

Business Plan Preparation
**Organisation &
Management**

iLembe Mentorship Programme
Workshop 6
29 September 2012



PURPOSE:

Expose and guide finalists in the iLembe Chamber of Commerce's Entrepreneurship Competition through the content of the Organisation and Management section of a business plan.

The workshop will allow the finalists to apply the knowledge to their own business plans.

Purpose

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THE WORKSHOP PROGRAMME:

Welcome & introductions

The management team and their duties

Organisational structure

Staffing

Performance management

Professional and advisory support

Key management controls

Contingency and succession planning

Evaluation and finish

The Workshop Programme

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RULES FOR THE MORNING:

Rules for the morning

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WHAT ARE INVESTORS LOOKING FOR:

- Has the team worked together before?
- Do the members have the relevant experience? How will each person's experience contribute to the success of your business?
- Do the founders/partners know their weaknesses, are they ready to fill these gaps and how are they planning to do it? How the people surrounding them complement their own skills.
- Are the founders/partners clear about their future roles?
- Has the team agreed on a common goal, or are there unexpressed differences of opinion?
- If not covered elsewhere include the legal structure of your business as well as ownership information.

The management team and their duties (1)

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CONCEPTS INTRODUCED:

- Job analysis
- Competencies

The management team and their duties (2)

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Group Activity:

In groups of three identify the critical management roles within your business.

Identify who will fulfil these roles?

Provide feedback to the group.

The management team and their duties (3)

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WHAT ARE INVESTORS LOOKING FOR:

- An organizational chart with a narrative description will graphically demonstrate that nothing is left to chance, you've thought out exactly who is doing what and there is someone in charge of every function of your business.
- It will give reassurance that nothing will fall through the cracks, and nothing will be done three or four times over.

Organisational structure

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WHAT ARE INVESTORS LOOKING FOR:

- Are full staffing details available and has the staffing requirements been adequately assessed?
- Has staff pay and benefits been accurately costed and included in the financial forecasts?
- Does the business comply with all legislation (BCEA, LRA, EEA, bargaining council agreements etc)?
- Has provision been made for costs associated with bonus/incentive payments, leave, overtime etc?
- Do contractual arrangements reflect the needs of the business?
- Does the staffing plan adequately support business growth?

Staffing (1)

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CONCEPTS INTRODUCED:

- Job descriptions
- Role and person profiles
- Contractual terms

Staffing (2)

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Activity:

Identify how you/your employees will support your sustainable competitive advantage.

How can your employees contribute to setting you apart from your competitors?

Provide feedback to the group.

Staffing (3)

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WHAT ARE INVESTORS LOOKING FOR:

- Enthusiastic employees outperform employees who are not motivated to perform. Setting goals are critical to business and employee performance.
- What specific management practices are in place to deliver the greatest positive performance impact?

Performance management (1)

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CONCEPTS INTRODUCED:

- Balanced scorecard
- Key performance indicators
- Key performance areas
- Management by objectives

Performance management (2)

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Activity:

List the five key employee attitudes or behaviours that will enable your business not just to succeed but to excel?

Provide feedback to the group.

Performance management (3)

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WHAT ARE INVESTORS LOOKING FOR:

- The business owner has identified the key professional services that are required for the successful management of the business.
- Reassurance that the business owner is supported by an experienced network.

Professional and advisory support

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WHAT ARE INVESTORS LOOKING FOR:

- The business owner has thoroughly thought through what management controls would be required to support business performance.

Key management controls (1)

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CONCEPTS INTRODUCED:

- Internal controls
- Administrative controls

Key management controls (2)

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WHAT ARE INVESTORS LOOKING FOR:

- The business owners are aware of employee related risks associated with the business.
- In depth consideration has been given to how these risks will be mitigated?
- Business continuation is adequately taken care of.

Contingency and succession planning  trueNORTH

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**PREPARE THE ORGANISATION & MANAGEMENT COMPONENT
OF YOUR BUSINESS PLAN.**

Business plan preparation

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EVALUATION AND FINISH :

- What was the single most important thing that they have learned from this session.

Thank you

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