

Business Plan
TEMPLATE
Social Venture Plan
Duy Tan University 2015

This document is for students developing a Social Venture Plan for the University's Social Venture Plan Competition (SVPC). The template contains the basics of a business planning process and is a tool for guiding students through the development of their plan. We recommend that this template be used in conjunction with other more detailed resources.

The planning begins by defining the enterprise, including the social issue being addressed. Clarity on the definition is essential. Spend adequate time to do this – or your plan will be weaker in the end. *Defining the enterprise carefully helps the social entrepreneur to evaluate both the business enterprise (or profit generator) as well as the social service being offered.* The end result will be a business plan that fully defines a social enterprise.

I. Introduction

1. Vision Statement

- Describe in a sentence the problem you want to help solve or the opportunity you want to create (e.g. preserve the Amazon rainforest).

2. Mission Statement

- Describe in 25 words or less what you want to do (e.g. feed the hungry in Vietnam) and the business enterprise/profit generator (e.g. produce organic baby garments and use profits to aid children/families in Vietnam).

3. Strategy Statement

- Describe in two paragraphs how you will go about doing what you want to do (e.g. who to serve, the specific products and services you will provide)
- What is it about your product or service that makes it different from others currently available (e.g., location, taste, quality, price, etc.)?
- What social impact or transformation in people's lives do you want to make?

4. Financial Statement

- Describe the major expenses and revenues associated with the social venture. Include your sources of funding and initial investment. (It is good to begin early to identify these expenses. Even a notepad with an ongoing list of expected expenses will help you finalize your financials later.)
- Include an income statement and either a balance sheet or cash flow statement projected over 3-5 years (worksheet can be found in *Financial Workbook* for the Social Venture Plan Competition).

- II. Social Impact
1. How will you determine the success of your venture with respect to your mission statement?
 - What measurements or metrics will you use (e.g., number of clients fed; number of clients without hunger; number of clients earning livable wages)?
 - What are the 3-5 keys to success in this business – those factors that are really important to those you serve?
 - How will you report these to your investors, donors and external audiences?
- III. Market Research: Develop a clear understanding of the market you will be serving (i.e., the target market) and how you will reach that market. With respect to social ventures, the market will be both a social or human need and a product or service. Think about the following questions:
1. How will you identify your customers (buyers) and clients (recipients) and the extent of their needs?
 - Identify important demographics, psychographics, etc. Include size of market (e.g., number of people needing the service).
 - How easy is it to enter this market?
 - Are there barriers or obstacles to providing this good or service?
 2. What other organizations, if any, serve the same group or a similar group of people? Or what's the competition?
 - Briefly describe what they do and how well they do it.
 - How different is your product/service and social service from what is currently available? What advantages does your products/service bring that others do not? How does your product or service compare to those of other organizations in terms of the keys to success?
 3. What are the important political, social, and economic factors influencing your ability to serve your client group?
 4. Briefly describe what these factors are, their relative importance, and how you will deal with them.
 5. How will you decide the price?
 - At what price can you make and sell the product or services so you will cover all costs, including the repayment of your initial investments and any debt?
 6. What are your options for advertising and promoting your product or service? How will you determine an advertising and promotional program and its costs?
 - What will be the manpower, consulting or outsourcing costs?
 - What will the overall cost be to carry out the program?

- IV. Production and Distribution
1. What are the specifications of the product or service and the social service?
 2. How will the product/service be produced? The social service?
 3. How will the product/service be distributed? The social service?
 4. Who will supply raw materials and from where?
 5. Or what are the elements of your supply chain?
 6. Who will be needed to carry out the functions of the organization (e.g., employees) over the duration of the plan?
 - How many?
 - Include an organizational chart.
 - What will be the cost of recruiting employees?
 - Where will you find the needed employees?
 - What special, if any skills will these employees need?
 - What preparation/training will be needed by employees to deliver the service/product?
 - What fixed assets (plant, equipment, etc.) will you need and how much will it cost?
- V. Finance and Risk Analysis: Finally, the plan should address the questions of financial viability and risk surrounding the enterprise both qualitative and quantitative.
1. Is your enterprise financially viable and sustainable?
 2. What is the potential for the venture to receive financial support from additional investors/donors (including opportunities for funding from foundations, social venture funds, angel investors and venture capitalists)?
 3. Describe the rigor and feasibility of the venture's financial model and goals.
 4. Discuss the potential for follow-on funding to grow the venture through self-sufficiency or profitability.
- VI. Risk Analysis
1. Qualitative risks:
 - What are the major risk factors in the enterprise (i.e., What might cause your project to fail?)?
 - How did you identify them?
 - How will you mitigate these risks?
 2. Quantitative risks:
 - What do you expect your financial resources to be in 2 or 3 years?
 - If your initial plans do not work, what alternatives do you have for the organization?
 - When do you expect the venture to be sustaining (i.e., when will earned revenues cover expenses? Exceed expenses?)?

VII. Presentations

1. What does it take to create a display that captures the value of a social venture?
2. Is the brand of your enterprise clear, attractive, and persuasive.
3. What will you include in your “elevator” speech?
4. How will you present your venture during the Showcase to make maximum impact?
5. What will be the division of labor of the team to maximize impact?
6. What feedback have you received and what have you learned?
7. What changes will be needed prior to the Showcase?

VIII. Review of plan: Volunteers will coach teams on the effectiveness of their plan, including how they will present their “wares,” in advance of the Showcase.

1. What do you think the strengths are of your plan? Your message/presentation? Weaknesses?
2. How should you use the time with your coach to obtain the maximum value?
3. What questions should you ask the coach?
4. What did you learn from your coach?
5. What changes should you make in your plan, if any, before the Showcase?