

Project Manual ‘Junior Enterprise’ IBMS

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Some Rules of Appropriate Behaviour in Project groups

- **Always attend the meetings of your Project group and task group to which you have been assigned**
- **Be in Time**
- **Be prepared for the subjects to be discussed, in particular when decisions have to be made**
- **Show a positive and interested attitude towards your project and towards the other group members, therefore:**
 - **Have paper and pencil on the table, as well as other relevant documents or materials**
 - **Take off your coat**
 - **Put your bags on the floor**
 - **Listen with an open mind to your fellow project group members**
 - **Be polite and friendly**
 - **Switch off your mobile phones, take the earplugs out of your ears**
 - **Make a table card and put it before you at the start of every group meeting in the first block.**

1. Introduction

The Junior Enterprise project provides you with the challenging opportunity to put your study of entrepreneurship into practice as early as in your second year of studies. Within competency-based education this project logically follows from the projects in the first year Prince2 Project Management.

Mastering a large number of aspects of entrepreneurship is one of the professional competencies – contained in the professional profile of the IBMS student – which you should have acquired at the end of your education. For this reason the project fits very well in the second year of the study programme. Besides you now almost have 11/2 year of study behind you in which you acquired a lot of knowledge and understanding in Business and Management subjects.

Under guidance of the coordinating lecturer and during the entire semester, groups of 8-10 students will prepare, implement, run and terminate a so called 'Junior enterprise'. Which type of enterprise the students will be running is the decision of the group of students within the range of the criteria set by the IBMS.

Every group has its own *coach*, who is a lecturer of IBMS. One hour per week the group or its representatives meet with their coach. All other meetings are planned and organized by the group itself according to the general Week-schedule that is presented in this manual.

The total project period runs from November 2010 up and until the end of June 2011.

Closely following the guidelines of this Project manual the group plans and executes all relevant activities during all stages of their Junior Enterprise, in order to establish a thriving and financially and legally healthy business in which actual surplus value is generated.

In block 2, the first block of the project, you will design a Business Plan for your Enterprise as well as perform all the preparations to start the business. In the next blocks you will DO business, buy and sell goods or services and make money and profit.

We believe that you are capable, together with your fellow students, of shaping and materialising this entrepreneurial project on your own accord with the help and guidance of your coach and this manual, which first and for all helps you to plan your activities. Read this project manual carefully, so that you know what is expected from you and you will be able to realise a good result for the enterprise at the end of semester 4. Also read the Project Management Manual carefully before you and your group get to work on the 'Junior Enterprise' project. When it comes to 'content activities' (eg. market research, formulating legal documents, setting up financial statements etc.) the manual will refer you to sources like the literature you already studied during your classes but you may also have to study new material like websites and other supporting sources. Most of the time these materials are mentioned as footnotes in the text or you will be referred to Annexes or forms in this manual. In a number of cases you will be referred to materials you will find in your Junior Enterprise project environment in N@tschool.

In general the manual has the following organizational setup:

First the general stages and milestones (including the major products or activities) of the project will be elaborated per stage and in their chronological order (Chapter 2).

The (legal and financial) organization of the Junior enterprise in Chapter 3.

In Chapter 4 the internal organization of the Junior enterprise is discussed.

Chapter 5 contains a detailed week schedule based on the general chronological order already described in Chapter 2. In this schedule you will also see the announcements of supporting activities, like specific courses or classes which are organized to support specific functionaries of the Junior Enterprises to perform their tasks well.

In Chapter 6 the assessment model for the Junior Enterprise project is elaborated.

In a number of cases forms have to be elaborated and filled in or reports have to be written.

The manual contains a separate section in which you will find templates for the Forms (Chapter 7).

There is also a separate section in which the main written products (reports) of the company are elaborated, including the requirements for them, which will be assessed by your coach (Chapter 8).

At the end of the manual you will find documents or websites which you can use for additional information and guidance in the fields of business planning, personnel management, conflict solving etc. They will be presented under the annexes of this manual.

During the entire Junior Enterprise project we will make full use of our electronic learning environment N@tschool and in particular the project environment facilities. N@tschool is for every enterprise its main area for storage of all kinds of organizational documents (minutes, agendas, running administrative documents, temporary, intermediate or completed documents), but it also serves as the company archive and after liquidation of the company it will contain everything that has been of relevance of the Junior enterprise. It goes without saying that this tool must be managed carefully.

The initial requirements which you should have for a successful project are the knowledge and skills which you acquired in the first year, as well as good language skills. With these qualities you will be able to successfully conclude the project.

We wish you the best of luck and good fortune in this upcoming entrepreneurial adventure!

2. Brief outline of milestones and products of the Junior Enterprise project

In this project you will be in actual business. That is why this project is a unique opportunity to learn everything about the practice of entrepreneurship. The enterprise cannot start until its Business Plan has been approved. The business plan should include a realistic marketing plan (based on a thorough market research and competitive analysis) as well as a procurement and sales plan. All these will be presented at the end of block 2.

An overview of the main milestones of the project is described below. A more detailed overview can be found in the [Project Week schedule](#) (Chapter 5)

The entire project consists of 4 stages:

In Block 2:

- Stage 1: Start Up
- Stage 2: Design of the Enterprise

In Blocks 3 and 4:

- Stage 3: Implementation (or Operational phase)
- Stage 4: Liquidation

Main milestones and activities per stage:

Stage 1: Start Up (first 3 weeks of block 2)

In the Start up phase the following main products/results will be achieved:

- Establishment of provisional project leadership
- Project membership booklet and registration form
- Business project plan (project plan)

Stage 2: Design of the Enterprise (week 4 – 9 of block 2)

- Installation of elected Enterprise management
- Selection of 2 alternative Product market combinations (PMC's) Preliminary Market research and procurement analysis and plan for 2 alternative PMC's
- Choice of most preferred PMC
- Arrangement of financial requirements (bank account)
- Market research report and definite decision on PMC
- Business result agreement and individual sales targets (overall and for block 3)
- Business plan
- Contract Partnership under Common Firm
- Appraisal interviews and Personnel report
- Presentation of business plan (including detailed procurement plan and promotion and sales plan)

Stage 3: Operational phase of the enterprise (end block 2 until middle of block 4)

- Procurement/creation of products/services
- Promotion and sales
- First VAT report and transfer
- Revision/update Business Plan including new/updated Business result agreement and individual sales targets (for block 4)

Stage 4: Liquidation of company

- Assessment interviews and Personnel report block 3 and 4

- VAT dossier and money transfer
- Refund of capital and closing of bank account
- End of company dossier
- Personnel report
- Liquidation of enterprise
- Final presentation and assessment of Junior Enterprise

2.1 Establishment of (temporary) project leadership

In the first weeks, during the start up stage, the project group will have a provisional leadership of 3 people who will be appointed/elected by the members of the project group during the first meeting they have with their coach. One of these 3 members will perform the role of project manager, the others will be his assistants, until the enterprise will be erected (as a Partnership) and a definite company management will be elected by the partners (after 4 to 5 weeks). Another member of the project group will serve as a secretary to the project management team and will take the notes of the management team and project team meetings. All notes should be distributed by mail to all members (and when available also stored in N@tschool).

2.2 Membership booklet and registration form

One of the first actions of the provisional leadership, at the very start of the project, is to appoint one member of the project group who will create a project membership booklet containing full personal (communication) data of all group members. A template for the project membership booklet can be found in the Form section of this manual. The membership booklet should be sent to all group members, the IBMS coach and the IBMS project coordinator by mail within one week. After N@tschool has been introduced and the projects have acquired their own project environment in it, the membership booklet must be uploaded to N@tschool as well. Through the membership booklet the individual (future) partners of the company can be contacted at all times, of course only if required or necessary for the continuation of the project.

To become an official participant in the Junior Enterprise project stream all members have to fill in the [Registration Form Junior Enterprise](#).

2.3 Business project plan (BPP)

The main responsibility of the provisional project management team is to provide a sound plan for the organization of the company until the end of block 1. This plan is called the **business project plan** (see [6.1.1](#)). Part of the BPP is to make sure the main products and activities of stages 1 and 2 (initially described in this Chapter) are organized and scheduled well. As such Stages 1 and 2 (Start up and Design) of the Junior Enterprise are a real project in its true meaning, which requires careful planning and management of time and resources. The main product defined in the BPP can be defined as: an *'established Junior Enterprise with a clear set Product Market Combination, a reliable sourcing (procurement), a fully elaborated Promotion and Sales plan and an organization, fully prepared to do business in a (financially and socially) responsible manner within the legal framework of Dutch law and regulations and within the context of the guidelines set out by the Hogeschool Rotterdam'*.

The BPP shows us the road map to the realization of this company and is in that sense comparable to the PID we know from the Prince2 projects.

2.4 Management team

The *management team* is in charge of the founding and the operations of the Enterprise. The partnership contract must be designed and signed, the company must also be given a *company name* and registered with the Stichting JBO. A Business plan must be written and a bank account for the enterprise must be opened to which the capital contributions of the partners will be transferred.

2.5 Business plan

One of the first elements in this is to bring about a convincing and solid proposal for a Product-Market combination (PMC) by means of a sound competitive analysis and market research of several PMC alternatives. The outcome of this process is a solid and justifiable choice of one PMC as well as to establish (a) reliable supplier(s) for the product of your choice.

After this a thorough and defensible [business plan](#) (see [8.4](#)) will be written in preparation of the actual launch of the operations of the enterprise.

At the *end of block 3* the business plan will be *updated* or even *revised*, in case it has shown serious short comings based on the experiences made or problems encountered in block 3.

2.6 Result agreement

In the business plan the new company will forecast what it expects to achieve as a company in financial terms. This **business result** should be realistic in the sense that it can be achieved by the company. The company should establish which *amount of profit* can be achieved by selling their product or service in the market, using the resources available to the company, which are man power and time. The available time should be based on the effective and efficient use of the number of hours available, determined by the number of ECTS in blocks 3 and 4 ($4 \times 28 = 112$ hrs p.p.). The proposed *business result* should therefore reflect the real opportunity of the business. The underlying assumption is that IBMS business students of the 2nd year have already acquired the basic competency to sell products and services in a motivated, well organized and relatively skilful manner and are capable to learn from their experience to develop new skills and techniques of effective promotion and sales.

In block 2, in the context of the creation of the business plan, the company will propose a *result agreement* to their coach and discuss it with him. After the coach has accepted the proposal the agreement will be *an important element* in the *assessment* of the company and its members. At the end of block 3 the business agreement will be evaluated and a new one for block 4 will be established. Also the individual targets will be reset.

At the end of June, when this result agreement has not been met because of mismanagement or lack of effort by the partners, the students who form the partnership will fail their project (see the assessment rules in [Chapter 7](#)). Also individual underachieving students who do not meet their individual targets may fail their project.

2.7 Contract Partnership under Common Firm

The Junior Enterprise that you will found officially together with about 7 other students, will take the legal form of a Partnership under Common Firm (in Dutch: VOF - Vennootschap Onder Firma)¹.

¹ For more Information on the Legal requirements for the Partnership under Common Firm (Vennootschap Onder Firma) go to the website of the Chamber of Commerce:

http://www.kvk.nl/english/startingabusiness/030_Paperwork/legalforms/PartnershipundercommonfirmVOF.asp

You and your fellow students will be the **partners**. You will have to design a **Partnership Contract** (see [Form 4](#)) that will constitute the legal foundation of the Partnership. Examples of such a contract, including structure, liabilities, responsibilities and regulations for a VOF as a type of enterprise can be searched and found on the Internet. One of the main concerns of the VOF is to raise sufficient capital from its partners to start up the business and to provide for arrangements with regard to the raising, management and refund of the invested money and the division of profit (or loss) among the partners at the liquidation of the Enterprise. Also the responsibilities of the Management and the individual partners within the Partnership should be clearly established. In order to be able to conduct commercial activities under the Dutch law you have to be registered at the Dutch Chamber of Commerce (KvK) and you will fall under the Dutch tax laws. This aspect of the Junior Enterprise will be explained in [Chapter 3.1](#) of the manual

2.8 Other preparations

In addition to this the management team makes all necessary arrangements for the company to actually start its operations like a thorough purchase, sales and promotion plan.

Other important tasks are to make sure that the financial and personnel affairs are in good order. All members pay in their contribution to the companies' capital, eg. € 150. Also the basic financial statements like the *Cash flow statement (CFS)*, *Profit and Loss account (PLA)* and the *Balance sheet (BS)* are designed and a sound *administrative system* must be established. Guidelines for this will be given during the extra Finance mini course in December (see under [#4.5 The Manager of Finance and Administration](#)).

During this start up period several *mini-courses* are held in extra hours to prepare partners with specific financial and logistic responsibilities (eg. the Financial and the Logistics manager and their assistants) for their job.

In short, the Junior Enterprise, its personnel and its management prepare themselves to start operating as a real company.

2.9 Operational stage

After the Business plan has been approved by the IBMS coach, the **management team** (will be responsible for running the business activities of the enterprise during blocks 3 and 4). During this second phase the operational activities will take place, basically buying and selling of goods or the preparation and delivering of services. But also, among others, the **financial administration** must be kept up-to-date, personnel affairs must be guarded, the business plan and business agreement updated or revised and certain formalities have to be met.

At the end of March (first quarter of 2011) according to Dutch taxation law the first VAT report has to be delivered and the VAT has to be declared and transferred to the account of the Stichting JBO (see [#Annex 1 – VAT \(BTW\)](#)). Also the bi-weekly *Intermediary business* reports have to be written and discussed.

2.10 Bi-weekly Intermediary business reports

During blocks 3 and 4 with an interval of 2 weeks short *Intermediary business* reports have to be written, sent to and discussed during the company meeting with the coach.

In these reports a short review of the business activities and other company affairs during the last weeks will be presented as well as the updated sales overview and an update of the 3 main financial statements (CFS , PLA and BS). This bi-weekly report is compulsory and will be written by the company director and the responsible managers.

2.11 Termination of the company

The main difference with a real-life enterprises is that your enterprise, no matter how successful and profitable it may have become, is to be liquidated again at the end of Block 4.

At the end of Block 4 the [End of company dossier](#) will be prepared and presented by the management team. This dossier will include the financial statements (cash flow, profit and loss account and the balance sheet) and a review of the activities of the company. It will then definitely become clear whether you and your fellow students as student-entrepreneurs have made the enterprise a financial success.

After this taxes will be paid, the capital contributions will be refunded (+/- profit or loss) and the company will be definitely terminated.

All (former) companies will be involved in a final presentation, which, if possible, will be done in a business setting involving parties from outside the IBMS.

Finally the IBMS coach will assess the company and partners (students) taking into account collective (business result) and individual achievements.

To round off the Junior Enterprise project you should produce an *End of company dossier*.and hold a *final presentation*.

3. Structure and organisation of the Junior Enterprises.

3.1 Legal and fiscal organisation

The Junior Enterprises are [Partnerships Under Common Firm](#) (VOF in Dutch) and work with their own operating capital. As they must be considered as real enterprises, participating in social and economic life and aspiring to generate a profit, they are consequently held, as an enterprise, to meet the obligations set by the Turnover Tax Act, meaning the **Value Added Tax** (VAT), or in Dutch: BTW –Belasting op de Toegevoegde Waarde). In view of the temporary character, the limited size and the fact that the enterprise primarily has an educational purpose, immunity from this taxation has been applied for. The tax authorities demand that a separate foundation be created to this effect. This foundation, named Stichting (foundation) Junior Business Ondernemingen, was created in June 2003 with a member of the Executive Board of Hogeschool Rotterdam appointed as a member of the Board of the foundation, together with the educational manager of the Small Business study programme and lecturers from various study programmes that also work with Junior Enterprises. Since September 2003 the Rotterdam Business School also has a representative in this foundation.

The Stichting (foundation) Junior Business Ondernemingen (JBO) acts as an intermediary between the student companies and the 'Belastingdienst' (Taxation authorities of the Netherlands). The Junior Enterprises will never deal directly with the Belastingdienst but only under the umbrella of the Stichting.

This implies that you will operate under the responsibility of this foundation and consequently of the Hogeschool Rotterdam. The foundation, represented by the team of HRO/IBMS lecturers and staff, carries out the final supervision over the financial and legal activities of the Junior Enterprises, be it at a certain distance, and may, therefore, take all measures it deems appropriate.

Each **calendar quarter** the Foundation files the VAT return and pays the VAT due and receives and redistributes the back payments. Consequently the Junior Enterprises must file and pay their VAT payments and returns 2 times during their existence: in April and at their termination.

The student companies will pay their due VAT to a dedicated bank account of the Stichting JBO and deliver a *VAT-portfolio* containing evidence with regard to paid and received VAT to the coordinator of the IBMS Junior Enterprises or his representative. He will check the payment to the Stichting JBO (bankslip) and your VAT portfolio to see whether these have been fulfilled appropriately. The IBMS coordinator will forward these portfolios to the Stichting JBO, whenever required.

The final VAT report/portfolio and payment to the Foundation JBO by the Enterprise must be made shortly before the definite termination of your Junior Enterprise.

A Junior Enterprise cannot be terminated before all VAT requirements have been fulfilled.

On behalf of all Junior Enterprises operating in the HRO the Stichting JBO acquired a BTW-nummer (VAT number) and a registration id at the Kamer van Koophandel (Chamber of Commerce). These id-numbers have to be used in regular business contacts (invoices, order forms).

The VAT number to be used on contracts by the Junior Enterprises is: **8096.25.635.B01**
The registration number for the trade register (KvK) is: **24318390**
The bank account number of the Stichting Junior Business Ondernemingen, (location Rotterdam) is: **59.86.91.812** .

To establish which student companies use the legal umbrella of the Stichting JBO, the companies have to make themselves known to the Stichting JBO by way of a [registration form](#) on which also all partners in the company have to sign in. The registration is contained in this manual and has to be filled in and transmitted to the project coach within the first 2 weeks of the project.

3.2 Partnership contract and capital Investment

As partners you and your fellow students, being the founders and active participants, are responsible for the success of your enterprise. You are obliged to participate in the entire project. On average you should spend 6-7 hours per week² in your enterprise, within or outside the scheduled periods.

You and the other managing partners must gather the **operating capital** by yourselves. In total you are supposed to collect a capital of € 1200 for a company of 8 partners. In other words € 150 of investment *per partner* must be paid in and transferred to a company *bank account*. This bank account must be opened on behalf of the company by the company director and its financial manager. To this end you must draw up a [partnership contract](#) to provide for arrangements with regard to the management and refund of this investment, the division of profit (or loss) and also in case a partner should want to withdraw his partnership (and money) during the game.

Other arrangements in the contract may deal with minimal effort and participation by the partners and matters of bonus and punishment if obligations are not met. You should be aware that this time real money (YOUR money) is at stake and there is no one who can guarantee that it will either earn profit or will be lost for good in the big business trash can, beside your collective effort. It doesn't need say that in no way the Rotterdam Business School or the Hogeschool Rotterdam will be accountable for your losses.

One advice for students who cannot cough up €150,- at once: borrow it from parents and friends. This will also give you an extra urge to spend it with care. Also in the contract, matters like the management of the bank account, decisions who can withdraw from and transfer money to the account etc. have to be arranged.

From our point of view we demand that:

1. The management of the bank account (and therefore of the company capital) will be a *shared responsibility* of the company director and the financial manager.
2. Any significant withdrawal of money (over €100,- either as a single amount or as a series of smaller amounts) should be agreed by at least the director and the financial manager of the company. In case of transactions between €250,- and €500,- the entire management team must agree and transactions over €500,- require the (signed) consent of the collective partnership meeting. The coach will see to it that these requirements will be implemented.
3. It is **not allowed to have a deficit on your account**, under no circumstance!
4. Violation of these rules should lead to sanctions which are to be laid down in the partnership contract.
5. Your financial manager and director will open up the bank account in time in order for all members to pay in their capital and will at the same time make provisions for a **banking card** and for **on line (electronic) banking**. The required access codes for the electronic banking account will be shared by the Financial manager, the company director and the project group coach. Therefore the account will be monitored by at least 3 people, among whom your own group coach. More information about how and where to open the bank account will be given during the project in this block. In any case you always have to inform your group coach when and where you will open your bank account. Be already aware that a bank account, a bankcard and on line banking will cost you

² For block 2 3ECTS and for blocks 3 and 4 2 ECTS are admitted, in total therefore 7. 1 ECTS is 28 hours of work which makes the number of invested hours 196 per student for the entire project. In total the project comprises 3blocks which are 3x10=30 weeks. On average this results in a little more than 6 hours per week.

money, that can only be compensated in the end by you making a profit.

Your enterprise is supposed to operate in a businesslike manner and on a realistic basis and therefore third parties can be involved in the context of business agreements (e.g. purchase and sales contracts for goods, services or administrative equipment or materials). The risk involved in these business agreements may never exceed the maximum amount of capital in possession by your company. Any other type of (legal) arrangement with external companies or organizations has to be approved by your group coach. Another requirement of this project is that **your enterprise will be an 'independent' company** and not an agency or any other form of subsidiary, let alone a simple workforce, of another company. You will have to work and do business with your own capital.

The liquidation of the Junior Enterprise will take place after taxes (VAT-BTW) have been accounted for and paid (evidence is required) and after the investment will be refunded to the investors, together with a profit. The final dissolution of the Company and the assessment of the project by the group coach will take place *only after* all formal requirements have been completely fulfilled, being first of all the requirements with regard to taxes (**BTW/VAT**) and the **definite closure of the bank account**.

3.3 The project team

The project team bears responsibility as a whole for the way of working and the results of the Junior Enterprise. This means that each member of the project group participates in all activities that are necessary to make the Junior Enterprise succeed, even though you may have other responsibilities at that moment. For instance, if you are a member of the management team, and there is a mailing that needs to be dispatched, it is only logical that all members of the project team put in their share to get the mailing job done in time.

3.4 The management team in the first block (block 2)

At the very beginning of the Junior Enterprise project a project manager is elected with 2 supporting assistants (project management team). Their main task is to design the business project plan (BPP), which is the plan to establish the company. Another member of the project will serve as *secretary* to the project management team and will take the notes of the management team and project team meetings. All notes should be distributed by mail to all members (and when available also stored in N@tschool).

After a few weeks in the project, in week 3, the Enterprise management team is elected by the members, who have become the partners in the company, and will as off week 4 replace the project management team as leadership of the company. The management team consists of 4 members and a management assistant:

- a Director,
- a Marketing, Procurement, Sales and Logistics manager
- a Financial manager and
- a Personnel manager
- a Management assistant to the MT

From now on during every management team meeting the Management assistant of the MT will take notes, sends them to all members and the group coach by email and publishes them within 2 days in N@tschool in the management minutes folder.

All managers will have at least one assistant who supports the manager in his or her job.

In [Chapter 4](#) the roles and functions of management as well as the 'ordinary' members of the project will be elaborated.

The management team decides on and monitors the policy of the enterprise and also decides when you and your fellow group members will fulfil clearly defined operational tasks.

The management team is in charge of the day-to-day running of the enterprise and meets at least once every week, with or without the coach being present (see the Week-schedule which points out the minimum number of meetings for the project groups and the management team).

The meetings (date, time, place and agenda) will be announced through email to the group members and the group coach.

During the design of the **business project plan (BPP)**, at the start of the Project, *these meeting dates will be set and recorded in advance*. Also the group meeting dates must be set in advance. Changes must be reported to the coach in time.

Minutes (notes) of the collective enterprise partner meetings must be taken by the management assistant or company *secretary*, who will also serve as the assistant of the Director.

The minutes are to be e-mailed to the partners and the coach well before each next meeting.

The minutes will also have to be archived in N@tschool in the *company minutes* folder by the secretary or management assistant and will be checked regularly (for presence and quality) by the personnel manager.

Beside this the management team should study all aspects and requirements of the project in advance as laid down in this manual and in particular in the included [project week schedule](#) in order to design the Business Project Plan. The first part of the project, the start up period leading up to the approval of the business plan and the eventual start of the procurement of goods will have to be planned and scheduled in detail and the rest of the project (operational and liquidation phases) may be scheduled in general outline.

The summary of this plan should contain a detailed activity list (start up phase) and a *GANTT (or Bar) chart*³ so that through this schedule all members have a clear graphic display of the tasks, who is involved in them and when (on which dates!) they will have to be performed or results delivered. *This plan should be ready **at the end of week 2**.*

3.5 Assessment

The employees and the managers will be assessed for their performance at the end of Blocks 2, 3 and 4.

Each block the personnel manager of the company will hold a [Appraisal/assessment interview](#) with each member and propose an *individual function performance score* to the coach.

Most important aspect of the individual assessment will nevertheless be the products and overall business result of the enterprise. In block 2 this result will mainly be the Business plan, in blocks 3 and 4 the result will be measured against the *result agreement* proposed in the business plan and approved by the company (group) coach.

³ Look for examples of an Activity list and a Gantt chart in the Materials folder in your N@tschool project environment.

4. Functions, roles, tasks and responsibilities

At the start of the project a management team for the Junior Enterprise is elected by the project group. This management team will function for the entire period unless insufficient performance or other problems make it necessary to replace the management team or individual functionaries. Changes must always be requested to and confirmed by the coach of your group.

4.1 The chairman / director

The *chairman / director* is the central point of the enterprise. He⁴ makes proposals, motivates, stimulates, delegates, co-ordinates and monitors. He is first the primary responsible member to make sure that the junior enterprise reaches its targets and meets its obligations. Being the chairman he convenes the management team meetings and draws up the agenda. He is also the major responsible person for and writer of the Business Project Plan. The director must furthermore be familiar with the way things go in the departments and task groups of the junior enterprise. To this effect he regularly talks to all people, has meetings, decides on who must do what and, if (but only *if*) necessary, does part of the work himself.

Specific functional responsibilities are:

- chairman of the management team;
- main author of the Business Plan
- coordination of the meetings with the managers;
- main contact person for Project coordinator and coach;
- main motivator towards other group members
- main representative of the enterprise to the outside world, towards business relations but also with regard to the work that has to be done for the business project in the narrower sense (reports, presentations) Again, responsible does not mean: the one doing all the work!;
- problem solver internally and towards customers, suppliers, the IBMS coach and other stakeholders
- co-signer of all financial transactions
- final responsible person for company policy;
- hands in the registration form of the company (for the Stichting JBO) and organizer of the formal signing of the partnership contract by all partners
- final responsible person for the End of company dossier

These functional responsibilities form the basis of the *individual functional performance score* elaborated in Chapter 6 (Assessment) of the manual.

The chairman/director will be supported by the *company management assistant* as his *personal assistant*.

In case the minimum requirements are not achieved by the director, the coach may propose a change of Director of the company.

Support activities:

In week 4 (December 6) a special course will be taught by mr. Eddy Korevaar of the consultancy company CM&P (Claasen, Molenaar en Partners) in Gorinchem to discuss the importance and content of Business plans. CM&P is specialized in designing Business and Financial plans for SME's.

These meetings are compulsory for the *Director and the Manager for Finance and Accounting*.

⁴ "He" is used in this manual only for reasons of readability and can be read as "he" or "she".

Exact date, time and location will be announced

4.2 The management assistant

The *management assistant* or company secretary is responsible for the minutes of all plenary group meetings, including those of the management team and for noting down the lists of decisions made and for sending these documents to the project by mail and for uploading these to the minutes folder in N@tschool.

At the beginning of each meeting the minutes of the last one are approved.

The director checks every week that the minutes have been written, sent and uploaded.

The minutes have to be written in a professional manner and according to the BCN guidelines. In the minutes always the date, time and place of the meeting, the meeting entity (project or work group), the purpose of the meeting, the name of its chairman, the name of the management assistant and the names of the attendants and absentees (with or without reason) have to be reported.

Besides being the note taker for the group the management assistant will also serve as the *assistant* of the director and the personnel manager (Appraisal/assessment interviews).

The management assistant also keeps the *attendance lists* for all management and company meetings.

The management assistant will serve as a normal group member who will take up assigned tasks just like any other member.

4.3 The Human resource manager

The personnel manager is responsible for keeping an eye on and assessing the performance by the group members. He also sees to it, together with the management team, that possible motivational and personal problems are detected in the earliest possible stage.

The specific tasks of the personnel manager are:

- He organizes and conducts the [Appraisal/assessment interviews](#) with all other partners of the company.
- He proposes the *individual function performance score* for each member to the IBMS coach.
- He is responsible for the maintenance of the *personal activity log* and checks regularly that the group members register their activities. In this spreadsheet the members of the enterprise provide a detailed account of their tasks and performed activities for the company during every last week.
- He keeps track of the activities of the members of the enterprise, through his own observation and other materials (personal activity log);
- He checks the *minutes* of the Secretary for presence and quality and stores them in N@tschool;
- The personal activity log and the Appraisal/assessment report for all members are bundled together into a **Human Resources (HR) report** at the end of each Block. By way of preface the HR manager writes a *reflection* on how the Project went during his office period from the perspective of the motivation and actual involvement of the members. He will describe in about 10 lines (per member) the role of each project group member;

- Finally: when a member of the company staff has a problem affecting his performance or in case there are problems among staff members, the personnel manager tries to help in solving these. If these problems affect the progress of the company and cannot be solved by him he notifies the coach.

4.4 The manager in charge of logistics, marketing and sales

This manager is responsible for two main problem areas:

- Marketing, Promotion and Sales;
- Purchasing and Logistics.

In the execution of his tasks the *manager for marketing, procurement, sales and logistics* will organize task groups to perform research and other activities like a market research group at the start of the project and sales and promotion teams in the operational phase.

The Junior Enterprise cannot restrict its activities to rendering services and sales to relatives or friends. It must first of all venture out on the *anonymous market*. This market should also basically be found *outside of the HRO building* at the Kralingse Zoom, if only for the fact that 25 or more Junior Enterprises will dry out this market quickly. For this purpose a marketing plan must be made on the basis of which the enterprise will be able to launch a product or service to a specific market segment in an appropriate manner. This specific Combination of Product (or Service) and Market(segment) is called a *PMC*, a **Product Market Combination**.

In the beginning of the project the start up Junior Enterprise brainstorms to determine 2 different PMC's. One PMC will be the preferred one, the favourite of the group. The second PMC will be the alternative in case the preferred one proves to be not feasible in the course of the market and procurement research which will be performed concerning this PMC.

The final choice of (a) product(s) or service(s) must in principle *be approved* by the project management staff (project coordinator and coaches) before any activity with this product or service starts. This does **not** mean, on the other hand, that the IBMS or the HRO take any responsibility for the intrinsic or market quality of the product, neither for the legality of it. It is just meant to be a preliminary check.

The product or service must meet the demands and needs of (a) previously selected target group(s). Therefore under the leadership of the *manager for marketing, procurement, sales and logistics* a task-group performs a thorough *market research* and *competitive analysis* to determine the feasibility of the choice that was made for the preferred PMC.

The *manager for Logistics, marketing and sales* will also be responsible for the *procurement* of goods and the (future) *preparation and planning of the sales activities* (including *promotion*) for the chosen product or service.

In order to assure procurement *feasibility* (with regard to legality, quality (CE certification), liability issues, delivery guarantees, transportation and costs, pricing, taxes (VAT), tariffs etc. a *procurement research* has to be performed.

Both types of research will be performed by task groups under the leadership of the Marketing, procurement, sales and logistics manager.

In the *operational period* (next blocks) the manager closely watches the progress of the sales and promotional activities, so as to be able to adjust the commercial policy in time.

Also in the operational period teams will be organized to discuss and execute sales and promotion activities

As has been mentioned, the manager will also be responsible for the *publicity* about and the *promotion* of the product or service to be sold. This also includes the house style. In all contacts with the outside world, uniformity of presentation should be used.

In the early stages of the brainstorm about and research of the best PMC 1 *alternative PMC* has to be brainstormed, kept in mind and rudimentary researched (only desk research) in order to start over as soon as possible, if the preferred PMC would not be suitable. It is better to start over and try something else, than to get stuck in a dead alley.

In order to support his in his role and tasks the group appoints *an assistant* to the *manager for Logistics, marketing and sales*.

A summary of the responsibilities of the *manager for Logistics, marketing and sales*:

- leads (organizes, plans the activities of and assigns tasks in) the task groups under his resort (all activities below are done by or with the assistance of other members of the task group, under the overall leadership of the manager)
- organizes the competitive analysis and market research for the PMC's;
- writes the marketing and procurement related parts of the business plan
- leads the procurement research and designs the procurement and logistics plan
- responsible for the purchase activities
- pricing of products or services
- prepares a promotion and sales plan;
- designs and prepares the execution of a plan (part of promotion and sales plan) to make use of the Internet (maybe design of own website, using other websites, mailing etc.)
- organizes a sales training for block 2;
- makes a proposal for the result agreement as well as the individual sales targets, together with the director.
- Prepares a sound administrative system (procedures and spreadsheet) for the purchase and sales of the companies' products
- is responsible for the (external) house style of the company;
- assists in the whereabouts of the Management team as a whole
- monitors the sales activities and results in blocks 3 and 4 and make ssure they are administered well
- prepares the *Procurement, promotion and sales report* for the *End of company dossier*.
- prepares a presentation on Procurement, promotion and sales at the *Final company presentation*.

The manager sees to it that the task group *procurement and logistics*, in consultation with the other task group *competition, market research and sales*, screens various suppliers of products and services. Central themes in these *supplier screenings* (part of the *procurement* paragraph of the Business Plan report) are (delivery) reliability, legality, quality (certification), price, delivery time, costs (transportation, taxes) and location.

The manager checks and makes an overview of the reliability of the suppliers and makes arrangements with them in writing.

The manager is responsible for the entire *logistic process* of the Junior Enterprise, including storage and administration of the purchased products.

Support activities:

In weeks 4 and 5 (December 6 and 13) a special course will be taught by mr. Buurman of the Logistics department of IBMS to introduce, discuss and prepare different aspects of procurement.

These meetings are compulsory for the *manager in charge of marketing, procurement, sales and logistics* and his assistant.

Exact date, time and location will be announced

4.5 The Manager of Finance and Administration

Within the junior enterprise the *financial Manager* is responsible for the *financial administration, cash control*, the creation and regular update of the *financial statements* (cash flow, balance sheet and profit and loss account), the *bank account*, the check on the *capital payments* of the partners and the *payment and accountability* of taxes (VAT).

He has to see to it and bears responsibility that all expenses and sales are accounted for by the members of the group (the partners).

The bank account of the junior enterprise is opened in week 5 by the financial manager.

In weeks 6 the partners will be invited to transfer their investment money to this account in order to facilitate the ordering of goods for the sales period..

Besides that the bank will probably not allow it also from our point of view the bank balance may never be in the red! **No financial obligations that have been taken on may ever result in a debt on the bank account.** Both the Financial Manager and the Director together are responsible for this and are the first ones to be liable for losses stemming from the violation of this rule.

Take into account that the bank will charge a monthly *transaction fee*.

Since a couple of years we have a good contact with the ABN-AMRO establishment on the Erasmus compound (in one of the wings of the main building).

Until now our student groups have been allowed to open a company account with them.

The procedure agreed in January 2009 with the ABN-AMRO location Erasmus for opening a bank account on behalf of your company:

Procedure:

- Both the Director and the financial manager should visit the ABN-AMRO office on the Erasmus premises and sign the contract for the bank account.
- The account will be opened on behalf of the Junior Enterprise: the literal phrase that is used for this is opening an account "inzake mini-onderneming"
- Foreign non-EU students are required to show their residence permit.
- The student should show an official ID (passport and his schoolcard (HRO-ID))
- A student who already a student account at ABN-AMRO may open this account for free. Otherwise this account will cost the same as a normal student account
- You may not go into the red numbers
- The account has to be closed again in July by both account holders.

The account holder will acquire a bank card for Internet banking.

The procedure described above is under the provision of changes. The project coordinator will inform you in December whether the conditions described above still maintain.

Soon after he is installed (week 4 or 5 of block 2) the *Manager Finance and Administration* will create an administrative system for the administration of financial transactions made by the

company. One of the first transactions will be administration of paid in capital by the partners on the company's bank account.

As off week 1 of block 3 the *financial manager* sees to it that every 2 weeks a *bi-weekly (financial) report* (profit and loss account, cash flow statement and balance sheet) is produced, checked, discussed in the Management team and presented in the group meeting with the coach.

Every 2 weeks the financial manager will make a short report on financial matters for the IBMS coach to inform him about the financial state of affairs. This report should also contain an update of all financial statements.

As soon as the financial activities start (and every time members make costs for the company in block 2) be sure to collect and store away receipts and other evidence.

The financial manager checks the financial implications of a decision before this decision is actually implemented. Whenever costs have to be made the Financial Manager has to be informed.

Any significant withdrawal of money (over €100,- either as a single amount or as a series of smaller amounts) should be agreed by at least the director and the *financial manager* of the company. In case of transactions between €250,- and €500,- the entire management team must agree and transactions over €500,- require the (signed) consent of the collective partnership meeting. The coach will see to it that these requirements will be implemented.

In order to support the *financial manager* in his role and tasks the group appoints *an assistant* to the *financial manager*.

Specific responsibilities:

- opening and closing the bank account; requesting for bank card and on line banking;
- task group budgets, if appropriate;
- financial administration and book-keeping;
- regular update of cash flow, profit and loss and balance sheet statements
- deliver and explain the financial statements (start up statements) in the business plan ;
- bi-weekly report and financial information to management team, partners and group coach;
- execution and control over all financial transactions in cooperation (if indicated) with Director, Management team and Partners;
- carefully store evidence of financial transactions (receipts etc.)
- contacts with financial consultant (if relevant) and project coach and coordinator on financial matters

Looking ahead:

- BTW (VAT)-report and payment as well as evidence needed during block 3 and at the end of block 4
- Financial part of *End of company dossier* and its Presentation (block 4)

Support activities:

In week 5 (December 13) a special course will be given by mrs. Knol from the financial department of IBMS to introduce, discuss and prepare different aspects of company finances and administration. Subjects will be: cash flow, profit and loss and balance sheet statements and procedures for financial administration.

These meetings are compulsory for the financial manager and his assistant.

Date, time and place will be announced.

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4.6 Employees of the Junior Enterprise

All employees of the Junior Enterprise will fulfil both a management or management support role, either as a manager or as an assistant manager or management assistant. All members will play a role in the primary process of the company: selling products or services.

It goes without saying that you work together as good colleagues, support each other in the jobs you are doing.

In the division of the tasks to be performed the employee's wishes are taken into account as much as possible.

5. Project Week Schedule IBMS – Block 2, Junior Enterprise Project.

In the schedule below you see a timeframe for the activities of the start up phase of your Enterprise. Keep a close watch on the Deadlines. Apply and detail this schedule into a Business project plan (BPP) for the start up of your own company.

(Calendar) Week	Dates	Project group meetings / Activities	Project Phase
Block 2 – Year 2			
week 1 (47)	15 – 19 Nov	<p>GET ORGANIZED!</p> <p><u>Kick-off meeting</u> with the group coach</p> <ul style="list-style-type: none"> Formation of Project groups Election of a <i>project manager</i> with 1 <i>assistant</i> and appointment of a (temporary) <i>project secretary</i> who takes extensive notes for the meetings to come. Acquire relevant material: everything is available in N@tschool. <ul style="list-style-type: none"> <i>Weekschedule Junior Enterprise</i> and other module materials collected in the JE Manual <p><u>Everyone</u> studies materials (Weekschedule and Main text of the manual) before next meeting (compulsory)!!</p> <p><u>Management meeting/tasks:</u> (takes place before next project group meeting)</p> <p>(Provisional) project management</p> <ul style="list-style-type: none"> Starts Work on a detailed business project plan (BPP) (Ch 8.1) Notifies members to fill in the registration Form Junior Enterprise (Ch 7 Form 2). The <i>project secretary</i> is assigned to the task of completing the membership booklet (Ch 7 Form 1) and to send it to all members, the project coach and project coordinator. <p><u>2nd Meeting</u> (Before next scheduled meeting) under the leadership of Provisional Project group manager.</p> <ul style="list-style-type: none"> First discussion of the JE Project manual and of project week schedule 1st Brainstorm on 2 possible PMC's⁵ (1 preferred and 1 alternative) <p>Take all the time you need and be creative in finding interesting products and target markets! – if necessary: plan extra meetings!!!!</p> <p>After the meeting everyone thinks about potential PMC's and prepares his contribution to the next meeting with the coach.</p>	START UP

(Calendar) Week	Dates	Project group meetings / Activities	Project Phase
Week 2 (48)	22-27 Nov.	<p>GET ORGANIZED!</p> <p><u>Scheduled Meeting with group coach</u></p> <ul style="list-style-type: none"> • Every member talks briefly about his/her <i>expectations</i> and <i>personal goals</i> for the project. After the meeting these expectations and goals should be mailed by the members to the Secretary to serve as input in the notes. ▪ First discussion of Business Project Plan (first design made by temporary project manager), Assessment and other issues of JE-project with your coach ▪ Continue Brainstorm session on PMC's. <p>Extra meeting with IBMS coach to clarify issues in the JE manual. This meeting can be held at the request of the provisional project manager.</p> <p><u>Meeting project manager and assistant(s) (PM): (takes place before next project group meeting)</u></p> <p>PM:</p> <ul style="list-style-type: none"> ▪ Notifies members to fill in Registration Form (Appendix in Manual) ▪ Continues discussion and design of Business Project Plan. After the meeting the Business Project Plan will be written and send to all members and the project group coach. ▪ The PM assistant is assigned with the task to set up the Personal Activity Log file⁶ (adapts it to the project group and stores it in the appropriate N@tschool folder). The Personal Activity log file has to be updated every week by all members. <p><u>2nd group meeting (Before next official meeting)</u></p> <ul style="list-style-type: none"> ▪ The PM assistant briefly presents and explains the <i>Personal Activity log</i> and requests the members to update this Log file every week. ▪ Hand in the Registration forms with your project manager (who will bundle them and hand them to the Project Coordinator (Mr. Steinmann)) ▪ Everyone (including the coach) gets a hardcopy of the <i>Membership booklet</i> which will also be stored in the appropriate N@tschool folder ▪ Continue brainstorm and decide on a preferred and 1 potential PMC. 	

⁶ A template of which is available in the Materials folder in N@tschool

(Calendar) Week	Dates	Project group meetings / Activities	Project Phase
Week 3 (49)	29 Nov–3 Dec.	<p>START OF MARKET RESEARCH</p> <p><u>Scheduled Meeting with group coach</u></p> <ul style="list-style-type: none"> ▪ The <i>Business project plan</i> should have been received and studied by all members and should be discussed and approved by the group. ▪ Candidacy of the Provisional Management Team⁷ Required are: <ul style="list-style-type: none"> · a Chairman / Director · an Human resource (HR) Manager · a Manager in charge of Marketing, Procurement, Sales and Logistics · a Manager Finance and administration and a · a definite Management assistant for the project team meetings (as well as assistant to the director) <p>See chapter 4 of the manual for a description of the tasks of the Management Team and it's members)</p> ▪ Discuss the approach for the market and competition research on the 2 PMC's based on the JE manual and on past experiences in research. The potential market for the <i>preferred</i> PMC will be researched thoroughly (including desk research and, if appropriate a real field research, therefore the collection and analysis of primary data). The alternative PMC will be researched preliminary (only secondary data). For the market research you should use a methodical approach⁸. A <i>task group</i> has to be formed which will create a research design for the market research on the preferred product or service. If appropriate also other marketing analysis tools should be applied (eg. competitive analysis etc.) ▪ Appoint <i>task-groups</i> which will do a preliminary research the preferred PMC and one alternative PMC. ▪ <i>Project Membership Booklet</i> is handed to the coach (all members get a copy over the mail and it will be stored in N@tschool) <p><u>Project Management meeting: (takes place before next project group meeting)</u></p> <p>Management</p> <ul style="list-style-type: none"> ▪ Checks the status of the implementation of the Business Project Plan and if necessary adjusts the Plan ▪ The <i>Project manager</i> presents the <i>Personal activity log</i> in which all members keep track on their contributions to the project. Next group meeting the members will be notified by the Director about the logging procedure. <p><u>2nd Group meeting (Before next official meeting)</u></p> <ul style="list-style-type: none"> ▪ Members discuss and <i>sign</i> the <i>Partnership Contract</i>. ▪ The members are notified by the Director about the logging procedure. ▪ The task groups present a research design of their Market and Competition research efforts – how will they conduct their studies and research? After the meeting the research designs are stored in N@tschool and printed. 1 Copy is handed to your Project coach. 	

⁷ See Ch. In the manual about the Management Team.

⁸ See your 1st Year Marketing book: Brassington & Pettitt, Principles of Marketing, Part 2, Chapter 6, Marketing information and research.

(Calendar) Week	Dates	Project group meetings / Activities	Project Phase
Week 4 (50)	6 – 10 Dec.	<p>RESEARCH</p> <p><i>In this week all efforts will be concentrated on conducting a serious and methodical Market Research and Competitive analysis. The task groups meet regularly for discussion or research purposes. In this week the data collection activities (desk research, phone inquiries, primary data by survey, interviews or observation and secondary data through internet, statistical reports, newspapers and magazines) are conducted.</i></p> <p><u>Scheduled group meeting with group coach</u></p> <ul style="list-style-type: none"> ▪ Election of Company management ▪ All research task-groups will report on their activities and experiences with the market, competition and procurement research. ▪ Choice of <i>most preferred PMC</i> ▪ Start of market research, competitive and procurement Analysis for preferred PMC (Deadlines: Preliminary reports on findings in Week 5, definite Presentation of findings in Business plan) ▪ Start of Preparation of the concept Partnership under Common Firm (Vennootschap Onder Firma (VOF)) Contract by the Project manager and an assistant. For consult go to an IBMS Law teacher (Mr. Zonneveld). Use the Partnership contract (Ch 7 Form 4) in this manual as your template. <p><u>Management meeting:</u> (takes place before the next project group meeting)</p> <p>Management</p> <ul style="list-style-type: none"> ▪ Checks the status of the implementation of the Business Project Plan and if necessary adjusts the Plan ▪ Checks the progress of the Market Research and Competitive analysis efforts of the task teams. <p>First course meeting Procurement by mr. Buurman of the Logistics department of IBMS to introduce, discuss and prepare different aspects of procurement. This meeting is compulsory for the <i>manager in charge of marketing, procurement, sales and logistics</i> and his assistant. Exact date, time and location will be announced</p> <p>,</p> <p>Special course will be taught by mr. Eddy Korevaar of the consultancy company CM&P (Claasen, Molenaar en Partners) in Gorinchem to discuss the importance and content of Business plans. CM&P is specialized in designing Business and Financial plans for SME's. These meetings are compulsory for the <i>Director and the Manager for Finance and Accounting</i>. Exact date, time and location will be announced</p>	

(Calendar) Week	Dates	Project group meetings / Activities	Project Phase
Week 5 (51)	13 – 17 Dec.	<p>RESEARCH</p> <p><i>In this week all efforts will be concentrated on conducting a serious and methodical Market Research, Competitive analysis and (if necessary) Sourcing (procurement) analysis.</i></p> <p><i>The task groups meet regularly for discussion or research purposes.</i></p> <p><i>Finally in this week the data collection activities (primary data by survey, interviews or observation and secondary data through internet, statistical reports, newspapers and magazines) will be rounded of, analyses will be performed and conclusions drawn.</i></p> <p><u>Management meeting: (takes place before next project group meeting)</u></p> <p>Management</p> <ul style="list-style-type: none"> ▪ Checks the status of the implementation of the Business Project Plan and if necessary adjusts the Plan ▪ Checks the progress of the Market Research and Competitive analysis efforts of the task teams. ▪ Prepares the discussion about the Market Research and the Competition Analysis in order to decide over a definite PMC. ▪ Provisional Partnership Contract is discussed and accorded by management and put before the coach to get his consent. <p><u>Scheduled Meeting with group coach</u></p> <ul style="list-style-type: none"> ▪ Preliminary report on Market Analysis and Competitive position for the preferred PMC. ▪ Preliminary Go-No Go decision for the preferred PMC. <p>In case of a No Go an <i>alternative PMC</i> has to be chosen.</p> <p>Second course meeting Procurement by mr. Buurman of the Logistics department of IBMS to introduce, discuss and prepare different aspects of procurement.</p> <p>This meeting is compulsory for the <i>manager in charge of marketing, procurement, sales and logistics</i> and his assistant.</p> <p>Exact date, time and location will be announced</p> <p>,</p> <p>Course meeting Finance and Administration by mrs. Knol of the Financial department of IBMS to introduce, discuss and prepare different aspects of Finance and Administration</p> <p>This meeting is compulsory for the company <i>Director</i> and the <i>manager Finance and Accounting</i>.</p> <p>Exact date, time and location will be announced</p> <p>,</p>	DESIGN

(Calendar) Week	Dates	Project group meetings / Activities	Project Phase
Week 6 (1)	3– 7 Jan.	<p>PROVISIONAL DECISION ON PMC AND START OF PREPARATION FOR THE BUSINESS PLAN</p> <p><u>Management meeting:</u> (takes place before next project group meeting)</p> <p>Management</p> <ul style="list-style-type: none"> ▪ Checks the status of the implementation of the Business Project Plan and if necessary adjusts the Plan. First conclusions from ongoing research activities are drawn. <i>Provisional decision</i> on feasibility of preferred PMC is made: <i>What will be our product/service, our market and who will be our supplier?</i> ▪ Discussion about topics and lay out of Business Plan⁹. Elements to take into account: organization, legal structure, procurement, pricing, legal restrictions, target market(s), sales locations, promotion, financial statements (forecast)¹⁰. ▪ Discusses the general layout of and creates a <i>work assignment</i> for writing the Business Plan (task team(s): who will write/do what / deadlines). Make sure the <i>quality</i> of the contributions will be checked and the Business plan will be a <i>coherent and unified document</i>. ▪ Organizes work teams for all of these activities. ▪ Prepares the discussion on Promotion and Sales activities ▪ Discusses content of Appraisal/Assessment interviews (in week 7) . Personnel manager will write and mail an instruction about the appraisal interviews to the company members. ▪ Financial manager and Director open a bank account to collect the financial contributions by the partners¹¹ At the same time an arrangement will be made for a bank card and on-line banking will be ordered. <p><u>Group meeting (before next official meeting)</u> A <i>task team</i> is formed to write the Business Plan.</p> <p><u>Scheduled Meeting with group coach</u></p> <ul style="list-style-type: none"> ▪ Short presentation and discussion of state of affairs with regard to the market research and procurement research for preferred PMC. The MT proposes the installment or abolition of the preferred PMC. In case of abolition the research on the alternative PMC should start immediately to avoid too great loss of time. ▪ Coach and group discuss the chances for a GO on the preferred PMC based on the results of the research activities and an assessment of the financial viability of the company plans. ▪ A company name is discussed and chosen ▪ Partnership Contract is discussed and signed by all members and handed over to coach.. The company is born! ▪ Presentation of (forecasted) financial statements and future financial administration procedures by the Financial manager. ▪ The Financial manager announces the bank account number and calls on the members to transfer their investment money as soon as possible.. 	

⁹ Look for examples of the Business Plans in your N@tschool project materials folder

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¹¹ For the opening of a bank account and the requirements and limits with regard to the amounts that must be paid in, see Ch...

(Calendar) Week	Dates	Project group meetings / Activities	Project Phase
Week 7 (2)	10 – 14 Jan.	<p>COMPILATION OF BUSINESS PLAN</p> <p>Activities: In this week the Business Plan will be written, by the work teams under the supervision of the Management Team. The draft Business plan will be sent to all group members and to the group coach, ultimately on Friday 18:00h. A Result agreement (an overall sales and financial target) and individual targets are developed. Also the <i>Appraisal/Assessment interviews</i> will take place.</p> <p>Management meeting with group coach about the</p> <ul style="list-style-type: none"> Progress in executing the Business Project Plan and the Business plan. The group coach will be informed about the on line banking codes (username, password) for supervision purposes. <i>Appraisal/Assessment interviews</i> by HR manager and assistant. Individual personal achievement scores are proposed to the coach. HR-report is prepared. 	
Week 8 (3)	17 – 21 Jan.	<p>DEFINITE GO / NO GO</p> <p>Management meeting/tasks</p> <ul style="list-style-type: none"> Management Team discusses, improves and finalizes the Business Plan, which remains a draft until the coach gives his approval. The draft Business plan will be <i>uploaded to N@tschool</i> and the coach will be informed. The director discusses the Business plan with the coach. Coach gives his comments and indicates his provisional Go/No Go decision. The Purchase, Sales and Marketing department prepares a <i>detailed Promotion and Sales plan</i> for the operational (sales) activities of the next 2 blocks and uploads it to N@tschool The HR department finalizes the HR report and uploads it to N@tschool, including a summary of the Appraisal interviews. <p><u>Scheduled project meeting with group coach</u></p> <ul style="list-style-type: none"> Presentation of the Business Plan, including the Promotion and Sales plan (exact date, time and place will be announced) The coach gives his comments and approval (the GO) to the Business plan and <i>signs</i> the overall Business agreement and individual agreements together with all members. After this has been done the procurement of the goods can be started as laid out in the <i>Procurement section</i> of the Business plan. In the case of a NO GO (sections of) the Business plan has (have) to be rewritten and no marks will be given as yet. <p>Hand in the Business plan and the HR report (incl. the Appraisal/Assessment report and scores) in hard copy format to the coach and upload all documents to N@tschool. Deadline: January 21, 15:00h</p>	
Week 9/10 (4)	24 - 28 Jan.		

(Calendar) Week	Dates	Project group meetings / Activities	Project Phase
Block 3			
Week 1 (7)	7 Feb-11 Feb	Start of business operations <i>Every week:</i> Operational activities and report to and discussion with coach If the business plan or any other major plan shows errors or unrealistic assumptions or targets this should immediately result in a ‘crisis’ meeting with the coach. Every 2 weeks a <i>Intermediary business report</i> has to be produced and discussed in the group	Company operations
Week 2 (8)	14 Feb-18Feb		
Week 3 (9)	21 Feb-25Feb		
	26Feb-6 Mar	Spring Holiday	

(Calendar) Week	Dates	Project group meetings / Activities	Project Phase
Week 4 (11)	7 Mar-11 Mar	Operational activities	
Week 5 (12)	14 Mar-18 Mar	Operational activities <i>Intermediary business report</i> (mail) to all members of the company. The Management assistant stores this report in N@tschool. Discussion in group meeting with the IBMS-coach.	
Week 6 (13)	21 Mar-25 Mar		
Week 7 (14)	28 Mar-1 April	Operational activities <i>Intermediary business report</i> (mail) to all members of the company. The Management assistant stores this report in N@tschool. Discussion in group meeting with the IBMS-coach.	
Week 8 (15)	4 Apr-8 Apr	Operational activities Evaluation, update or possible revision of the Business plan and the business agreement as well as the individual agreements. The new (updated) business plans and result agreement must be signed by all company members and by the IBMS coach and the IBMS project coordinator. <i>Appraisal/Assessment interviews</i> by HR manager and assistant. HR-report is created. Individual personal achievement scores are proposed to the coach.	
Week 9/10 (16/17)	11-21 Apr	Exams and catch up activities	
Block 4 /			
Week 1 (18)	26- Apr-29 Apr	Operational activities	
	30 April	Queens Day!	
	1-8 May	May Holiday	

(Calendar) Week	Dates	Project group meetings / Activities	Project Phase
Week 2 (20)	9 May-13 May	Operational activities <i>Intermediary business report</i> (mail) to all members of the company. The Management assistant stores this report in N@tschool. Discussion in group meeting with the IBMS-coach.	
Week 3 (21)	16 May-20 May	Operational activities	
Week 4 (22)	23 May-27 May	Operational activities <i>Intermediary business report</i> (mail) to all members of the company. The Management assistant stores this report in N@tschool. Discussion in group meeting with the IBMS-coach.	
Week 5 (23)	30 May – 3 Jun	Operational activities	
Week 6 (24)	6 – 10 Jun	<i>Last sales week</i>	
Week 7 (25)	13 – 17 Jun	Company liquidation	COMPANY LIQUIDATION
Week 8 (26)	20 – 24 Jul	<ul style="list-style-type: none"> - VAT payment and dossier - Appraisal/Assessment interviews by HR manager and assistant. HR-report is created. Individual personal achievement scores are proposed to the coach. - Creation <i>End of company dossier</i> - Refund to company partners - Closing the bank account - Final Presentation - Coach signs off the Junior Enterprise Project group dissolved	
Week 9 (27)	27 Jun – 1 Jul	Catch up and resit week for not approved company products Definite assessment by IBMS-coach	
		Summer Holiday	

Planning Chart Junior Enterprise Block 2 – Nov 2010 – Feb 2011

6. Assessment of the project

6.1 General remarks

Study points

With this project you can score a total of 7 ECTS study points (IBMPM308R2 3, IBMM408R2 2 and 2 for IBMPM508R2).

Assessment

Of course the company partners should work as a unified entity, a business. Everyone should show interest and make proposals for improvement of all aspects of the work. But the assessment will be based as much as possible on individual contributions to the company within the function in the company to which one has been assigned.

During the project a grade will be calculated for the individual participants of the company project for each block.

Each block has a different calculation mechanism. The block grades (max. 100%) are composed as follows:

- for block 1 the grade is a combination of a score for
 - o *specific products* (60%) and an
 - o *individual functional performance score* (40%).
- For block 2 the grade is a combination of
 - o *sales- or otherwise productive individual performance* (60%) and
 - o *individual functional performance score* (general management, marketing, finance, and personnel management, management assistant) (40%)
- For block 3 the grade is a combination again of a score for
 - o *specific products* (60%) and an
 - o *individual functional performance score* (40%).

The **project manager** who started up the business in the first 5 weeks of block 2 will be assessed separately by the IBMS coach for his main product (business project plan – max 60%) and for his performance in organizing the company (max 40%). In case the project manager will also be the director, the IBMS coach may decide to grant him a bonus. A bonus may also be obtained by the assistants of the project manager. This bonus should then be proposed in the *Appraisal/Assessment report* of these members (see below).

6.2 Appraisal/Assessment Interviews

To take *individual functional performances* into account the personnel manager will hold separate *Appraisal/Assessment interviews* **in every block** with all partners (including the partner in the Director role). The HR manager may request the companies' *management assistant* to assist him in preparing the interviews and in taking notes. After the *Appraisal/Assessment* interviews are finished and summarized the HR manager will **propose** to the IBMS coach an *individual functional performance score* for each member on a scale of 0-40%. The IBMS coach is free to follow up on this advice or deviate from it.

The IBMS coach himself will hold the *Appraisal/Assessment interviews* with the director together with the personnel manager and with the personnel manager in combination with the director.

The *individual functional performance score* must be justified in the *Appraisal/Assessment report* for a partner, using the experiences made with this partner (impressions of the personnel manager or other members about this partner, work evidence (reports, forms, promotion materials, spreadsheets, sales activities, presentations etc.) as well as using the partners' own *personal activities log*).

An important element in this score is also reserved for specific competencies or qualities belonging to the domain of the function which were explained in chapter 4 about *Functions, Roles, Tasks and Responsibilities*.

Both the manager of a function (eg. Manager Finance and Administration) and the assistant in a certain function receive an *individual functional performance score*.

Below an overview of the calculation models per block

6.3 Assessment Block 2: Start up and Design stage. – IBMPM308R2

The grade in this block is determined by 2 scores:

1. a score for the **products** for which a partner bears responsibility (60%)
2. a score for **individual functional performance** (40%)

In case a member is not involved in the company activities in any significant way, the IBMS coach may decide to deviate from the rule mentioned above and Fail the student for this block.

The **functional products score** in block 2 will be determined by the combined grades achieved for several main products (reports, plans) which are produced under the responsibility of a *certain manager* and his *assistant* taking into account a certain weight factor.

The assessment of the individual elements (reports, plans, forms) of the group score is explained in the manual under the chapters 7 and 8: Forms and Reports.

Assessment of the **product scores per function**:

Assessment Director	
Product:	Weight factor
Business (plan overall)	40%
Presentation and defence of Business plan	10%
Partnership contract	10%
Total	60% (0-60%)
Individual functional performance grade	40% (0-40%)
Total	100% (max)

Assessment <i>HR manager</i>	
Product:	Weight factor
Personnel report (including interview reports etc.)	50%
Correct maintenance of PAL	10%
Total	60% (0-60%)
Individual functional performance grade	40% (0-40%)
Total	100% (max)

Assessment <i>Manager Logistics, Marketing and Sales</i>	
Product:	Weight factor
Procurement report	20%
Report Competition and Market research	30%
Promotion and Sales plan	10%
Total	60% (0-60%)
Individual functional performance grade	40% (0-40%)
Total	100% (max)

Assessment <i>Manager Finance and Administration</i>	
Product:	Weight factor
Financial Statements	40%
Administrative procedures and tools	20%
Total	60% (0-60%)
Individual functional performance grade	40% (0-40%)
Total	100% (max)

Assessment <i>Management assistant</i>	
Product:	Weight factor
Minutes, agenda's, attendance lists	40%
Configuration management (N@tschool)	20%
Total	60% (0-60%)
Individual functional performance grade	40% (0-40%)
Total	100% (max)

Caution!

No grade will be given to anyone in the company as long as certain compulsory requirements are not met: all Forms must be filled out and processed in a careful and complete manner. Please, study these requirements in the Forms section of this manual (Chapter 7). One example: as long as the Partnership contract has not been approved there is no company and therefore no grade can be given.

6.4 Assessment Block 3: Operational stage – IBMPM408R2

The individual grade in this block is determined by 2 scores:

1. a score for **individual functional performance** (40%)
2. a **sales performance score** (60%)

In this block the emphasis of the assessment is on the productive contributions of the partners to the generation of a positive sales result.

Besides this great care has to be given to the administration of the purchased products, to the administration of (individual) sales and finances, to promotional activities and to monitoring and coaching of the partners in their role as operatives of the company.

As these tasks belong to the functional management of the company, the responsible managers (Marketing..., Finance... and their assistants) will be assessed as to how they have performed in their roles. Also for the management assistant there will be a separate assessment.

The **individual (functional) performance score** for each manager and assistant will be proposed again by the personnel manager after a new round of *Appraisal/Assessment interviews* which will focus not only on the fulfilment of functional requirements (administration of sales, VAT report etc.), but also very much on motivation and effort in the promotion and sales activities and on the support given to other members to increase the performance and solidity of the company as a whole.

The **(sales) performance score** is an individual mark which mainly depends on the relative achievement of predefined individual business targets.

Every member of the company gets his personal share of the overall sales or business target that has been decided in the business plan. This target will be established in the context of the sales and promotion plan which is designed at the end of block 2.

The individual targets do not need to be equal and should be intelligently distributed between the members, taking into account different functions and task loads within the company as well as individual characteristics.

The individual sales targets are proposed by the director and personnel manager, based on the overall sales plan for block 3 and have to be **agreed and signed** by all partners as well as *approved by the coach* before publication in the business plan in the (internal) Annex '*Promotion and sales targets for block 3*'.

Every member must make sure that he meets his sales target in order to get 55% of the performance grade, which means 55% of 60% = 33% of the overall block grade. Not meeting the agreed performance will lower the performance grade; exceeding the individual sales target will lead to a higher performance mark.

The IBMS coach will, in cooperation with the Director and the personnel manager, design a (simple) *measurement tool* to measure the performance grade as objective and fair as possible.

Caution!

the system of rewarding performance only works when sales results or figures are carefully and objectively administered and constantly updated (for each individual and for the group as a whole). The sales results should be stored in a continuously updated spreadsheet in the Marketing and sales section of your N@tschool environment. This is the task of the Manager of Finance and Administration under supervision of the company Director.

6.5 Assessment Block 4: Operational stage – IBMPM508R2

The individual grade in this block is determined by 3 scores:

1. a score for **individual functional performance** (20%)
2. a **sales performance score** (40%)
3. a score for the **products** for which a partner bears responsibility (40%)

The scores for 1 and 2 will be very much determined like they were in block 2.

As the last block is split evenly between sales activities and the creation of the End of company products we will add a *third* score here: the reward for and assessment of the final company products.

These products will again be assessed in the same way as in block 2, along a functional line.

A word of caution!

If the overall sales target is not met as stated in the *Result agreement* the entire company will automatically *fail* and therefore also the individual partners.

The assessment including score 3, the products' score per function:

Assessment Director	
Product:	Weight factor
End of company dossier (overall)	30%
Presentation of End of company report	10%
Total	40% (0-60%)
Individual Sales performance	40% (0-40%)
Individual functional performance grade	20% (0-40%)
Total	100% (max)

Assessment <i>HR manager</i>	
Product:	Weight factor
Human Resources report (including interview reports etc.)	30%
Presentation HR report	10%
Total	40% (0-60%)
Individual Sales performance	40% (0-40%)
Individual functional performance grade (including PAL)	20% (0-40%)
Total	100% (max)

Assessment <i>Manager Logistics, Marketing and Sales</i>	
Product:	Weight factor
Final sales and promotion report	30%
Procurement report	10%
Presentation of promotion, procurement and sales report	10%
Total	50% (0-60%)
Individual Sales performance	40% (0-40%)
Individual functional performance grade	10% (0-40%)
Total	100% (max)

Assessment <i>Manager Finance and Administration</i>	
Product:	Weight factor
Financial Statements	20%
Financial administration	20%
Total	40% (0-60%)
Individual Sales performance	40% (0-40%)
Individual functional performance grade	20% (0-40%)
Total	100% (max)

Assessment Management assistant	
Product:	Weight factor
Minutes, agenda's, attendance lists	20%
Configuration management (N@tschool)	20%
Total	40% (0-60%)
Individual Sales performance	40% (0-40%)
Individual functional performance grade	20% (0-40%)
Total	100% (max)

7. Forms

Financial forms (VAT) are dealt with separately.

In this section you will find the main forms which have to be filled in during the life span of the Junior Enterprise.

Form 1. Membership booklet

You can use the form below as a template for your Junior Enterprise. These forms should be filled out and send by mail to all members of your project group, to your coach and to the project coordinator Junior Enterprise.

Membership booklet
Junior Enterprise: [Name]
Class/Group IBMS [XXX-XX]

(title page)

	<p>Name:</p> <p>Function in company (to be filled in later):</p> <p>Student number:</p> <p>Mobile number:</p> <p>E-mail address:</p> <p>Address: Postcode Place:</p> <p>Msn:</p> <p>Skype:</p> <p>Name of your Bank:</p>
<p>Expectations about the project:</p> <p>Which competencies do you wish to develop in particular:</p>	

Form 2. Registration Form Junior Enterprise

Number Junior Enterprise:

The undersigned,

Name :

First name(s) :m/v¹²

Address :

Postal code and city :

E-mail address :

Mobile phone :

Telephone number :

Date and place of birth :

Sofi (fiscal) number¹³ :

Student number :

registers as a participant in the Junior Enterprise project and agrees to the regulations of this project as described in the Junior Enterprise Manual

Place, date :

Signature :

¹² Cross out which is not relevant

¹³ If any

Form 3. Branch Office Information

Number Junior Enterprise :

Completed by :

Name of the enterprise :

Address :

Postal code and city :

Telephone number :

Bank account nr :

Location of the bank :

Telephone number bank :

Contact person bank :

Product description :

Management information at the start of the enterprise

General Director :

Manager in charge of
marketing, sales,
purchasing and logistics :

Financial Manager :

Personnel Manager :

* Cross out which is not relevant.

N.B. All changes must be reported immediately to the project coordinator by means of this form.

Form 4. Partnership contract

Responsible: Director
Deliverable: Contract for the VOF (Partnership under Common Firm)
Date: end of week 3 (hand in Deadline:)

Contents

For this project you must document the arrangements made between the partners in a written Partnership contract¹⁴ which has to be signed by all Partners. A template contract is available in this manual under [Form 3 partnership contract](#). The contract must contain at least the description of the objective, organizational structure of the enterprise, financial and other input of the partners, division of profit or loss, requirements and general rules of conduct, penalties in case of violation. Be to the point and realistic in drawing up your contract and concentrate on the most important issues, being the financial matters and the obligation to put in an equal share of effort by each member. Pay attention to a correct attitude towards group work and try to counteract laziness, indifference and misuse of your companies resources.

The contracts are drawn up under direct responsibility of the Director. Any changes to the proposed template has to be discussed with and accepted by your IBMS coach first. The contract must be signed by all partners. A copy of the contract has to be delivered to the IBMS coach as well as to the project coordinator. A digital copy of the signed contract must be stored in N@tschool in the appropriate folder.

Assessment criteria

- The document has the characteristics of a contract.
- Correct use of legal terminology.
- Correct use of the language.
- The point in the contract have to be functional, concrete and effective

Assessors

Assessment of the Partnership contracts is done by the Coach.

Assessment

PASS/FAIL

See below for a template of the Partnership contract.

¹⁴ Go to English language web sites of Dutch Chamber of Commerce (KvK) and obtain more information on the Legal requirements for the VOF (Vennootschap Onder Firma):
<http://www.kvk.nl/artikel/artikel.asp?artikelID=45621§ieID=59> or for the English edition:
<http://www.kvk.nl/artikel/artikel.asp?artikelID=16161§ieID=101>

This Partnership Agreement is made on [Insert Date] between [Insert Name of Party 1] and [Insert Name of Party 2] and [Insert Name of Party 3] and [Insert Name of Party 4] and [Insert Name of Party 5] and [Insert Name of Party 6] and [Insert Name of Party 7] and [Insert Name of Party 8] and [Insert Name of Party 9] .

1. Name and Business

The parties hereby form a partnership under the name of [Insert Business Name] to sell [Insert Business Product/Service]. The principal office of the business shall be [Insert Address].

2. Term

The partnership shall begin on [Insert Date], and shall continue until terminated. Termination should effectuate before July 1, 2011.

3. Capital

The capital of the partnership shall be contributed by the partners as follows:

- A separate capital account shall be maintained for each partner.
- No partner shall withdraw any part of his capital account.
- All partners will pay in an equal amount of € 150,- to serve as start capital for the company
- In case a partner quits voluntary or is forced to quit early from the company, the remaining partners will continue the company. The paid in contribution of this partner will have to be refunded at the liquidation of the company. In case of loss this partner will equally share in the loss, in case of profit this partner will not share in the profit, unless the remaining partners decide otherwise by majority vote. In case of a tied vote the coordinator of the 2nd year project stream will decide after consultation of the group coach.
- The individual partner contributions will be transferred to a dedicated bank account, specially opened at a bank on behalf of this Junior enterprise by both the acting Director and Financial manager of the company. This bank should be a recognized banking institution in the Netherlands.
- Any significant withdrawal of money (over €100,- either as a single amount or as a series of smaller amounts) should be signed by at least the director and the financial manager of the company. In case of transactions between €250,- and €500,- the entire management team must agree and sign and transactions over €500,- require the (signed) consent of the collective partnership meeting.

4. Profit and Loss

The net profits of the partnership shall be divided equally between the partners and the net losses shall be borne equally by them.

5. Duties and Restrictions

The partners shall have equal rights in the management of the partnership business, and each partner shall devote an equal time to prepare and conduct the business in accordance with the number of ECTS attributed to him/her for the respective block of study (see the course description of the courses IBMPM308, 408 and 508 IBMS curriculum overview 2010-2011). All partners have an obligation to perform to the best of one's abilities Without the consent of the other partner neither partner shall on behalf of the partnership borrow or lend money, or make, deliver, or accept any commercial paper, or execute any mortgage, security agreement, bond, or lease, or purchase or contract to purchase, or sell or contract to sell any property for or of the partnership other than the type of property bought and sold in the regular course of its business.

6. All funds of the partnership shall be deposited in its name in such checking account or accounts as shall be designated by the partners within the guidelines of the Junior Enterprise project..

7. All partners promise to do their utmost to meet the company objectives laid down in the Result agreement with the coach. Not meeting the conditions in the Result agreement will be considered as a failure of the Company objectives and therefore failure of the project.

8. Individual partners should all engage actively in the core activities of the company. Partners who show a non motivated attitude or negative behaviour or who do after a final warning by their Director and the IBMS coach not sufficiently engage themselves in the core activities of the company may be excluded from the partnership. A final warning must be preceded by an earlier warning issued and documented earlier in an assessment interview which may be convened by the Director and the personnel manager of the company in case there are serious doubts about the involvement of the partner. The partner has to be invited to this meeting through a mail sent to his student mail account

at least 7 days before the assessment interview. Exclusion has to be sanctioned definitely by the IBMS coach. The student partner will have to quit the company, will fail the project and will not share in any profit obtained by the company. His capital will be refund to him at the same time as the refund to the remaining members of the company.

9. *Any controversy or claim arising out of or relating to this Agreement, or the breach hereof, shall be settled by arbitration* in accordance with the rules, and judgment upon the award rendered may be entered in any court having jurisdiction thereof, but only after exhaustive arbitration has been requested and attempted by the project coordinator to settle any claims or disputes.

Partnership Contract JE IBMS20X-X

2010/2011

In witness whereof the parties have signed this Agreement.

Executed this _____ day of _____, **[Insert Year]** in **[Insert City]**.

Signature of Party 1

Signature of Party 2

Signature of Party 3

Signature of Party 4

Signature of Party 5

Signature of Party 6

Signature of Party 7

Signature of Party 8

Signature of Party 9

Form 5. Personal Activities Log (PAL)

The personal activities log (PAL) is a spreadsheet which should be meticulously filled out by all members. It is stored and maintained in N@tschool and accessible by all members and the coach. The PAL serves as basis for the Appraisal and Assessment interviews held by the Personnel manager with individual members of the company.

In the PAL every member fills out the tasks he has finished with the time spend on each of them. For this each member gets an individual Tab in the PAL spreadsheet.

The maintenance (completeness) of an individual Tab in the PAL spreadsheet is the responsibility of each individual member.

When the personnel manager uses the PAL to prepare the Appraisal and Assessment interviews, he should check first whether the entries made in the PAL are reliable and trustworthy. A regular check throughout the period is advised to make sure the PAL is being maintained by all members. The PAL can be found in the Supporting materials folder in your project environment in N@tschool.

Seq. #	Date	Time started	Time Finished	Time spent	In cooperation with	Description of Activity
1	13-02-11	13:30	15:00	1:30	Xiao Wong Appie Baantjer	We made promotional flyers for the sales action in the Hogeschool in Holland, The Hague. We stored the flyer design in N@tschool in the folder 'Flyers' under the workfolder Promotion and Sales.
2	14-02-11	15:00	16:30	2:00	All other members	Company meeting
3						
4						
5						
6						

8. Requirements for reports, plans and presentations

All reports should be written in a unified single (house) style of your project and company. Make early decisions about outlook, layout, style and format of your reports

8.1 business project plan

Responsible: (temporary) Project manager and entire project group

Deliverable: Report 'Business Project Plan'

Date: Before project team meeting with coach of week 3

Specific: Project management team under the leadership of the (temporary) project manager .

Contents

A detailed project plan has to be designed for the entire block 1 (the start up and company design stages) of the Junior Enterprise project with maximum detail.

All activities required to set up your Junior Enterprise within the given context:

- have to be thought over and scheduled into activities and actions,
- have to be assigned to members of the project group,
- have to refer to required results and deliverables,
- have certain and specified time frames and deadlines.

In this context you may call the business project plan the PID to set up a Junior Enterprise.

Attention should therefore also be given to risks, the deadlines should be managed carefully, a communication plan should be established dealing with the internal communication in the project group and the communication with the coach and other stakeholders. As several PMC's will have to be researched, due attention must be given to the planning of market research- and procurement research activities. Due attention must also be given to the design and distribution of work assignments within the group. Individual qualities and flaws of the group members must be estimated. Remember that you must recognize a risk first, before you can deal with it.

For the start up phase an activity list and a bar (Gantt) chart have to be included which will give a graphic display of the activities and actions as they are planned chronologically and tells us by who(m) they will be executed.

For the period *after* the company has been erected, the business plan will take over as the plan for the operations of the enterprise. Specific about our business plans is that they already take into account the liquidation of the company at the end of June.

Your business project plan for the start up phase should be based on the *Project manual Junior Enterprise* and the included *week schedule for block 2*, and adds to these more detail and specifics for your own project group.

The project plan has to be approved and adopted by the entire project group, already at in the coach meeting in week 3 of the project. It has to be mailed to your group members and your coach at the latest one day .

Again the purpose of the BPP is:

1. to develop a clear, organized and detailed mental picture of all the tasks and assignments of the project
2. to have an easy checkpoint to ensure that all assignment and tasks are fulfilled within the time frame given to them.

Assessment criteria and weighting of the BPP

Assessment criteria	Weight
Product descriptions Individual (general) product descriptions for all relevant products in block 1	20%
Planning and scheduling (are all preparatory elements for the set up of the new company recognized and scheduled: e.g. discussion and choice of 2 potential PMC's; preparation of the choice for most promising PMC; market research for most promising PMC; procurement research; business plan; handling of the necessary forms etc.) Well thought through planning, scheduling and work distribution. Implementation in a complete Gantt chart and activity list	30%
Quality plan (quality checks on products)	10%
Known risks and ways to counteract them	10%
Communication plan (internal and with external stakeholders)	10%
Professional language (checked for errors) and lay out	10%
Send in time (ultimately 1 day before coach meeting week 3) through mail -	10%
Stored in N@tschool; if not done:	<i>Fail</i>

Assessors

Assessment of this document is done by the coach. This document is considered to be a document of and for the entire project group. Everybody is co-responsible for its content. Therefore the mark obtained for this document applies to all project group members.

8.2 Competitive analysis and market research report (block 2)

Responsible: Manager in charge of Marketing, Purchase, Logistics and Sales
 Deliverable: Report Market Research and Competitive Analysis
 Date: end of week X

This report will also be (in summarized form) a part of the *business plan report* (+ an annex with the results of the market research for the preferred PMC.

One of the first activities that the Junior Enterprise performs is conducting a *competitive analysis* and a *market research* into the most preferred Product/Market combination. The central question is which desire, need, fashion or hype your product or service could satisfy and what your competitive position will be in the market. As your enterprise will actually purchase and sell the product of your choice, it is very important to estimate your chances as realistic as possible, so that you will choose a promising and profitable product or service.

For this reason your market research will start with one or more brainstorming sessions. You will choose **2 Product market combinations** which you generally perceive to be the most promising for your company.

A preliminary research starts using the internet and other close by sources (teachers, fellow students, parents etc.) as your main sources of information. You should already take into account possible risks and pitfalls in deciding the chances of both your PMC's. Examples are legal issues (hygiene and safety regulations make that selling foodstuff on the Dutch market are not allowed for the Junior Enterprise), procurement risks (delivery time, supplier reliability, shipping risks, custom regulations, certification and tariff issues etc.) and other issues.

How difficult is it to contact a potential supplier, what can you find out about him? Is he registered at the Chamber of Commerce in his own country? Can you call him, does he have an real address etc.etc.

For both of the possible PMC's there should be clear indications that there is a real market waiting to be approached. B2C and B2B are both allowed, although both require their own approach.

Think whether you want to stay close to (or inside) your trusted (school) environment (which is overcrowded with small student companies draining your market) or whether you want to discover other markets. Whatever you do, you should always take into account the short life span of your company and resulting issues of warranties on your products etc.

A simple unexpected problem may kill all your beautiful expectations of high sales and profit.

Expect the unexpected and try to find as many problems and potential issues with your product as possible.

Talk to fellow students and teachers about your ideas, but also from the very beginning: get out of your safe school environment and talk to friends outside school, to shop owners and to all those people your mother never wanted you to talk to: *strangers!*

After the preliminary exploration of the market potential for both of your potential products or services you will choose 1 PMC as your most promising. Make sure every partner gives his opinion before you make your final choice by majority vote.

For the *most preferred PMC* you will subsequently undertake a real market research. The main problem issue in your market research is to establish how strong the desire in you market is to buy your preferred product or service and what price they are willing to pay for it.

You may use different desk and field analysis research methods:

- by means of articles in the press about trends, fashion, hypes and other striking consumer preferences;
- by means of conversations with others in the same of business: just walk into a shop and talk to the owners or to importers of similar articles. You could also visit a company that is doing the same kind of thing;
- by means of conversations with research institutes;
- by means of in depth interviews with marketing agencies;
- by means of organizations in your line of business;
- by visiting trade fairs and demonstration of similar products;
- by visiting websites;
- by conducting observations in shops with competing products
- by conducting a survey among the targeted population;
- by conducting a panel study
- etc.etc...

In relevant situations you should apply quantitative market research as well.

You might measure the possible buying intentions, buying frequencies and buying volume in a representative sample test, focus group or panel study in the market segment of your choice.

In conclusion: If the result of the sample test is such that your product or service appears to have market potential, you are going to market this product or service.

In order to have the market research proceed in a controlled manner you must consult your coach about the following interim results:

1. Results of the quantitative market exploration

- Which product/market combination was chosen after the first brainstorm session and preliminary research and discussion (a product probably favoured by future customers)?
- Which are the sources you have consulted?
- Which conclusion, so which product or service is given first priority?
- An overview of reliable suppliers (give proof of the reliability).

2. Determine and explain the type of market research you want to perform:

- Explain the type of market research (eg. survey, panel study etc..)
- Explain the chosen population and the selection of your sample from it
- Determine and explain your interview method and questions (if appropriate)
- How will you process the outcomes of your research and draw conclusions from it ¹⁵

The market research report is made under direct responsibility of the manager in charge of marketing, sales, purchasing and logistics.

Contents of the report ‘Market research and competitive analysis’

Market research:

- Final choice of product or service to be researched with a justification of this choice.
- Research question for the market exploration.
- Which people have been approached through which method(s)?
- Methodology used in the research.
- Any questionnaires developed
- Figures and results of the research.
- Conclusion of the entire market research and a proposal for the best possible marketing of the product or service.
- Appendices (including questionnaires, if any).

Competitive analysis:

- Overview of competitive products and services
- Overview of the main competitors and their relative importance (with regard to location, branding, pricing etc..)

Assessment criteria

- The report meets the standard requirements for reports.
- The sample test or any other data collection method used is relevant and representative.
- The report contains all items mentioned under “content”.
- The report has been written in correct business English.

Assessors

Assessment of this document is done by the coaches if necessary in cooperation with one of the (market) research lecturer.

Assessment

¹⁵ For more information about Research and data collection methods study some Chapters from the book by Saunders et al, Research methods for Business students, 2003, Prentice Hall (Ch. 2, 4, 6, 7, 8, 9 and 10)

Grade 0 – 100%

8.3 procurement dossier (block 2 and 4)

UNDER CONSTRUCTION

In block 2 this report will be part of the Business plan report. In block 4 it will be part of the End of company dossier.

-

Assessors

Assessment of this document is done by the coach.

Assessment

Pass/Fail

8.4 business plan (block 2)

Responsible: Director (and Management Team)

Deliverable: Business Plan Report

Date: Week 8 Deadline: Type of meeting to be decided during block 2

Specific: There will be a simple factual presentation of this Report at the end of block 2 by the Director and the Management Team.

Contents

It is clear that during the time before the business plan is written the strategy of the enterprise for the rest of the year is determined. Strategy may be defined as *the way in which an organisation attempts to realise its long-term objectives, considering important developments or changes in the environment*. Focal points here are organisational objectives, internal and external environment and the planning of purchasing and sales activities. The operational implementation of the strategy is described in the business plan.

Assessment criteria

The Business Plan should adhere to minimal standards for business plans outlined during the Business plan lecture for Directors and Financial managers in December. Any other business plan models should be checked with the coach first.

The topics that should be dealt with and which will be assessed can be found in the table below.

The business plan should be SMART, No Nonsense and factual and it should be 'Bullshit proof'.

Furthermore the business plan report should have a *business-like layout* and should be written in *correct English* and use graphic displays and charts in an appropriate manner.
For a lay out of the business plan see Supporting Document A at the end of this manual.

Minimal components of Business plan and their weighing

Components <i>Business plan report</i>	Weight
Organization (including organization chart, management)	10%
Description legal form, location, capitalization	10%
(Summary) Market research and competition report	
(Summary) Procurement report	10%
Comprehensive analysis of chosen PM including outcomes of market research and analysis for this (type of) product, competition and procurement issues.	20%
Financial statements	20%
Professional language (checked for errors) and lay out	10%
Required Annexes:	
- Promotion and sales plan with individual sales targets for block 3	10%
Sent in time (before Company presentation date)	if not done: <i>Fail</i>
All important elements included and up to standards	if not done: <i>Fail</i>
Stored in N@tschool;	if not done: <i>Fail</i>

Assessors

Assessment of the report and will be done possibly in cooperation with the finance and logistic lecturers involved in this project and of course by your coach/tutor.

Assessment

Grade 0 – 100%

8.5 HR report (block 2 and 4)

Responsible: HR Manager
 Deliverable: HR Report (HR)
 Specific: Part of the Appendix of this report will be the Secretarial report
 Date: end of Week 8
 Mode of publication: Hard copy and in N@tschool

Preparing and writing the HR Report is a responsible and not an easy job. Throughout the period that he performs his function the HR manager looks at motivation, capabilities and task fulfilment of the company management and staff and tries to improve these. Besides he must keep an independent position towards the individual group members in order to be able to judge their performance without favouritism or prejudice. In this report also an element of individual

achievement and functional assessment will be included which will affect the mark a project participant will receive from the project group coach.

Building blocks of the HR Report:

- An *introduction* by the personal manager in which he describes the past period in HR terms. For the group as a whole: How was the motivation, were there specific problems, were there any critical incidents or periods, positive and negative aspects in the cooperation of the members etc.
- Appraisal/assessment report (1/2 p. A4) of each member based on the Appraisal/Assessment interviews conducted. The IBMS coach appraises/assesses Personnel manager himself. Each Appraisal/assessment interview report should be concluded by a **performance score** (from 0-100%) proposed by the personnel manager and the director together.
- The combined *personal activity logs* in which all relevant activities of each group member are registered. This is a printout of the spreadsheet (Annex to the personnel report).

Personal activity logs

The [personal activity log](#) (PAL) will contain chronologically all relevant activities by all group members, a short description of each activity and the date and location on which and where it was undertaken.

The template for the PAL is available for use in the Materials folder in N@tschool. See the example in the manual.

Assessment criteria

The HR Report is satisfactory if the contents are clear and sincere for the assessor. This means that the contents of the report must be complete, clear, well written, authentic, sincere and well thought over.

Assessors

Assessment of the PR is done by the coach.

Report Assessment

Components <i>HR Report</i>	Weight
Introduction	20%
Appraisal/assessment interviews (including <i>performance score</i>)	40%
Personal activity logs (PAL) checked for completeness and sincerity, maintained in N@tschool and published as an Annex in the personnel report	20%
Professional language (checked for errors) and lay out	20%
Stored in N@tschool;	if not done: <i>Fail</i>

8.6 End of company dossier (block 4)

To round off the Junior Enterprise project you should hold a final presentation and produce a company dossier.

The company dossier should contain a couple of partial reports which should be handed in (hard copy, compiled in 1 dossier) at the beginning of the presentation and which should be stored in N@tschool as well under the appropriate folders. Please compile the reports in a nice binder and add your names, student numbers, class group and your company name to the front/title page. Make sure that you use a unified lay out (incl. page numbers, headers etc.) and that you check all of the presented documents on spelling- and other errors. The presentation powerpoint should also be stored in N@tschool.

The final company dossier should consist of:

1. Sales & Promotion Report

the contents briefly:

Sales:

- General sales approach (target market / tactics etc.)
- Overview of sales events (locations and dates)
- Sales by member / sales by location (B2C) / sales by business (B2B) – in numbers and amounts
- Totals
- Compilation of pictures of activities done

Promotion:

- Materials created (stickers / folders / videos etc.)
- Overview of promotion activities

2. Financial Report (include spreadsheet)

- Profit and Loss statement
- End balance

3. Stock overview Report (include calculation spreadsheet)

4. Procurement dossier (communication data of delivering company / purchase slips / relevant information about taxes (VAT) and transportation costs paid etc.). For us this is a very important dossier, so deal with it well!

5. Financial round up dossier:

- VAT Report including proof of transfer of VAT to the Stichting JBO (printscreen of electronic bank slip)
- Confirmation of reimbursement to project members of paid in capital (plus profit, if any). This paper should have been signed by all members of the Junior Enterprise.
- Evidence of the closing of the bank account.

The above mentioned evidence should be delivered before the members of the Junior Enterprise are entitled to their marks and study points.

Components End of Company Dossier	Weight
Sales & Promotion Report	20%

Financial Report (including spreadsheets)	20%
Stock overview Report	10%
Procurement dossier	20%
Financial round up dossier	10%
Physical evidence of Company activities (product pictures, sales photo's, video's)	10%
Professional language (checked for errors) and lay out	10%
Not sent in before deadline (final presentation date)	Fail
Any of the parts mentioned above missing or far below standards	Total Fail
Stored in N@tschool; if not done:	Fail

The End of company dossier will contain a printed version (hand over to the IBMS coach) and a N@tschool version which will contain physical evidence of the company in digital form (spreadsheets, documents, photo's, video, website link etc.). This dossier should be used in the final presentation before the liquidation of the company.

Annex 1 – VAT (BTW)

Value Added Tax (VAT) must be charged to all buyers. Business clients may reclaim the VAT paid, under the condition that the Junior Enterprise has met all administrative requirements.

VAT paid by the Junior Enterprise for purchased goods must be balanced with VAT received and the remainder must be paid to the Tax office.

Since a Junior Enterprise cannot have a VAT number, being part of an educational institution, the VAT to be paid to the Tax Office must be paid to the JBO Foundation, which will then file the VAT return and settle the payment to the Tax Office.

This means that all Junior Enterprises must submit an overview of all VAT paid and received (in conformity with the administrative regulations) to the Foundation through *[person will be announced]* and subsequently arrange payment of VAT.

The VAT number to be used is: 8096.25.635.B01

The registration number for the trade register is: 24318390

The bank account number of the Stichting Junior Business Ondernemingen, (location Rotterdam) is: 59.86.91.812 .

Lay out of VAT statement

Total Cost (Purchase) of Goods/Services excl. VAT-high (19%)	€ 10000		Total Sales incl. VAT 19%	€ 25000	
	Total VAT-High - paid	€ 1900	Total VAT-high received		€ 3991,60 ^{*)}
Total Cost (Purchase) of Goods/Services excl. VAT-low (6%)	€ 1000			€ 2000	
	Total VAT-low - paid	€ 60	Total VAT-low received		€ 113,21
Total Cost (Purchase) of Goods/Services excl. VAT- 0%		€ 0			
	Total VAT paid	€ 1960	Total VAT received		€ 4104,81
Balance				To be paid	€ 2144,81

To bank account 59.86.91.812 , Stichting JBO, Rotterdam.

*) Note: Sales incl. VAT € 25000,-
 $\text{VAT } 19\% = 19/119 * 25000 = 3991,60$

Annex 2 – Financial statements

Imagine the following situation::

Company ABC, 8 members, each deposited €100

They ordered 100 items from China, paid transportation costs, clearing costs, BTW

For their promotion they used posters they ordered in Rotterdam.

In total they sold 80 items.

Note: BTW-amounts are not accurate! For demonstration only.

Investment:	8 * €100	€800
Purchase of goods:	100 * €5	€500
	Transportation costs	50
	Clearing costs	<u>30</u>
		€580
	BTW	<u>70</u>
		€650
Promotion costs:	Printing costs	50
	BTW	<u>10</u>
		€710
Sales:	80 * €10	€800 (including €150 BTW)
Left over:	20 items	

This leads to:

CASH FLOW

CASH FLOW FROM OPERATION:

Sales:		€800
Purchase:	€650	
Promotion costs:	<u>60</u>	<u>710</u> –
		€ 90

CASH FLOW FROM FINANCING:

Shares of members:	€800
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TOTAL CASH FLOW: _	€890
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INCOME STATEMENT:

Sales		€650
Costs of goods sold	80*5	<u>400</u>
Gross Profit:		€250
Costs:		
transportation:	€50	
clearing	30	
printing	<u>50</u>	<u>€130</u> -
Net profit:		€120

BALANCE SHEET:

CURRENT ASSETS:

Inventories	20 * €5	€100
Cash		<u>890</u>
		€990

NOTE: Cash went like:

+800 (shares) - 500 (purchase) - 80 (costs) - 50 (printing) + 650 (sales) + 70 (BTW to be paid)

NOTE: BTW Received: €150 BTW Paid: €80 Balance: €70 to be paid

EQUITY AND LIABILITIES:

Capital and reserves: issued capital	€800
BTW to be paid:	70
Net profit:	<u>120</u>
	€990

Current assets:

BTW to be paid:	€70
Each member €100	800
Net profit of €120:	
Inventory	100
Cash profit	20

Annex 4 'Brainstorm'

Objectives

Deciding on the way in which your group can have effective meetings this semester.

Successfully apply the brainstorming technique.

Evaluate the session in terms of the outcome of the brainstorm and its effect on team building.

Instructions

In this first practical group session your group will be involved in a brainstorming session. The objective of this session is that your group members and you generate as many ideas as possible about (a) given subject(s)

As homework each participant prepares the explanation of the brainstorming process below. The brainstorm meeting will be organized by the group's chairman. He/she ascertains that every individual in the group understands how to brainstorm and what the objective of this assignment is.

Your group should in a time-span of 30 minutes (1) carry out the actual brainstorming session, (2) categorise, condense, combine, refine and discuss the outcome, (3) and agree on which actions to take.

Brainstorming process

Brainstorming technique for problem-solving, team-building and creative process
Brainstorming with a group of people is a powerful technique. Brainstorming creates new ideas, solves problems, motivates and develops teams. Brainstorming motivates because it involves members of a team in bigger management issues, and it gets a team working together. However, brainstorming is not simply a random activity. Brainstorming needs to be structured and it follows brainstorming rules. The brainstorming process is described below, for which you will need a flip-chart or alternative. This is crucial as Brainstorming needs to involve the team, which means that everyone must be able to see what's happening. Brainstorming places a significant burden on the facilitator to manage the process, people's involvement and sensitivities, and then to manage the follow up actions. Use Brainstorming well and you will see excellent results in improving the organization, performance, and developing the team.

Define and agree the objective.

Brainstorm ideas and suggestions having agreed a time limit.

Categorise/condense/combine/refine.

Assess/analyse effects or results.

Prioritise options/rank list as appropriate.

Agree action and timescale.

Control and monitor follow-up.

In other words:

Plan and agree the brainstorming aim

Ensure everyone participating in the brainstorm session understands and agrees the aim of the session. Keep the brainstorming objective simple. Allocate a time limit for the actual brainstorming. This will enable you to keep the random brainstorming activity under control and on track.

Manage the actual brainstorming activity

Brainstorming enables people to suggest ideas at random. Your job as facilitator is to encourage everyone to participate, to dismiss nothing, and to prevent others from pouring scorn on the wilder suggestions (some of the best ideas are initially the daftest ones - added to which people won't participate if their suggestions are criticised). During the random collection of ideas the facilitator must record every suggestion on the flip-chart. Use Blu-Tack or sticky tape to hang the sheets around the walls. At the end of the time limit or when ideas have been exhausted, use different coloured pens to categorise, group, connect and link the random ideas. Condense and refine the ideas by making new headings or lists. You can diplomatically combine or include the weaker ideas within other themes to avoid dismissing or rejecting contributions (remember brainstorming is about team building and motivation too - you don't want it to have the reverse effect on some people). With the group, assess, evaluate and analyse the effects and validity of the ideas or the list. Develop and prioritise the ideas into a more finished list or set of actions or options.

Implement the actions agreed from the brainstorming

Agree what the next actions will be. Agree a timescale, who's responsible. After the session circulate notes, monitor and give feedback. It's crucial to develop a clear and positive outcome, so that people feel their effort and contribution was worthwhile. When people see that their efforts have resulted in action and change, they will be motivated and keen to help again

source: <http://www.businessballs.com/>

The last 5 minutes of today's practical session will be used for evaluation. Questions which should be asked are:

- Did everyone in the group participate in the brainstorm?
- Were enough good and creative ideas generated through this process?
- Did the chairman follow the guidelines for brainstorming?
- Are we satisfied with outcome of the brainstorming session?
- Did the brainstorm result in teambuilding?
- Do we know what to do next?

Supporting documents

Below you will find the following two supporting documents:

A: Outline Business Plan from 'Hurdle book'

Supporting Document A.

For the general set up and lay out of the business plan we refer to the book:\n
Hurdle, the book on Business Planning by Tim Berry, **Publisher:** Palo Alto Software, Inc.;
 Revised edition (November 1, 2000)



or it's on-line version: <http://www.bplans.com/hurdleonline/index.cfm?affiliate=pas>

Outline order and sequence in a standard business plan (from Hurdle)	
1.0 Executive Summary	
1.1 Objectives	
1.2 Mission	
1.3 Keys to Success	
2.0 Company Summary	
2.1 Company Ownership	
2.2 Company History (for ongoing companies) or Start-up Plan (for new companies).	
2.3 Company Locations and Facilities	
3.0 Products and Services	
3.1 Product and Service Description	
3.2 Competitive Comparison	
3.3 Sales Literature	
3.4 Sourcing	
3.5 Technology	
3.6 Future Products and Services	
4.0 Market Analysis Summary	
4.1 Market Segmentation	
4.2 Target Market Segment Strategy	
4.2.1 Market Needs	
4.2.2 Market Trends	
4.2.3 Market Growth	
4.3 Industry Analysis	
4.3.1 Industry Participants	
4.3.2 Distribution Patterns	
4.3.3 Competition and Buying Patterns	
4.3.4 Main Competitors	
5.0 Strategy and Implementation Summary	
5.1 Strategy Pyramids	
5.2 Value Proposition	
5.3 Competitive Edge	
5.4 Marketing Strategy	
5.4.1 Positioning Statements	
5.4.2 Pricing Strategy	
5.4.3 Promotion Strategy	
5.4.4 Distribution Patterns	
5.4.5 Marketing Programs	
5.5 Sales Strategy	
5.5.1 Sales Forecast	
5.5.2 Sales Programs	
5.7 Milestones	

6.0 Management Summary

- 6.1 Organizational Structure*
- 6.2 Management Team*
- 6.3 Management Team Gaps*
- 6.4 Personnel Plan¹⁶*

7.0 Financial Plan

- 7.1 Important Assumptions*
- 7.2 Key Financial Indicators*
- 7.3 Break-even Analysis*
- 7.4 Projected Profit and Loss*
- 7.5 Projected Cash Flow*
- 7.6 Projected Balance Sheet*
- 7.7 Business Ratios*