

# WHAT'S YOUR GP?

## Business Essentials Workshop

business plan competition



# Welcome and Introduction

- Participants - Self introductory (Names & Current Status only)
- Facilitators introductory of themselves and their roles
- All to Complete Registration Forms
- Sign up for One-to-Ones on first come first served basis (max. 12 people in one hour for 5 mins each)
- **House rules:**
  - Mobile Phones on Silent or Vibrate
  - Late comers no questions on previous
  - Hygiene breaks but no interruptions
  - Respect for all opinions
  - Only water

# Business Essentials Workshop Objectives

- At the end of the workshop participants should have;
  - Learnt about the keys to business success using the four pillars approach to business planning
  - Get the necessary tools and skills to write a quality application for Nyamuka Zambia
  - Receive one-to-one confidential support (pre-booked) to discuss your business idea (max. 12 sessions of 5 mins. each)



# Business Essentials Workshop Timetable

TIME AND DURATION	ACTIVITY
08:00 – 08:20	Registration & Welcome & Introductions of participants Workshop Objectives, Introduction to workshop format
08:20 – 09:35	Re-cap About the NZBPC, Application procedures, Terms & Conditions, Eligibility Criteria, How to fill in the Application form
09:35 – 10:00	Overview of the Business Planning Process and the Four Pillars to Business success
10:00 – 10:30	Session One: Strategic Planning - How to develop and stick with the Game Plan
10:30 – 10:40	Health Break
10:40 – 11:10	Session Two: Marketing Planning - Knowing & Attracting your Markets & Customers
11:10 – 11:40	Session Three: Operational Planning - Making it all Happen – Building your Team & Allocating Resources
11:40 – 11:50	Health Break
11:50– 12: 20	Session Four: Financial Planning - Understanding your Bottom Line & Costing
12:20 – 12:30	Session Five: Motivation & the Success Mindset - Keeping it all Going
12:30 – 12:40	Unanswered questions, Workshop Evaluation & Next Steps (Reminders)
12:40 – 13:20	One-to-One Sessions (pre-booked) – 5 mins max per person; max 12 people



# What is Nyamuka Zambia?

- It is a business plan competition where people apply to develop their business ideas into business plans and the best ones win a substantial cash prize
- Through this competition we hope to encourage talented entrepreneurs to come forward and take their business plans to the next level
- We want to encourage entrepreneurs from all sectors of the economy to apply. We provide lots of free support to applicants to ensure quality - so everyone is a winner!
- Remember it's a Business Plan competition and not a Business Ideas competition

# Aims of Nyamuka Zambia

- To find people with great business ideas and help them turn those ideas into reality
- To kick-start a solid pipeline of talented entrepreneurs esp. young people and women
- To change attitudes towards entrepreneurship
  - Entrepreneur as a career choice
- To reward and champion excellence and innovation



# The Nyamuka Zambia Competition Game Plan



# Nyamuka Zambia Schedule - 2017

- **PHASE 1 – 7<sup>th</sup> MARCH TO 6<sup>th</sup> JUNE 2017**
  - 7<sup>th</sup> March - Programme launch
  - 7<sup>th</sup> March - Application period opens
  - 20<sup>th</sup> March to 21<sup>st</sup> April - Advice Clinics
  - 10<sup>th</sup> to 20<sup>th</sup> April - Business Essentials Workshops
  - 26<sup>th</sup> April – Application period closes
  - 2<sup>nd</sup> to 31<sup>st</sup> May - Judging of applications
  - 6<sup>th</sup> June - Announcement of Semi-finalists



# Nyamuka Zambia Schedule - 2017

- **PHASE 2 – 9<sup>TH</sup> June to 16<sup>TH</sup> AUGUST 2017**
  - 9<sup>th</sup> June - Graduation ceremony for 60 Semi-finalists
  - 12<sup>th</sup> June to 10<sup>th</sup> July – One-to-One BDS support
  - 11<sup>th</sup> July – deadline for Phase 2 Business Plans
  - 17<sup>th</sup> July to 11<sup>th</sup> Aug – Evaluation of Business Plans
  - 20<sup>th</sup> July – Nyamuka National Business Conference
  - 16<sup>th</sup> Aug – Announcements of Phase 3 Finalists

If you make it to the Semi-Final stage your attendance at all key events is MANDATORY

## Who Can Apply? – Eligibility Criteria

- Be over 18 years of age
- Be a Zambian citizen or resident with valid permits
- Propose a new business idea or expansion of an existing business
- The proposed business should be based in Zambia
- Applications can be submitted by either an individual or a group. If group all group members must meet criteria
- Only one named person from a group can participate in competition events and training sessions
- -Only **one** idea or application per person or group



# Applying to Nyamuka Zambia

- All applications and fee of **K150** must be physically submitted at the designated Application Advice Centres and the application must be signed in front of an Application Processing Advisor latest by **17:00** on **26<sup>th</sup> April 2017**
- Fee of K 150 only required if decide to enter the competition and only at the final physical submission stage

**Application Hotline Number - 5066**

# Ingredients of a good business plan

- **A Good business plan will**
  - Be innovative
  - Show potential for growth
  - Be feasible, robust and can be implemented
  - Be fully owned by the entrepreneur – later pitch alone
  - Be focussed
  - Be scaled to succeed – not chase the money

# Overview of Business Planning Process

- What is a business plan?
- What is the importance of a business plan?
- Who should write a business plan?



# The Four Pillars Approach to Business Planning

- Strategic Planning – the Entrepreneur, the Idea, the vision, the team
- Knowing your markets & develop your Marketing Plan
- Operational Planning, using your resources and Managing Risk
- Financial Management & Planning

# **SESSION ONE**

- This is an overview of the business and looks at
  - A vision for where you going and why  
E.g. A water company vision could be: to be the preferred supplier of water to hospitality industry in Southern Province.
  - Creating a dynamic framework for realising this vision
  - Setting goals and mobilizing resources to achieve these goals
  - Breaking down the various aspects of the business to enable you to tackle challenges



# Role of Strategic Planning

- Setting the vision for long term goals and realising the long term potential
- Develops a SWOT and environmental analysis to support your decision making
- Keeps you in focus and enables you to stick to your GP
- Creates a roadmap and allows you to change lanes when you need to
- Keeps you the Entrepreneur and your Idea at the heart of everything

*The strategy describes how the ends (goals) will be achieved by the means (resources) by when (time)*

# Vision-Goal-Strategy

- A vision helps you to define the core of your business and ensures that core competencies are preserved and strengthened
- Ambitious goals provide a clear and compelling aspiration and challenge for your business.
- Creates a logical framework to translate big picture to small achievable actions.

# Vision-Goal-Strategy

## **Exercise One**

Ask participants to come up with their own examples of vision-goal- strategy approach and ask for 1-2 examples to illustrate this and brief discussion.

*Make sure you have your own examples too*

## **QUESTION & ANSWER**

## **SESSION TWO**

# Market Planning

- Market Planning is everything you do to find out who your customers are and what they need and want and how you will reach them
- It is generally accepted that the amount of sales in any business will largely depend on the seller's understanding of their customers' needs and wants and how well the seller arranges and mixes the four Ps of product/service, price, place and promotion.
- It is how to satisfy them while making a profit

# Market Research

- Know your target customers
- Know your competitors
- Have a demand estimate for your products/services
- Map out basic demographics and allow for changes to be one step ahead of competitors
- What is your Unique Selling Proposition?

# 4 Ps of Marketing

- **Product:** The item that satisfies the demand of the consumer
- **Price:** Setting the right price for the product, and being aware of the customer's perceived value of the product
- **Promotion:** All of the different channels with which you can reach your target audience
- **Place (Distribution):** The places where your product is sold, that makes it easy for consumers to purchase



## **Exercise Two**

Ask participants to come up with their own examples of how they might go about conducting their own basic market research for their business idea and how this might feed through other parts of the business plan?

ask for 1-2 examples to illustrate this and brief discussion.

*Make sure you have your own examples too*

## **QUESTION & ANSWER**

## **SESSION THREE**

# Operations Planning

- Making it all happen – how will you execute your GP?
- Building your team – Who, when, how much?
- Allocating resources – creating an investment plan for 12 months & bringing your own assets into play.
- Action plan for first 12 months – sequence of what you do when and what you need for it

# Operations Planning

- How will you put your idea into practice/
- Do you need premises, equipment, land and human resource
- Where will you get this from?
- Time lining your logistics for success so you don't have your resources invested in plant equipment doing nothing

## **Exercise Three**

Ask participants to come up with a simple plan on how they will plan the flow of operational issues in the first 12 months of business set up if they win the prize money?

ask for 1-2 examples to illustrate this and brief discussion.

*Make sure you have your own examples too*

## **QUESTION & ANSWER**

## **SESSION FOUR**



# Financial Planning

- This is the task of determining how a business can afford to achieve its vision and strategic goals in financial terms.
- Usually, a company creates a Financial Plan immediately after the vision and objectives have been set.
- The financial plan describes each of the activities, resources, equipment and materials that are needed to achieve these objectives, as well as the timeframes involved.

# Overview of Financial Planning

Financial planning for the Company covers the following areas;

- Costing and pricing of goods and services
- Understanding and projecting financial statements e.g. Profit and Loss and cash flow
- Creating enough working capital for your business through forward planning
- To keep your debtors informed

# Costing and Pricing of Goods and Services

- One of the secrets to business success is pricing products properly.
- To arrive at a price, you need to know what it costs you to make it available to the customer
- Costs are in the following categories;
  - Direct Costs
  - Indirect Costs

# Costing and Pricing of Goods and Services

## Dangers of not computing the cost of goods or services

- **Under-pricing** – in the event that your costs are higher than the selling price, the business will run at a loss
- **Over-pricing** – in the event that your costs are much lower than competitors, the business will not be able to sell its products on the market

# Costing and Pricing of Goods and Services

## **Exercise Four**

Ask participants to come up with a simple costing for their own product or service and how this will affect the pricing.

ask for 1-2 examples to illustrate this and brief discussion.

*Make sure you have your own examples too*

# Understanding and Projecting Financial Statements

Financial statements provide the fundamental information that we use to analyse and answer financial questions as follows:

- How profitable is the business?
- How did the business raise the funds to finance its assets?
- How valuable are the assets of a business?
- How much uncertainty (or risk) is embedded in the business?

# Income Statement

Example of Income Statement:

Total Sales	12,000
Less Cost of Production	(5,000)
Gross Profit	7,000
Less Overheads	(2,500)
Net Profit	4,500
Less Tax	(1,350)
Net Profit after Tax	3,150

# Cash Flow Statement

Example of Cash Flow Statement:

	Month 1	Month 2	Month 3
Cash at beginning of period	2,400	5,200	5,900
Cash into the Business	12,000	11000	13,200
total Cash Held	14,400	16,200	19,100
Cash out of the Business	(9,200)	(10,300)	(12,600)
Cash at the end of the period	5,200	5,900	6,500



# Balance Sheet

- This report answers the question of how valuable are the assets of a business?
- It is a report that shows;
  - The health status of the business at any given time
  - The assets that the business owns
  - The liabilities that the business owes other stakeholders
- It is called a balance sheet because the assets owned equal the liabilities owed

# Balance Sheet

## Example of Balance Sheet:

ASSETS			LIABILITIES		
FIXED ASSETS			LONG TERM LIABILITIES		
	Land & Buildings	50,000		Share Capital	80,000
	Furniture	12,000		Bank Loan	26,800
	Motor Vehilces	30,000		Retained Earnings	14,500
	Equipment	15,000			
		107,000			121,300
CURRENT ASSETS			SHORT TERM LIABILITIES		
	Cash at bank	5,000		Accounts Payable	5,600
	Stocks	8,900		Accruals	1,500
	Accounts Receivable	7,500		Short Term Loan	5,000
	Prepayments	5,000			
		26,400			12,100
TOTAL ASSETS			TOTAL LIABILITIES		
		133,400			133,400

## Exercise Five

Ask participants to come up with a simple example of their own balance sheet after 12 months of operating their business

ask for 1-2 examples to illustrate this and brief discussion.

*Make sure you have your own examples too*

# Business Risks Analysis

- The term business risk refers to the possibility of inadequate profits or even losses due to uncertainties e.g.
  - changes in tastes
  - preferences of consumers
  - Strikes
  - increased competition
  - change in government policy

# Business Risks Analysis

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# Business Risks Analysis

- Are there any risks involved in developing this business?
- What happens if you cannot source your inputs reliably?
- What happens if you have insufficient cash to fund your business?

# Business Risks Analysis

## Exercise Six

Ask participants to come up with some examples of the key risks in their business and how they will manage and mitigate them, and will there be any cost implications from this?

ask for 1-2 examples to illustrate this and brief discussion.

*Make sure you have your own examples too*

## **QUESTION & ANSWER**



## **MOTIVATION AND A SUCCESS MINDSET**

# Motivation and Success

- Business is hard work and requires 24/7 attention and you will need to make sure you can stay the course
- You need to get your support network to be behind you including your family
- To keep you motivated you need to set achievable objectives on a daily basis
- Eating the elephant in small bites
- Keep success in mind but not the money
- Stay focused
- Ask for help if you need it – don't be an Ostrich

## Next steps

- Are you ready to apply?
- What time are you going to devote to it?
- What other help do you need?
- Plan ahead to meet the deadline – don't leave it to the last minute

**NYAMUKA ZAMBIA APPLICATION HOTLINE NO: 5066**

## **QUESTION & ANSWER**

# WHAT'S YOUR GP?

Thank you

Supported by



**UKaid**  
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Contact Us:

[info@nyamukazambia.com](mailto:info@nyamukazambia.com)

[www.nyamukazambia.com](http://www.nyamukazambia.com)

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