

## **MODULE 3: TURNING AN IDEA INTO A BUSINESS**

### **Module 3 Overview:**

In this third of three lessons for the future entrepreneur, we will delve into the steps and considerations involved with turning an idea into a business.

- Nuts and bolts of starting a business:
  - Writing a business plan
  - Obtaining funding
  - Interacting business-related agencies

What do you need to cover in a business plan? If you need start-up capital to fund your business, where do you turn? And, last, what agencies do you need to be aware of to help make your business a legitimate entity?

### **Module 3 Goal:**

Provide the future entrepreneur with an overview of nuts and bolts of starting a business including writing a business plan, obtaining funding, and interacting with business-related agencies.

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### **Module 2 Objectives:**

- Understand importance of business planning.
  - Understand basics of writing a business plan.
  - Understand funding landscape and options.
  - Become familiar with agencies and their relationship to a business and its owner.
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### **Module 2 Overheads:**

- 3-A Understand importance of business planning.
  - 3-B Understand basics of writing a business plan.
  - 3-B1 Advertising spending: Where do small businesses spend their money?
  - 3-C Understand funding landscape and options.
  - 3-D Become familiar with agencies and their relationship to a business and its owner.
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## **Module 3 Activities:**

### **3-1 (PDF)– “Imagine this”**

- Have students read the two different scenarios about friends starting their business and asking for money.
- Next, direct the students to write their thoughts on the questions in the exercise.
- Lead class discussion on why students prefer friend #1 or friend #2 as a business partner or employer, and why.

### **3-2 (PDF) – Thinking about “how”**

- Ask students to consider three goals or desires.
- Students write down these three goals, then ask – and answer – the question “how” (e.g., “How will I accomplish this?”).
- Discuss in class. Use opportunity to point out good examples of action-oriented thinking.

### **3-3 (PDF) – Business plan brainstorm**

- Using Splish Splash / Doggie Services case study data source, have students fill in the business plan outline form with the appropriate information (e.g., market landscape, operational plan, etc.)
- Students can complete as homework or complete during an extended class period.
- Discuss with students – what information did they place in certain categories, and why?

### **3-4 (PDF) – YOUR business plan**

- Have students consider their passion area/interest area (in general, or from mind mapping exercise).
- PART 1: Students fill out business plan outline with information projections about their business (encourage students to guess or extrapolate and mark these sections for follow-up).
- PART 2: Students complete financial forecasting exercise and “plug” this information back into last section of PART 1.
- Discuss the exercise with students. Does this further their thinking on a potential business? Does it help them understand what they need to research and prepare?

### **EXERCISE: 3-5 – YOUR funding options**

- Have students consider debt and equity, and which source they might pursue, and why.
- HOMEWORK: Have students research their funding options on the internet and report back details of their funding source selection, as well as steps they need to take in finding and approaching this investor.

### **EXERCISE: 3-6 (PDF) – Interacting with agencies**

- HOMEWORK: Have students research each of the agency types listed in the module (zoning office, etc.).

- Ask students to consider what their particular interaction with the agency could be for their future business.
- Discuss in class.