**4. Business plan and Management.**

**Introduction**

## The candidates will acquire knowledge on the following topics:

* Entrepreneur plan.
* Goals (SMART)
* SWOT-analysis
* Marketing mix
* Finance

## The candidates must have the following skills:

* Show a pro-active attitude and determination
* Show ambition and passion(drive) for the equine sector
* See opportunities (market orientation and research)
* Create a solid business plan for the equine sector
* Take educated risks (risk management)
* Create your own equine network
* Ability to overcome challenges within the equine business
* Understand your USP( unique selling point)

## The candidates have the following general knowledge:

* The entrepreneur presents his/her ideas in a convincing way.
* Is driven to satisfy customers and also has a desire to keep improving the business and the way that he /she provides to clients.
* A research report that explores opportunities for potential business ideas.
* A viable business plan.
* Risks are tasks to improve business/profits based on careful consideration.
* A network consisting of colleageus, advisors, clients and stakeholders.
* Problems are solved.
* A knowledge of how to really understand your business and your clients, their needs and their wants.

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| **Subtopics** | **Methods** | **Requirement** |
| Entrepreneurplan:   * Mission * Vision * Strategy | Lectures  Self-study  Practical experience  Feedback | 1. Business plan in writing. 2. Presentation of business plan 3. Interview related to presentation of business plan. |
| Goals:   * Strategy * S.M.A.R.T. | Lectures  Self-study  Practical experience  Feedback |
| Marketing mix   * Product * Price * Place * Promotion | Lectures  Self-study  Practical experience  Feedback |
| Finance:   * Liquidity balance * Operating budget * Liquidity budget | Lectures  Self-study  Practical experience  Feedback |

1. **Business plan and management.**

**4.1.1 Introduction** **business plan**

* Who are you?
* Why do you write this plan ?
* How did you came up with the idea ?
* How will you further develop the idea?
* The competencies that you need include: performance orientation, independence, domination, social orientation, effectiveness, perseverance + market orientation, creativity, flexibility, and risk appetite. Samenvatting: beginnend met doelstelling en eindigend met conclusie( locatie, bedrijfsconcept, totale investering, financie ring, omzet en winstverwachting.
  + 1. **Mission**  
       A mission is that which the organization wants to propagate outward. It indicates what the people in the organization are from, what their identity and values are. Because a mission about matters that have taken years to build up, a mission is rarely changed. (What am I there for?)
    2. **Vision**

A vision is a general representation of the future of an organization. It indicates what the people from the organization are going for, what their dream of the future is. Because a vision is about matters that can possibly take place in a distant future, a vision is sometimes adjusted. (Where do I want to go?)

A good mission or vision is:  
- Ambitious or even idealistic  
- Motivating or even committing  
- Distinctive  
- Relevant and guiding for stakeholders  
- Real, balanced and simple

* 1. **Goals**

Many people feel as if they're adrift in the world. They work hard, but they don't seem to get anywhere worthwhile.

A key reason that they feel this way is that they haven't spent enough time thinking about what they want from life, and haven't set themselves formal goals. After all, would you set out on a major journey with no real idea of your destination? Probably not!

**4.2.1. Strategy**

**Mission / Vision**

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**Strategic goals**

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**Tactical goals**

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**Executive goals**

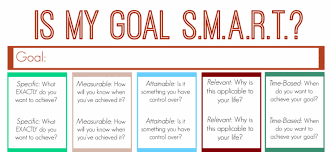
**Strategic goals**  
These are the main goals of the company. These long-term goals are valid for many years. The management sets the goals for a long period and tries to achieve optimal alignment between what the company offers and what the customer asks for. Management hereby asks the following questions:  
• How are you now?  
• What do we want to achieve?  
• About how much time?

**Tactical goals**  
The tactical goal is derived from the strategic goals. It is therefore also called a derived goal. These goals are also called organizational goals. Management asks the following question:  
• How?

**Executive goals**  
The executive goals show which actions are necessary to achieve the strategic and tactical goals. The management thus determines what the staff will do.

**4.2.2 S.M.A.R.T.**

SMART goal setting brings structure and trackability into your goals and objectives. Instead of vague resolutions, SMART goal setting creates verifiable trajectories towards a certain objective, with clear milestones and an estimation of the goal's attainabililty. Every goal or objective, from intermediary step to overarching objective, can be made S.M.A.R.T. and as such, brought closer to reality.



* 1. **SWOT-analyze**

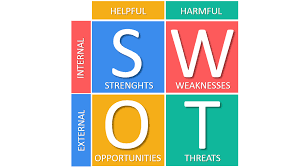
A SWOT analysis is an incredibly simple, yet powerful tool to help you develop your business strategy, whether you’re building a startup or guiding an existing company.

SWOT stands for Strengths, Weaknesses, Opportunities, and Threats.

Strengths and weaknesses are internal to your company—things that you have some control over and can change. Examples include who is on your team, your patents and intellectual property, and your location.

Opportunities and threats are external—things that are going on outside your company, in the larger market. You can take advantage of opportunities and protect against threats, but you can’t change them. Examples include competitors, prices of raw materials, and customer shopping trends.

A SWOT analysis organizes your top strengths, weaknesses, opportunities, and threats into an organized list and is usually presented in a simple two-by-two grid.

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Questions that can help inspire your analysis

Here are a few questions that you can ask your team when you’re building your SWOT analysis. These questions can help explain each section and spark creative thinking.

**Strengths**

Strengths are internal, positive attributes of your company. These are things that are within your control.

* What business processes are successful?
* What assets do you have in your team, such as knowledge, education, network, skills, and reputation?
* What physical assets do you have, such as customers, equipment, technology, cash, and patents?
* What competitive advantages do you have over your competition?

**Weaknesses**

Weaknesses are negative factors that detract from your strengths. These are things that you might need to improve on to be competitive.

* Are there things that your business needs to be competitive?
* What business processes need improvement?
* Are there tangible assets that your company needs, such as money or equipment?
* Are there gaps on your team?
* Is your location ideal for your success?

**Opportunities**

Opportunities are external factors in your business environment that are likely to contribute to your success.

* Is your market growing and are there trends that will encourage people to buy more of what you are selling?
* Are there upcoming events that your company may be able to take advantage of to grow the business?
* Are there upcoming changes to regulations that might impact your company positively?
* If your business is up and running, do customers think highly of you?

**Threats**

Threats are external factors that you have no control over. You may want to consider putting in place contingency plans for dealing them if they occur.

* Do you have potential competitors who may enter your market?
* Will suppliers always be able to supply the raw materials you need at the prices you need?
* Could future developments in technology change how you do business?
* Is consumer behavior changing in a way that could negatively impact your business?
* Are there market trends that could become a threat?
  1. **Marketing mix**

**Definition:**The marketing mix refers to the set of actions, or tactics, that a company uses to promote its brand or product in the market. The 4Ps make up a typical marketing mix - Price, Product, Promotion and Place.

**Description:**What are the 4Ps of marketing?  
*Price:* refers to the value that is put for a product. It depends on costs of production, segment targeted, ability of the market to pay, supply - demand and a host of other direct and indirect factors. There can be several types of pricing strategies, each tied in with an overall business plan. Pricing can also be used a demarcation, to differentiate and enhance the image of a product.  
*Product:* refers to the item actually being sold. The product must deliver a minimum level of performance; otherwise even the best work on the other elements of the marketing mix won't do any good. Not every product is a product. Services like teaching are also to be considered as a product.  
*Place:* refers to the point of sale. Where do you provide your services?

*Promotion:*this refers to all the activities undertaken to make the product or service known to the user and trade. This can include advertising, word of mouth, press reports, incentives, commissions and awards to the trade. It can also include consumer schemes, direct marketing, contests and prizes.



**What is the importance of the marketing mix?**  
  
All the elements of the marketing mix influence each other. They make up the business plan for a company and handled right, can give it great success. But handled wrong and the business could take years to recover. The marketing mix needs a lot of understanding, market research and consultation with several people, from users to trade to manufacturing and several others.

* 1. **Finance**

**4.5.1. Liquidity balance.**

Definition of Liquidity:  
Liquidity is a company's ability to convert its assets to cash in order to pay its liabilities when they are due.

To start your own business you have to determine what material you need. Maybe you already own these materials or you have to buy them. That doesn’t matter. You have to put all the materials on the liquidity balance.

|  |  |
| --- | --- |
| **Assets Date liabilities** | |
| **Fixed assets**  **Current assets** | **Equity**  **Long term liabilities**  **Current liabilities** |

Explanation:

* The assets are classified as "fixed" and "current" assets. Fixed assets are assets in which the invested capital is stuck for more than one year. This capital flows back into the company through the annual depreciations. The assets included in the current assets have a turnaround time of less than one year. Means of payment are often referred to as liquid assets and set aside separately.
* The credit side of the balance sheet indicates the liabilities, the sources of capital. The classification corresponds to that of the assets: long-term capital (available for more than one year) and short-term capital (less than one year available).

**Hoofdregel voor liquiditeit** **Main rule for liquidity**

**Om liquiditeitsproblemen te voorkomen moeten bedrijfsmiddelen met een levensduur van meer dan een jaar worden gefinancierd met vermogen waarover men langer dan een jaar kan beschikken.** **To avoid liquidity problems, assets with a life of more than one year must be financed with assets that are available for longer than a year.** **Vaste bedrijfsmiddelen moeten worden gefinancierd met lang vermogen.** **Fixed assets must be financed with long-term assets.**

The curriculum of this module will show you that a balance is always put together in this way. We verwachten ook van jou dat je op deze manier opdrachten en vragen beantwoordt. We also expect you to answer assignments and questions in this way. Met de investeringsbegroting kun je vervolgens je financieringsbehoefte bepalen. With the investment budget you can then determine your financing needs. De verkregen gegevens gebruik je later voor het opstellen van je financieringsplan. You use the obtained data later for the preparation of your financing plan.

4.4.2.

**4.5.2. Operating budget**

Bij het starten van een eigen bedrijf mag je niet verwachten het eerste jaar al een winst te draaien. When starting your own business you cannot expect to make a profit in the first year. Hier gaan banken in elk geval niet van uit.In any case, banks do not assume this. De eerste 3The first 3 jaar beschouwen banken als cruciaal.years consider banks to be crucial. Als je in die drie jaar geen winst weet te draaien is je bedrijf niet rendabel (op papier tenminste).If you cannot make a profit in those three years, your company is not profitable (on paper at least). Een bank is in elk geval niet bereid dergelijke bedrijven een hypotheek te verschaffen.In any case, a bank is not prepared to provide such a mortgage to such companies. Hoe je de winst (= netto resultaat) berekent, zie je in model 4. You can see how you calculate the profit (= net result) in model 4.

Op een **exploitatiebegroting** zet je de verwachte omzet en kosten. You set the expected turnover and costs on an **operating** budget. Een geldschieter kan eruit afleiden of je in de toekomst wel aan de financiële verplichtingen kunt voldoen. A lender can derive whether you can meet the financial obligations in the future.

**Operating budget**

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| --- | --- | --- | --- | --- |
|  |  | **Jaar 1** **Year 1** | **Jaar 2** **Year 2** | **Jaar 3** **Year 3** |
|  |  |  |  |  |
| **a. Omzet** **a. Turnover** |  | € € | € € | € € |
| **b.** **b.** **Inkoopwaarde van de omzet** **Purchase value of sales** | -/- - / - | € € | € € | € € |
| **c.** **c.** **Brutowinst** **Gross profit** |  | € € | € € | € € |
|  |  |  |  |  |
| **d.** **d.** **Kosten** **Cost** |  | xxxxxxx xxxxxxx | xxxxxxx xxxxxxx | xxxxxxx xxxxxxx |
| e. e. personeel staff |  | € € | € € | € € |
| f. f. vervoer / vrachtkosten transport / freight costs |  | € € | € € | € € |
| g. g. huisvesting housing |  | € € | € € | € € |
| h. h. verkoopbevordering sales promotion |  | € € | € € | € € |
| i. i. algemeen general |  | € € | € € | € € |
| j. rente j. interest |  | € € | € € | € € |
| k. k. afschrijvingen depreciation |  | € € | € € | € € |
| l. l. vooruitbetaalde kosten costs paid up front | +/+ + / + | € € | € € | € € |
| **Totale kosten** **Total costs** | -/- - / - |  |  |  |
| **m. Netto winst** **m. Net profit** |  | € € | € € | € € |

Toelichting bij model Exploitatiebegroting:

Explanation of the model Operating budget:

|  |  |
| --- | --- |
| a. | Turnover forecast: the operating budget starts with an estimate of the annual turnover, based on your market analysis  Van deze omzet wordt de inkoopwaarde van de goederen en/of grondstoffen afgetrokken.The purchase value of the goods and / or raw materials is deducted from this turnover. Over blijft dan de brutowinst. The gross profit then remains. Bij een dienstverlenend bedrijf is de omzet gelijk aan de brutowinst: daar is geen sprake van ingekochte goederen en toegevoegde waarde. With a service provider, turnover is equal to the gross profit: there is no question of purchased goods and added value. |
| b. | The annually recurring costs for the operational management are then deducted from the gross profit. |
| c. | In company comparative studies, the cost types are often expressed as percentages of the turnover. You can then imagine what 'normal' is. In een later stadium kun je ook je cijfers vergelijken met de gemiddelde brancheresultaten. At a later stage you can also compare your figures with the average industry results. |
| d. | The personnel costs item applies if you have employees. |
| e. | Transport: estimate costs of tax, maintenance, petrol, insurance and the like of your company cars. Niet de afschrijving;Not the depreciation; die vinden we onder 1. (Let op: rij je een personenauto van de zaak, dan zal je 20% of 25% van de cataloguswaarde bij je belastbaar inkomen moeten tellen, afhankelijk van de reisafstand en de frequentie waarmee je naar de standplaats rijdt. Vaak is het voordeliger om een privé auto te gebruiken tegen kilometervergoeding.)we find that under 1. |
| f. | Housing: all costs that are directly related to the business premises. |
| g. | Sales promotion costs include advertising, promotional activities, representation. |
| h. | General costs include contributions / subscriptions, insurance, travel and accommodation costs, administration / office costs, accountants and consultancy costs. |
| i. | Interest: the annual interest of all your business loans. |
| j. | Depreciations are your fixed assets. |
| k. | Prepaid costs: before you start a new business you often have already incurred a lot of costs, eg advertising, research, etc |
| l | Net result: the amount that you keep at the end of the calculation. Geef dat niet allemaal privé uit: de belastingen, de aflossingen en noodzakelijke reserveringen moeten er nog af Do not give it all out privately: the taxes, repayments and necessary reservations have to be done   . |

1. Omzetprognose: de exploitatiebegroting begint met een schatting van de jaaromzet, op basis van je marktanalyse**Liquidity Budget**

In de liquiditeitsbegroting gaat het om alle in- en uitgaande geldstromen. The liquidity budget concerns all incoming and outgoing money flows. Dus ook om bedragen die geen kosten of baten zijn, zoals de ontvangen en af te dragen BTW, het aantrekken van een extra lening of het doen van investeringen. This includes amounts that are no costs or benefits, such as the VAT received and paid, the raising of an extra loan or the making of investments.

|  |
| --- |
| **On your liquidity budget you indicate what expected revenues and expenses are for the coming period.** |

Liquide betekent dadelijk invorderbaar. Liquid means immediately collectable. De liquiditeitsbegroting geeft aan hoe over het genomen jaar de geldstromen door je onderneming lopen. The liquidity budget shows how the money flows through your company in the year under review. Mede afhankelijk van seizoenen (denk aan een ruitersportzaak, kennel/pension en bijvoorbeeld dierentuin) kunnen de inkomende geldstromen sterk schommelen. Depending on the seasons (think of a horse riding business, kennel / boarding house and zoo for example), the incoming cash flows can fluctuate considerably. Dit terwijl een kern van de uitgaande geldstromen (vaste kosten) lange tijd rond eenzelfde niveau schommelt. This while a core of outgoing money flows (fixed costs) fluctuates around the same level for a long time. De liquiditeitsbegroting zet deze beide stromen in relatie tot elkaar, zodat na te gaan is over hoeveel geldmiddelen je op een bepaald moment beschikt. The liquidity budget puts these two flows in relation to each other, so that you can check how much money you have at a given moment. Het geeft ook aan op welk moment je daarin veranderingen kunt verwachten. It also indicates when you can expect changes in it. Je weet dan of je aan je financiële verplichtingen kunt voldoen. You then know whether you can meet your financial obligations. Het moment waarop onder andere privé-bestedingen , betaling van belasting en leveranciers, aflossing en rente gedaan moeten worden kan nogal afwijken van het moment waarop eventuele debiteuren tot betaling overgaan. The moment when private expenditure, payment of taxes and suppliers, redemption and interest have to be made can differ from the moment when any debtors make payment. Een begroting van de feitelijke inkomsten en uitgaven kan daarom goede diensten bewijzen. A budget of actual income and expenditure can therefore provide good services. Je kunt dan bijtijds maatregelen nemen om tekorten te voorkomen (rekening-courant verhogen) of overschotten zinvol aan te wenden. You can then take timely measures to prevent shortages (increase current account) or to use surpluses worthwhile.

**Liquiditeitsbegroting** **Liquidity budget**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  | **1** **e** **kwart.** **1**st  **quarter** | **2** **e** **kwart.** **2**nd  **quarter** | **3** **e** **kwart.** **3**rd  **quarter** | **4** **e** **kwart** **4** **th**  **quarter** |
| **Beginsaldo** **Initial balance** |  |  |  |  |  |
| Ontvangsten uit verkoop Receipts from sale |  |  |  |  |  |
| Te betalen BTW VAT to pay |  |  |  |  |  |
| Overige ontvangsten Other receipts | +/+ + / + |  |  |  |  |
| **Totaal ontvangsten** **Total receipts** | + + |  |  |  |  |
| Uitgaven: Expenses: |  | xxxxxxxxxxxxxxx xxxxxxxxxxxxxxx | xxxxxxxxxxxxxxx xxxxxxxxxxxxxxx | xxxxxxxxxxxxxxx xxxxxxxxxxxxxxx | xxxxxxxxxxxxxxx xxxxxxxxxxxxxxx |
| Crediteuren Creditors |  |  |  |  |  |
| Te vorderen BTW VAT to be recovered |  |  |  |  |  |
| Af te dragen BTW VAT to be paid |  |  |  |  |  |
| Personeel Staff |  |  |  |  |  |
| Huisvesting Housing |  |  |  |  |  |
| Verkoopbevordering Sales promotion |  |  |  |  |  |
| Algemene kosten Overheads |  |  |  |  |  |
| Rente Interest |  |  |  |  |  |
| Aflossingen Repayments |  |  |  |  |  |
| Privé Privately | +/+ + / + |  |  |  |  |
| **Totaal uitgaven** **total expenses** | - - |  |  |  |  |
| **Eindsaldo** **Closing balance** |  |  |  |  |  |

**Explanation of the liquidity budget**:

**Initial balance**: What is available at the beginning of the month for cash.Ontvangsten uit verkoop:

**Receipts from sale**: Het geld dat binnenkomt uit verkoop (of pensionverhuur) vermeldt je hier.The money that comes in from sales is mentioned here. Vul het bedrag exclusief BTW in.Enter the amount excluding VAT. Denk om seizoenschommelingen in de omzet.Think of seasonal fluctuations in sales. Je kunt niet altijd de jaaromzet door 12 of 4 delen.You cannot always share the annual turnover by 12 or 4.

Te betalen BTW:**VAT to pay**: Dit is BTW over verkoop (of pensionverhuur).This is sales tax.Dit geld heb je van klanten You have this money from customers gekregen, maar zul je moeten betalen aan de fiscus, vandaar 'te betalen BTW'. but you will have to pay to the tax authorities, hence 'to pay VAT'.

**Dit kan de BTW zijn over de investeringen die je vóór de start hebt gedaan.Crediteuren:Creditors**:Dit zijn je inkopen voor die betreffende periode (excl. BTW). These are your purchases for that period (excluding VAT).

**Te vorderen BTW:VAT to be refunded**: Dit de BTW over de inkopen.This is the VAT on the purchases.

**Af te dragen BTW:VAT to be paid: Dit is het verschil tussen 'te betalen BTW' en 'te vorderen BTW'.**This is the difference between 'VAT payable' and 'VAT receivable'. Dit bedrag kun This amount canje pas aan het eind van de periode (kwartaal of maand) berekenen. you only calculate at the end of the period (quarter or month). Daarom vul je het altijd 1 periode later in op de liquiditeitsbegroting. That is why you always fill in the liquidity budget 1 time later.

**Overige uitgaven:Miscellaneous expenses**: De overige uitgaven zullen over het algemeen dezelfde bedragen in iedereThe remaining expenses will generally be the same in each periode laten zien.period. Toch kunnen er wel verschillen optreden. Nevertheless, differences can occur. Het kan zijn dat in de vakantiemaanden je privé-uitgaven hoger liggen. It may be that in the holiday months your private expenses are higher.

**Eindsaldo = beginsaldo + ontvangsten – uitgavenFinal balance = opening balance + receipts - expenditure**

Het eindsaldo van een periode vormt het beginsaldo van de volgende maand.The final balance of a period is the beginning balance of the following month. De saldi kunnen tijdelijk negatief zijn.The balances can be temporarily negative.Dit tekort aan liquide middelen wordt dan meestal opgelost door het aanspreken van het rekening courant krediet. This shortage of cash and cash equivalents is usually solved by calling up the current account credit.