



**HOF UND
LEBEN**

BUSINESS-PLANNING AND SUCCESSFUL IMPLEMENTATION

A GUIDE



Funded by the
Erasmus+ Programme
of the European Union

This project has been funded with support from the European Commission. This publication reflects the views only of the author, and the Commission cannot be held responsible for any use which may be made of the information contained therein.



BUSINESS-PLANNING AND SUCCESSFUL IMPLEMENTATION

HOF UND
LEBEN

Description of the module

- Overview

This module will show you the steps for elaborating a clear business plan and give you hints for success, promising its implementation. It deals with formal aspects as well as an entrepreneurial approach for setting up a legal and operational basis for successful entrepreneurship in the linkage of farming and European Agricultural Landscapes (EAL).

- Learning objectives

Knowledge

- ✓ *Understanding business-planning and its importance for successful entrepreneurship*
- ✓ *Clear picture of Business Management*

Skills

- ✓ *Recognizing changing and challenging situations on the way and dealing with those in an entrepreneurial manner*
- ✓ *Recognizing chances and business opportunities in the linkage of farming and EAL*
- ✓ *Ability to implement business planning and business management in your enterprise*

Attitudes

- ✓ *Awareness for improving/maintaining EAL quality along with a successful farming business*



BUSINESS-PLANNING AND SUCCESSFUL IMPLEMENTATION

HOF UND
LEBEN

Contents

1. Business Planning – Its Need and Its Use for Entrepreneurs
2. Entrepreneurial Handling of Business Planning
3. Writing a Business Plan
4. Main Contents of your BUSINESS PLAN
5. Your BUSINESS MANAGEMENT Within MFA and EAL
6. Key Functions of BUSINESS MANAGEMENT
7. Start with your BUSINESS MANAGEMENT



1. Business Planning – Its Need and Its Use for Entrepreneurs

HOF UND
LEBEN

1.1 Need for a business plan

Starting an enterprise or starting a new concept in your running business comes along with a multitude of uncertainties and aspects that need to be thought through in advance in order to minimize the risk of a bad start or unplanned termination in the implementation of concepts.

With the presentation of a business plan, entrepreneurs prove that they are familiar with the many aspects of their business.

The business plan is thus a written concept in which the entrepreneur takes into account all the factors that are crucial for the success of a project. Careful planning with clear numbers allows the steady review of the business idea on feasibility and goal-reaching.

The business plan is simultaneously:

- planning tool: for the strategic development of the business idea
- support for decision: clarifying the way forward
- business card: important medium to convince third parties of your project
- control instrument: for the ongoing review of goals and outcomes.



1. Business Planning – Its Need and Its Use for Entrepreneurs

HOF UND
LEBEN

1.2 Use of a business plan

It is advisable to take enough time to formulate the business plan as a written concept. A well-designed business plan can serve for the following:

- convincing third parties of your project. The business plan shows that you can handle the complexity of the project. The transcript forces one to think clearly and deeply.
- strengthening the position towards negotiating partners such as banks, investors, suppliers etc.
- representing a guideline to which the objectives and activities can be reviewed. The business plan is the starting point for any control, because without a plan there is no control.
- fostering a systematic approach to the implementation of your project. When creating the plan, knowledge gaps and problems become visible.
- giving an overview of the project: putting the single pieces together for the whole picture.
- increasing the chances of the project's success. The implementation of the project will be performed a lot easier with the help of a business plan.
- assessing risks and weaknesses.
- showing dependencies. Even if the individual parts of a business plan are separated, it is important that all chapters match in the overall content.

[Check out FEAL Case Study DE01](#)



2. Entrepreneurial Handling of Business Planning

HOF UND
LEBEN

Your business plan as a living document

A business plan that is frequently updated provides you with a checklist. It supports you in taking a step back from your daily work and having another perspective of your enterprise by going through its several parts.

Going the distance with your business and reflecting on it is an important ongoing entrepreneurial task. While doing this, you will see the following:

- if there are differences between what you once had planned and what you are doing now,
- what kind of consequences these differences have
- if adjustments in a direction to or away from the business plan are needed now.

It is not impossible to run a business without a business plan or without business planning – and many do so. But if you do not write a business plan and if you do not put any effort into planning your business, it is likely that you will be unorganized or at least lose important time when problems occur or your entrepreneurial path needs adaptation. With a business plan you have a powerful instrument to diagnose the status of your work.



3. Writing a Business Plan

HOF UND
LEBEN

3.1 Reflecting and concretizing the business idea

Take a step back and reflect well about your business idea and about yourself, your feelings, like hopes and doubts concerning the idea. Be very honest, it will help you to find your way.

Write down your thoughts – this shows you how clear your plans are and what you still have to be clear about. So you develop a foundation for your business and being an entrepreneur. It helps you in general and in writing the business plan.

- What are your goals concerning the business? → Where do you want to go with it?
- What is the core of your business? → Which use do your future clients have from the product or service you would like to offer?
- What resources do you have already and which ones would you need?
- How would starting/changing/taking over the business affect your professional and personal life and your surroundings?





3. Writing a Business Plan

HOF UND
LEBEN

3.2 Gathering and selecting suitable information – setting up networks

It is important how you gather the information needed for a business plan. How can you answer all the questions that accompany your business idea and how can you collect all the necessary information and facts?

In detail the availability of information strongly depends on the exact kind of business you want to do. Always keep in mind to choose what is useful for your business well.

It is always worth taking a deep look at other players in your prospective market or close to your market:

- How are they doing their business, and are they successful?
- Are there identifiable reasons for success?

If possible have a direct and deep exchange of experience with other entrepreneurs or reflect with business consultants and technical experts. Such kind of network is very valuable in short and long term.

Check out FEAL Case Studies SL01 or SK06 to know the concepts, the entrepreneurs and their way of business planning in the linkage of farming and EAL! Check out their experiences!





3. Writing a Business Plan

HOF UND
LEBEN

3.3 Asking for feedback

To be able to use your business plan as a living document and steady compass, it is recommendable to keep it simple, and define not too many, but clear figures/situations that you check on a regular basis.

For example your bank account, your earnings, your results, your cash flow, your number of clients, your number of business partners, etc.

When you have made up your mind about what your business is all about, when you write your business plan and set up your professional network you should kindly ask others for feedback about your planning.

Be open to what others think about your business idea and your business plan. Gather all feedback, think well if and how you agree and decide about adjusting your plans.





3. Writing a Business Plan

HOF UND
LEBEN

3.4 Constant reflection

You should take your time for a new iteration of the steps mentioned above in every phase of setting up and running your business. Always recall what were your genuine intentions and goals.

Once you have thoroughly written down your reflection on your business then you have something to hold on to, compare, control and update.

Check out FEAL Case Studies IT03 or DE02 to gain insight to situations where changes in the concept of the farm or in implementation of the concept were necessary. The entrepreneur recognized the need and acted in time!

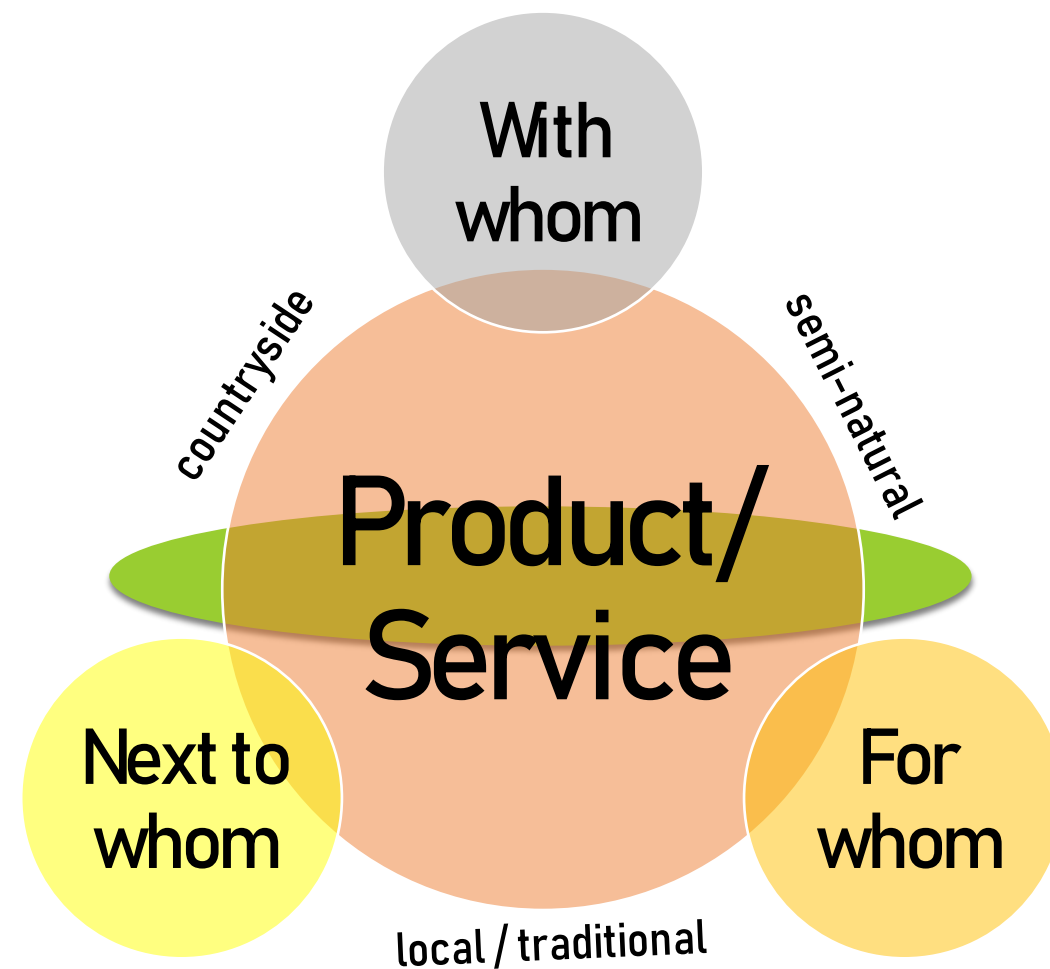




4. Main Contents of your BUSINESS PLAN

The crucial parts of a business plan are answers to simple questions:

- **WHAT**
kind of product or service do you offer?
- **WITHWHOM**
you do your business
(yourself, cooperation, employees)?
- **FORWHOM**
are your products or services
(potential clients, market)?
- **NEXT TO WHOM**
do you do your business
(potential competitors, players on market)?





4. Main Contents of your BUSINESS PLAN

HOF UND
LEBEN

Where do you do business?

- legal framework
- regional circumstances
- infrastructure

How do you do business?

- Operational structure
- Managing structure
- Financing structure

How do you reach the target group?

- Marketing
- Sales
- Advertising

What if this or that happens?

- Scenarios
- best/worst case
- Risk analysis



4. Main Contents of your BUSINESS PLAN

HOF UND
LEBEN

Possible structure of a business plan:

1. Executive summary
2. Products and services
3. Market analysis
4. Strategy and implementation
5. Company and management
6. Financial plan
7. Risk Analysis and Management

For more details see:

<http://articles.bplans.com/a-standard-business-plan-outline/>



5. Your BUSINESS MANAGEMENT Within MFA and EAL (1)

HOF UND
LEBEN

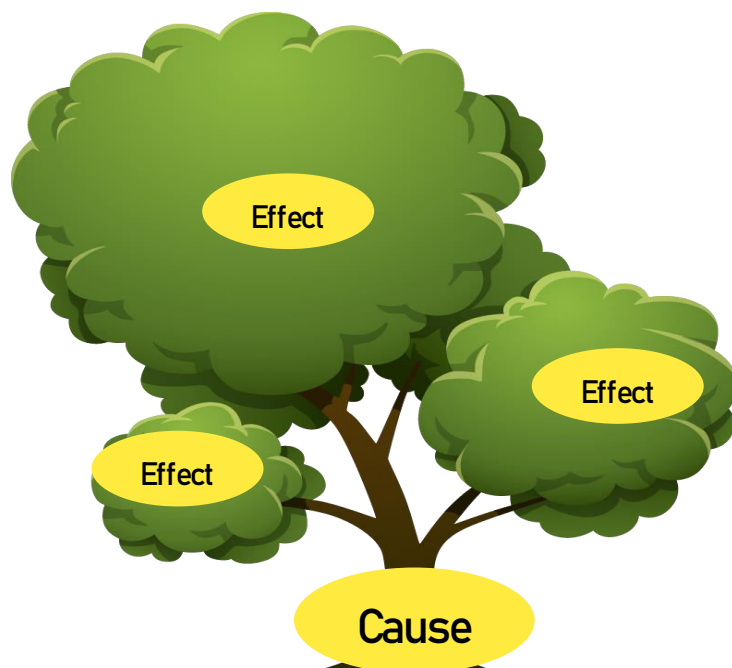
Your Business Plan as a living document is your basis for daily business management.

Being entrepreneur you should focus on the chances within existing and growing markets and you should identify the important and necessary steps to take.

What does this mean for you in the linkage of MFA and EAL?

- Follow the developments all around landscape, the trends of the regional, organic and sustainable economy
- Get into an exchange with your identified excellent business network
- and – why not – especially check the chances given in linking your farming close to your EAL and create a win-win situation for the Economy, Ecology and Society.

For further insight to MFA, EAL and success-promising concepts check out FEAL Modules 1 and 2 as well!





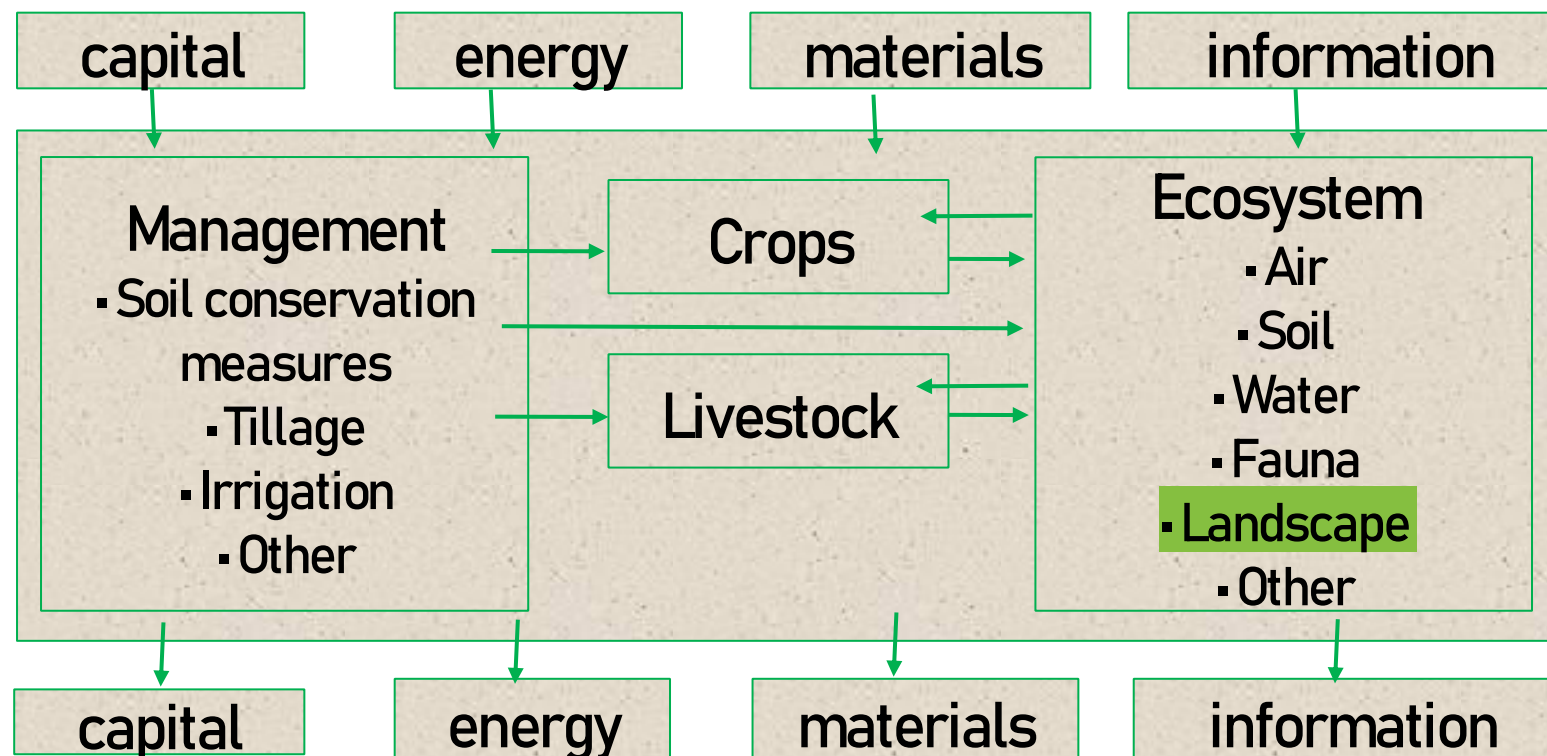
5. Your BUSINESS MANAGEMENT Within MFA and EAL (1)

In the linkage of your farming business, the concept of MFA and EAL surrounding your farm, there are chances and challenges. Your entrepreneurial activity can have positive and negative effects on your environment!

MFA includes various aspects:

- A joint production of commodities and public goods (CAUTION: as well possible: “public bads”)
- Multiple uses of rural space and regional planning
- A societal demand towards sustainability and at the same time a closer connection to the place where our food is produced

Model of a farming system





5. Your BUSINESS MANAGEMENT Within MFA and EAL (1)

HOF UND
LEBEN

Entrepreneurial decisions in the linkage of MFA and EAL:

Initial input and final output have multiple external effects. And of course, the production process affects environment (nature/society/rural area).

Entrepreneurial decisions have to be taken at all three levels of production:

1. Selection of input factors
2. Decision for final product
3. Design and implementation of the production process

There are excellent examples of entrepreneurial action within MFA and EAL. Check out all our Case Studies!

Think about:

- Linking agricultural production with the maintenance of the healthy environment and landscape
- Starting businesses delivering high quality products or services, respecting and highlighting resource efficiency and landscape protection
- involving society in the business activity (Community Supported Agriculture, etc.)



5. Your BUSINESS MANAGEMENT Within MFA and EAL (1)

HOF UND
LEBEN

To assure planning and implementing in the right direction, take your time identifying the concrete need or wish of the market you want to serve.

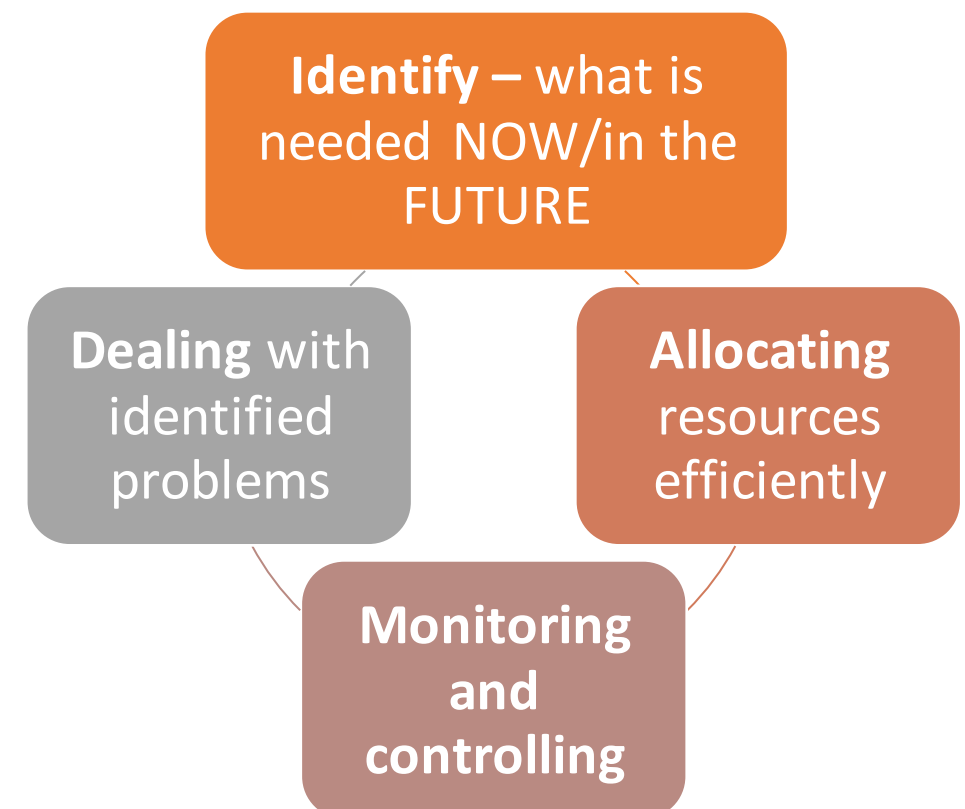
Then you should think about whether or not you are able to fulfill those wishes.

And of course you should think about whether you are able to deal with the problems that will arise. There is hardly a business without any downside. So be prepared.

Think about priority tasks, time management and the possible delegation of tasks to allocate your resources and the resources of your business and environment in an efficient way.

Take your Business Plan and check if you are on the planned path – or better, or worse!

For deeper insight to MFA, EAL and success promising concepts check out FEAL Modules 1 and 2 as well as well as all the Case Studies!





6. Key Functions of your BUSINESS MANAGEMENT

HOF UND
LEBEN

Business Management interlocks the functions in creating corporate policy and organizing, planning, controlling and directing the finite resources of an enterprise in order to achieve the objectives of that policy.





6. Key Functions of your BUSINESS MANAGEMENT

HOF UND
LEBEN

Controlling summarizes your measures to:

- establish standards following your objectives
 - measure and report about performance
 - compare objectives and current performance
 - take action to correct or prevent
- Budget: How many resources do you need and have?
- Control: Are you on track?

Directing summarizes your measures to:

- motivate your people in the enterprise
 - communicate goals and objectives in your enterprise
 - solve conflicts within the enterprise
- Workload: How can you deal with all the work to be done?
- Team: How can you act successfully as a team in your enterprise?

Planning summarizes your measures to:

- work on the vision and mission of your enterprise
 - set concrete objectives and goals to be reached
- Mission: Where are you going?
- Strategy: How do you get there?

Staffing summarizes your measures to:

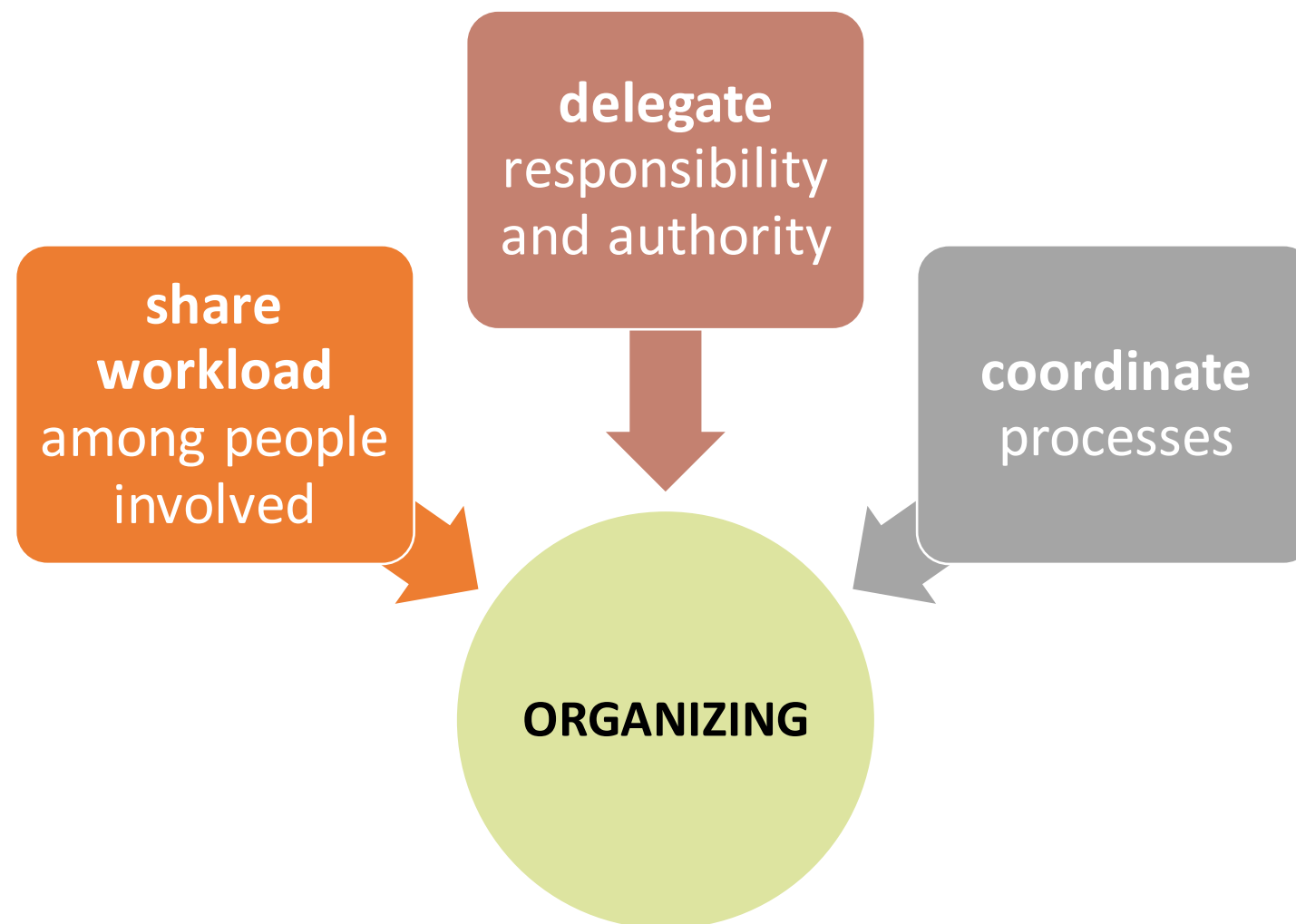
- recruit relevant people for your enterprise
 - train your staff
- Workload: How can you deal with all the work to be done?
- Team: How can you act successfully as a team in your enterprise?



6. Key Functions of your BUSINESS MANAGEMENT

HOF UND
LEBEN

Organizing summarizes your measures to:



→ Workshare: Who is going to do what?



7. Start with your BUSINESS MANAGEMENT (1)

HOF UND
LEBEN

The size of management can range from one person in a small organization to bigger companies.

Be aware there are:

- Yourself and your enterprise
- A controllable environment
- an uncontrollable environment

→ Of course, keep an eye on your uncontrollable environment and developments and trends in your branch, but strongly focus on managing yourself and your enterprise in your controllable environment.

Start managing your business!

→ If you were able to start successful thinking about upscaling (on the basis of quality and quantity) your business on your own or with partners (cooperation) along the detected added value chain.



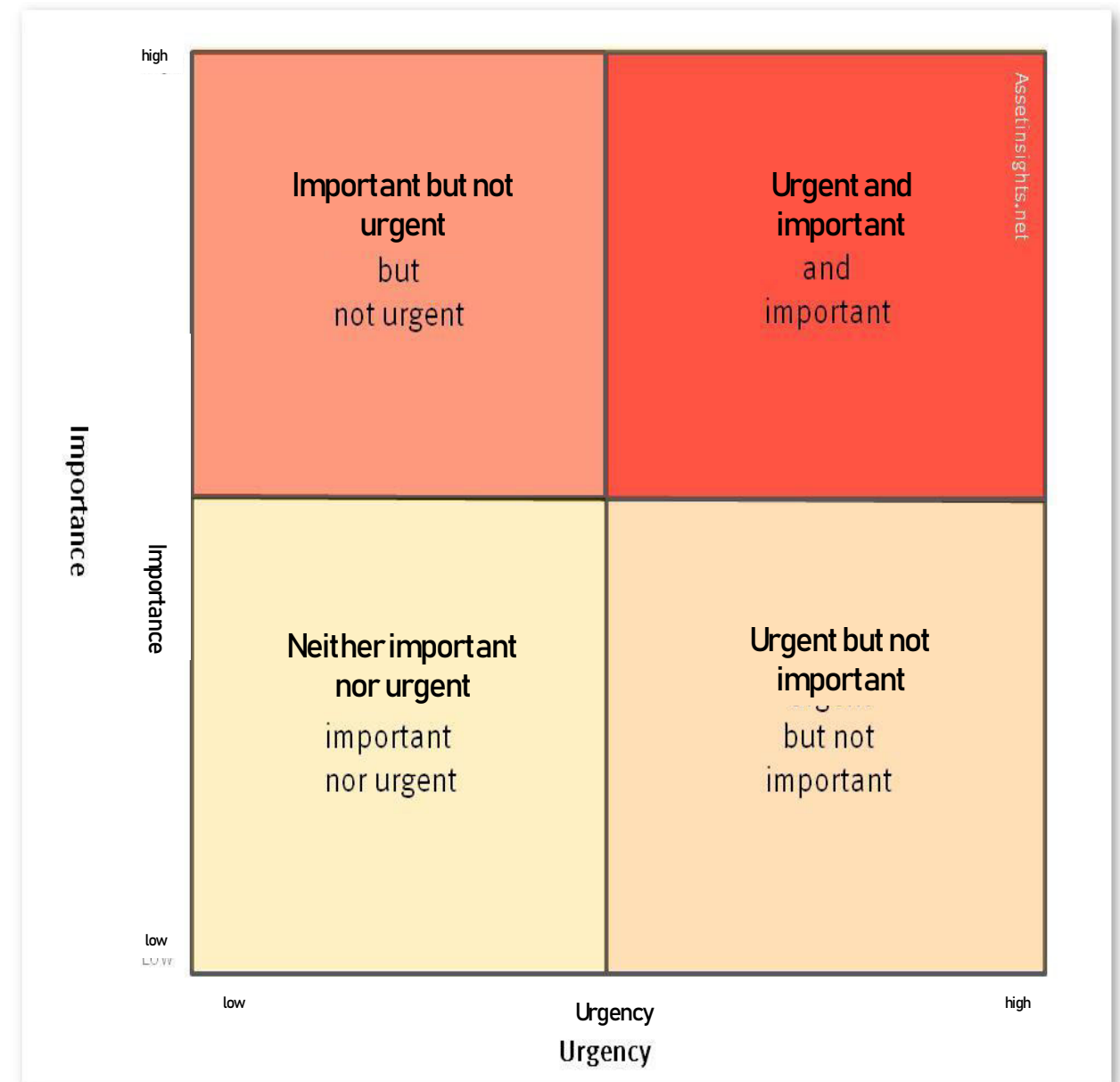
7. Start with your BUSINESS MANAGEMENT (2)

Take the lead and decisions to manage your enterprise successfully.

To distinguish what to do first, what to leave, and what to delegate to a capable person, you may follow a well-known raster based on urgency and the importance of a task or a project. You will do this in a good way, if you focus on your management tasks based on the Eisenhower-Box: →

Sometimes it is urgent to keep work running and earn money. Sometimes it is more important to rest and think about the further development of your enterprise. It depends on the status and development of your enterprise and perhaps the current season or possible emergencies.

Experience will help you to gain a good habit.





7. Start with your BUSINESS MANAGEMENT (3)

Being a business manager and successful entrepreneur is challenging. You will be able to enjoy your balance of work and personal life if you keep on top level in:



In keeping up-to-date and trained personally and in your branche you are very likely to:

- identify the right objectives of development
- correctly analyze different alternatives and relevant factors of influence
- select the best options
- implement your decisions and concepts in a good way
- evaluate the results of your concept objectively



BUSINESS-PLANNING AND SUCCESSFUL IMPLEMENTATION

HOF UND
LEBEN

References/Links

- Caporali, Fabio, 2000. Ecologia per l'Agricoltura. Utet- libreria, Torino
- <http://articles.bplans.com/a-standard-business-plan-outline/>
- MWE-Project (LLP): Multifunctionality in Rural Areas
- SEMA-Project (ERASMUS+): Business Planning in the frames of Diversification; Link to the course: http://www.sema-project.eu/sites/default/files/2BusinessPlanning20170201/story_flash.html
- SEMA-Project (ERASMUS+): Business Management in the frames of Diversification; Link to the course: http://www.sema-project.eu/sites/default/files/3BusinessManagement20170201/story_flash.html
- Standard Business Plan Outline: <http://articles.bplans.com/a-standard-business-plan-outline/>



BUSINESS-PLANNING AND SUCCESSFUL IMPLEMENTATION

HOF UND
LEBEN

Conclusions

"Keep on going, and the chances are that you will stumble onto something, perhaps when you are least expecting it. I never heard of anyone ever stumbling onto something sitting down."

-- Charles F. Kettering

You will experience that not every decision taken or priority set was right in the past. Take it like it is.

Keep in mind that successful entrepreneurs made the right decisions when it was important. They never make the right decisions all the time.

As a business manager you have to stay on top and up to date level in your branch – concerning the situation, organization as well as personality and personal values. Identify who you are, and “what is your enterprise”. Based on this knowledge you can think about what else your enterprise needs or will do in the future.