"> ➔ Imagine you are at a founder workshop and have to convince investors to give money to your company. ➔ Short input about how to come from an idea to a marketable product or service. ➔ To be successful you need a business plan. 	Material 1
175'	<p><u>Phase 2</u></p> <p>Come together in the groups from the last lesson.</p> <p>Step One: Take your idea from the previous lesson and develop further. The poster might help you to find good ideas. Note your ideas at the poster.</p> <p>Step Two: Write your ideas down in whole sentences. Split up the chapters so that everybody writes a part of the business plan.</p> <p>Step Three: Prepare placards to present your business idea.</p>	<p>Poster (Material 2 in DinA1)</p> <p>Business plan (Material 3 in digital version)</p> <p>Each group should get computers to write down the final version of the business plan. For the final presentation it will be useful to print the whole business plan.</p> <p>Each group should get placards.</p>

Material 1

Page 1

“Building a business is not rocket science, it’s all about having a great idea and seeing it through with integrity.”
Richard Branson



<http://www.wojonutrition.com/wp-content/uploads/start.jpg>

Page 2



Rudolph, Sascha: A brief analysis of successful Entrepreneurship (2016)

A great idea!



• Step 1: Find an idea!

- Solve a problem (e.g. How can I recharge my mobile phone without a socket-outlet? → use solar energy)
- Find a market gap (e.g. a special app → an app, which brings together different food delivery services)
- Discover a trend (e.g. smart watches)

https://i2.ftcdn.net/jpg/00/72/56/17/160_F_72561752_hTZmLN2DCXqhwIGALTfnXKQwVI3bwnCT.jpg

• Step 2: Find the way you are going to make money out of the idea!



- selling the produkt
- in-app advertising
- commission for your service

<http://www.mahatma-netzwerk.de/wp-content/uploads/2014/05/geld.jpg>

Know the market!

- Outline the market (e.g. size, country, price...)
- Find the competitors.

Porter's Five Forces Model of Competition



<http://www.sanasecurities.com/sites/default/files/Porter%20Five%20Force%20Model.png>

Know your customer!

Describe your customer:

→ age, income, family status, personal moral concepts ...

Think about the way to contact your customer:

→ advertisement in newspapers or on TV

→ presentation of your product at special events

→ using social networks

...



<http://www.roundtable.com/lib/image/audio/Find-Customers.jpg>

Identify and manage the risks!

Potential risks:

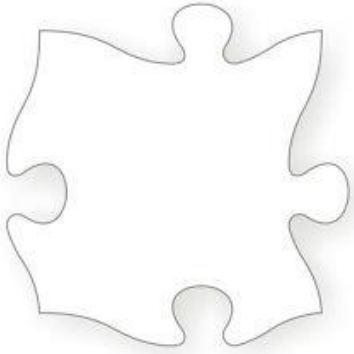
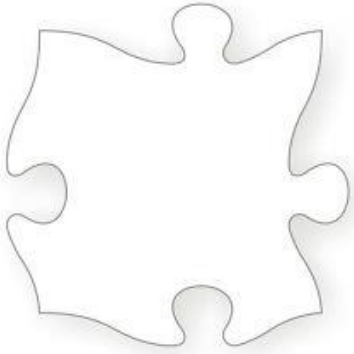
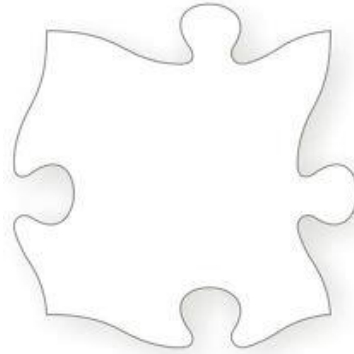
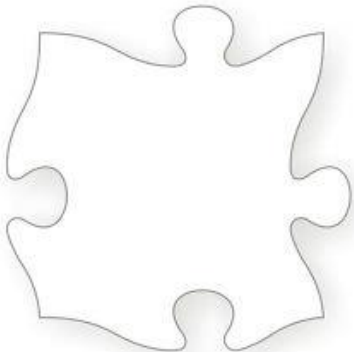
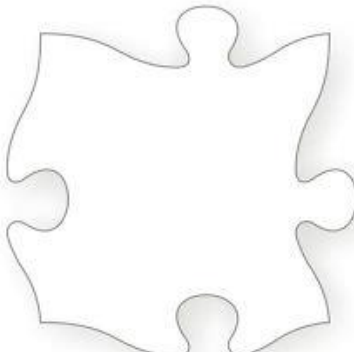


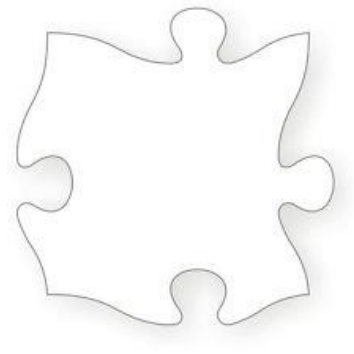
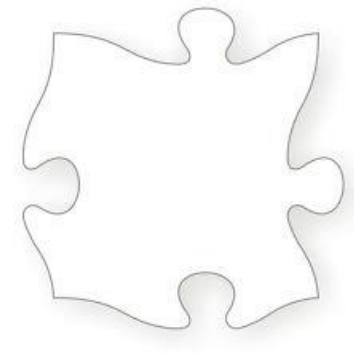
- No demand for your product or service
- No functional technology
 - Change of legal restrictions
 - No money
 - ...



http://i.investopedia.com/dimages/graphics/risk_management.jpg

Material 2

Further development of your idea!

 <p>Describe your idea!</p>	 <p>Describe your customer!</p>	 <p>Find a strapline!</p>
 <p>Who might be your competitor!</p>	 <p>Find a business name!</p>	 <p>Describe different types of your product!</p>
 <p>Describe in a few words what makes your product useful for customers!</p>	 <p>What do you need to realise your idea?</p>	 <p>Think about people who might be helpful for you!</p>

Material 3

Business plan

Part 1 - Business Idea

- (1) Describe your business idea.
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Part 3 – Customer Relations

- (6) Explain your communication policy (How do you want to present your product to the customers – newspaper, internet...).
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- (8) How will your product be delivered to your customer?

Part 4 - Competitor Analysis

- (9) Describe your competitors.
- (10) SWOT analysis

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(15) Suppliers: Explain who you have chosen and what they will supply.

Part 6 – Back-up plan

(16) Think about changes that might be necessary in light of the SWOT analysis.

Lesson 4: Presentation of business plans

Time	What you do	What you need
10'	<u>Phase 1</u> Each group prepares themselves to present their ideas.	Movable walls
50'	<u>Phase 2</u> Each group leaves one expert with the presentation while all the others walk around and look at all the ideas. The chosen expert answers questions and the gets a feedback on the idea.	If you know external experts ask them to visit the exhibition and give feedback to the students.
30'	<u>Phase 3</u> Come together in the group. The external experts (or the class) might chose the winner of the founder workshop. Feedback Possible Questions: <ul style="list-style-type: none">➔ What did you like best within the last lessons?➔ What did you learn?➔ What do you want to be changed?➔ What did surprise you?➔ ...	Little present for the wining team