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3. Business Planning

Starting your own business is an exciting adventure. It gives you the freedom to turn your ideas into reality, earn your own income, and make a difference in your community. But success does not happen by accident –it happens when you combine creativity with clear planning, smart financial decisions, and consistent effort. As a young person today, you may be thinking about selling products, offering services, or starting a project that matters to you. Along the way, you will face real challenges: managing money, keeping track of your time, staying organised, and handling unexpected problems. The good news is that you do not have to figure everything out alone.

Your Guide to Business Success

This guide is designed to help you build strong foundations for your business step by step. From shaping your idea into a workable business model to understanding how to budget, price, and market what you offer, each section will give you practical tools and activities to get started with confidence.

What You Will Learn

You will learn how to:

- Describe your business clearly so others can see its value.
- Make a plan for earning and spending money responsibly.
- Set up your operations and build trust with customers.
- Manage risks and prepare for challenges.
- Use your time wisely and avoid burnout.

Building Strong Foundations

Even if you start small, every good habit you build now—like tracking your finances or planning your workflow—will help you grow sustainably. You do not need a lot of money or experience to get going. What you do need is knowledge, clarity, and the courage to take the first steps.

Key Concepts – Business Planning for Young Entrepreneurs

01

Understand Why Business Planning Matters

Explain why a good idea alone is not enough without a clear plan. Describe how planning helps you stay focused, set goals, and avoid mistakes.

02

Create a Business Model Canvas

Use a simplified canvas to map your idea in six sections. Visualise how all parts of your business connect on one page.

03

Develop a Basic Business Plan

Write an executive summary, market description, and competitor overview. Describe what makes your product or service unique. Plan your marketing, operations, and funding strategies.

04

Understand Budgeting and Financial Basics

Identify start-up and running costs. Set prices that cover costs and generate profit. Track income and expenses accurately. Calculate your break-even point.

05

Set Up and Run Your Business

Choose a name and create a brand identity. Understand how and when to register your business. Plan customer communication and excellent service delivery. Learn the basics of business ethics.

06

Manage Risks and Create Contingency Plans

Identify financial, operational, market, legal, and other risks. Assess the likelihood and impact of each risk. Develop backup plans to respond effectively when challenges arise.

07

Build a Resilient Mindset

Accept setbacks and stay calm and positive. Recognise your strengths and learn to ask for help.

08

Design Operational Workflows and Manage Your Time

Map your core processes step by step. Use checklists, process charts, and time-blocking to stay organised. Delegate tasks and use simple tools to automate routine work.

09

Track Your Progress and Reflect Regularly

Review what is working and what needs improvement. Celebrate small wins and keep updating your plan as you grow.

Business Models & Planning

Why Business Planning Matters in Entrepreneurship

A good idea is just the beginning. If you want to turn that idea into a successful business or project, you need a clear plan. Planning helps you:

- Stay focused and organised
- Set short- and long-term goals
- Identify possible challenges in advance
- Make better financial decisions
- Present your idea clearly to others (including potential partners, funders, or customers)

Without a plan, even the best ideas can fail due to confusion, mismanagement, or running out of money.

The Business Model Canvas (Simplified Version)

The Business Model Canvas is a popular tool that helps you map out your business idea on one single page. This canvas allows you to see your idea at a glance and begin testing whether it is realistic and sustainable.

Understanding the Canvas Structure

It breaks down your idea into smaller parts so you can see how everything connects. For this module, we will use a simplified version with six main sections.

The Six Key Sections

1. Problem

What problem are you solving for your customer?

2. Solution

What is your product or service? How does it solve the problem?

3. Target Customers

Who are your ideal customers? What are their characteristics?

4. Key Activities

What will you do to create and deliver your product or service?

5. Revenue Streams

How will you earn money? Will you sell a product, offer a service, charge a fee, etc.?

6. Cost Structure

What will it cost you to start and run your business? Think about materials, equipment, marketing, and time.

Components of a Basic Business Plan

Once your idea is structured on a canvas, you can expand it into a basic business plan. This is a short document (usually 2–5 pages for beginners) that describes your business clearly, in writing. You can begin with short paragraphs under each section, and grow it over time as your business develops.

It is useful for:

- Planning your next steps
- Getting feedback from others
- Applying for funding or support
- Staying accountable to your goals



Key Components of Your Business Plan

Here are the key components of a basic youth-friendly business plan:

1 Executive Summary

A short paragraph that summarises your business idea—what you offer, who it's for, and what makes it special.

2 Problem and Solution

Explain the problem you have identified and how your idea solves it.

3 Market Description

Describe your target customers. Who are they? What do they need? How do they behave?

4 Competitor Overview

Who else is offering something similar? What do they do well or badly? What makes your idea stand out?

5 Product or Service Details

Explain exactly what you are offering. Is it a product, a service, or both? What makes it useful, appealing, or unique?

6 Marketing Plan (Brief)


How will people find out about your business? Will you use social media, word of mouth, posters, or something else?

7 Operations Plan

What are the practical steps needed to run the business? Where will it take place? Will you need equipment or help from others?

8 Financial Basics

List your expected costs (startup and running) and how you plan to make money. This does not need to be complicated—just realistic.



Understanding Revenue and Cost Structure

One of the most important (and sometimes overlooked) parts of planning is understanding money in and money out.

Revenue Streams (Money In)

These are the ways your business earns money. Examples include:

- Selling products (e.g. handmade crafts, clothing, baked goods)
- Offering services (e.g. tutoring, dog-walking, graphic design)
- Subscription or membership fees
- One-time donations (for social enterprises)

Key Questions & Details

Revenue Model (Money In)

Ask yourself:

- How will people pay?
- How often will they pay?
- What price will I set?

Cost Structure (Money Out)

These are the expenses you will need to pay in order to get started and keep running.

Typical costs include:

- Materials or supplies
- Tools or equipment
- Website or platform fees
- Advertising or printing
- Transportation or delivery
- Time or labour (yours or others')

Start by making two lists:

- **Start-up costs** – what you need to spend before launching.
- **Monthly running costs** – what you'll need to spend regularly to keep going.

Compare your expected income to your expected costs. If you are spending more than you will earn, you may need to adjust your idea or pricing.

Activities

Activity 1: Fill in a One-Page Business Model Canvas

Download or draw a simplified one-page canvas with the six sections mentioned earlier:

- Problem
- Solution
- Target Customers
- Key Activities
- Revenue Streams
- Cost Structure

Fill in each section using your idea from the previous modules. Keep your answers short and clear. You can update this canvas any time as your idea develops.

Activity 2 & Reflection

Activity 2: Draft a Mini Business Plan (Use the Template)

Using your completed canvas as a guide, write a short business plan with one paragraph for each section listed earlier (Executive Summary, Market, Product, Finances, etc.). Focus on writing clearly and honestly, not perfectly. This is your working plan—it can grow, change, and improve over time. If possible, ask a trusted friend, mentor, or teacher to review your plan and give you feedback.

Reflection Questions

Answer these questions in your journal or as a voice note:

- What part of my idea feels the strongest right now?
- What part needs more thought or improvement?
- Am I clear on who my customer is and how I will reach them?
- What are the biggest costs I need to prepare for?
- Do I feel confident explaining my business in 2–3 minutes?

Budgeting & Financial Basics

Financial Planning

Entrepreneurs are not just idea-makers—they are decision-makers. Whether you sell food at a school fair or run a small online store, managing your money wisely is essential. Without basic financial planning, businesses risk running out of money, overcharging customers, or underestimating how much it costs to operate.

Financial planning helps you:

- Know how much money you need to start
- Avoid unnecessary spending
- Set the right price for your product or service
- Measure if you are making a profit or a loss
- Make smart, informed decisions about growth

Even the smallest businesses need a simple budget and a plan for how they will earn and spend.

Start-Up Costs and Running Costs

There are two main types of costs in any business:

1. Start-Up Costs

These are the one-time expenses you need to pay before launching your business. They include things like:

- Buying equipment or tools
- Registering a name or domain
- Creating packaging or printing materials
- Initial stock or raw materials
- Designing a logo or basic website

Example: If you want to start selling custom t-shirts, your start-up costs might include a basic printer, blank shirts, and ink.

2. Running Costs (Ongoing Expenses)

These are the regular costs you have to cover to keep your business going. They might be:

- Buying new supplies or stock
- Paying for internet or transport
- Advertising or promotional costs
- Packaging or delivery fees

Some businesses have low running costs (like digital services), while others need to keep restocking products often. Keeping these costs under control is key to staying profitable.

Setting the Right Price

One of the most common mistakes new entrepreneurs make is not charging enough for their product or service. Price too low, and you may not cover your costs. Price too high, and you may lose customers. Here's a very simple way to think about pricing. It does not consider other running costs such as lighting, cost to market etc:

Pricing Formula	Explanation
Cost to Make + Desired Profit = Selling Price	This basic formula helps you set a price that covers your costs and earns profit.



Example

Cost to make one bracelet €2 (materials)

Desired profit per bracelet €1.50

Selling price €3.50

When setting your price, also consider:

- What your competitors charge
- What your target customers are willing to pay
- Whether your product feels worth the price (quality, design, uniqueness)

Profit and Break-Even Point

Profit Formula	Formula	Explanation
Profit	Total Income – Total Expenses	If your expenses are more than your income, your business is running at a loss. If your income is higher, you are making a profit.

Break-Even Point

The break-even point is when your total income equals your total expenses. You are not making a profit yet, but you are not losing money either. Knowing your break-even point helps you understand how many items you need to sell before your business starts earning money.

€50

Start-up and running costs

€5

Profit per item sold

10

Items needed to break even

Keeping Track – Income and Expense Sheets

You do not need complicated software to manage your finances. A simple income vs. expense sheet in a notebook or spreadsheet (Excel or Google Sheets) can help you track what comes in and what goes out.

What to Record:

- Date of sale or expense
- Item sold or purchased
- Amount earned or spent
- Category (sale, advertising, supplies, etc.)

Keeping records helps you:

- Understand where your money is going
- Spot which products or services are selling best
- Plan for the future
- Show others (like potential supporters or mentors) that you're serious and organised

Activities

Activity 1: Create a Simple Income vs. Expense Sheet

Use Excel, Google Sheets, or a printed table. Create two columns: One for Income (money you earn) One for Expenses (money you spend) Start tracking your business activity—even if it's just practice for now. Record sample numbers based on your business idea.

Date	Description	Type	Amount (€)
June 10	Sold 3 handmade bracelets	Income	10.50
June 11	Bought string and beads	Expense	4.00

At the end of the sheet, calculate your total income, total expenses, and profit or loss.

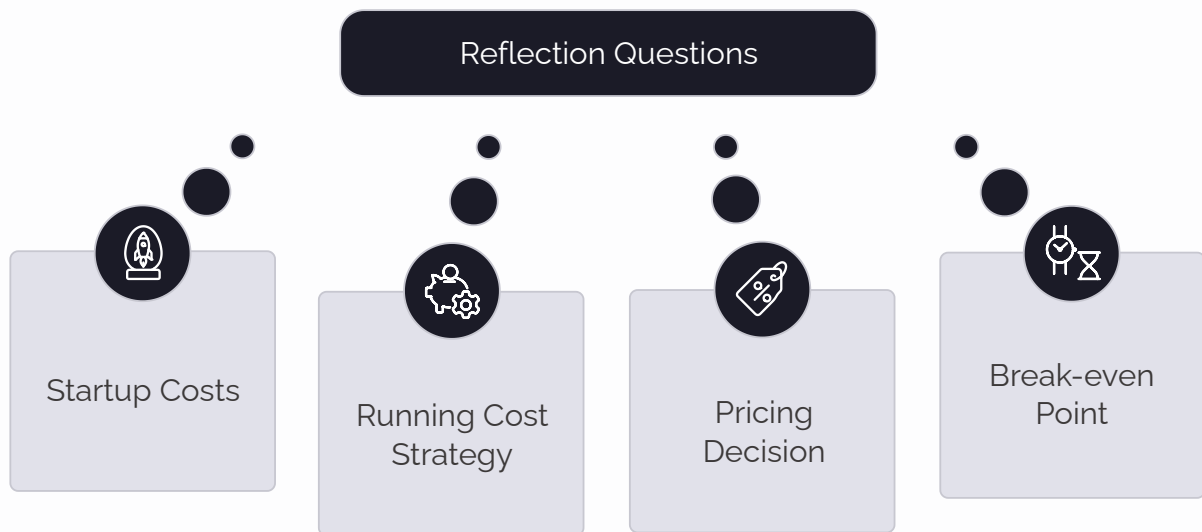
Activity 2: Price Your Product

Take one product or service idea from your business plan. Now: Write down the exact cost to make or deliver it. Decide how much profit you want per unit. Use the pricing formula to set a realistic selling price. Ask three people in your target group if the price feels fair. Adjust based on feedback if necessary.

Reflection Questions

Write or think through these:

- What are the biggest start-up costs for my business?
- How will I keep my running costs low but still deliver quality?
- What price feels fair for my product—and how did I choose it?
- What is my break-even point, and how many sales will I need to reach it?
- How confident do I feel about managing money in my business?



Setting Up and Running Your Business

You have an idea. You have a plan. Now it is time to bring your business to life. Setting up a business means taking the practical, legal, and operational steps needed to officially start and run it. Depending on your country, the rules and requirements may vary. However, there are some common steps that apply in most situations:

- Choosing a name and brand identity
- Registering your business (if required)
- Deciding where and how you will operate (online or physical location)
- Setting up systems for payments, supplies, and communication
- Understanding your responsibilities to customers and society

Even a small or part-time business deserves to be taken seriously. Starting the right way builds trust and prepares you for growth.



Naming and Branding – Finalising Your Identity

As mentioned earlier, we have already explored brand values and logo ideas (see 5). Now it's time to finalise your brand identity.

Choosing a Name

Your name should:

- Be easy to spell and remember
- Reflect what your business does or offers
- Feel unique and not too similar to other local or online brands
- Be available as a domain name or social media handle (check this)

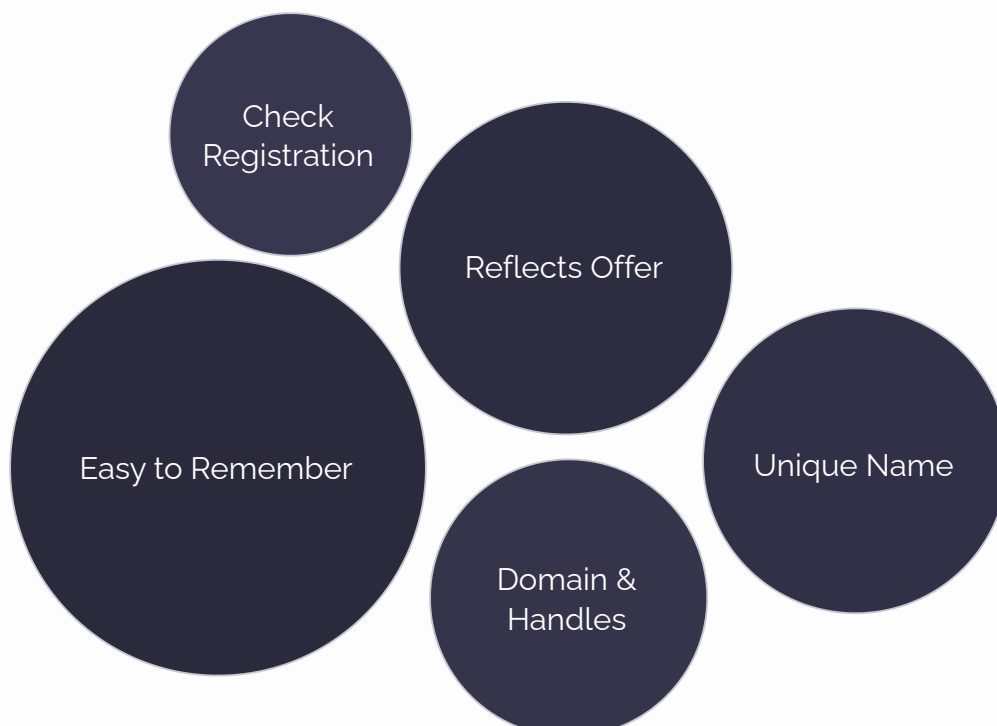
Once you have a name, stick with it. A consistent name builds recognition and customer loyalty.

Checking Availability

Before printing anything or launching online:

- Search your national business registry or local council website
- Make sure no one else has already registered the name
- Check for trademarks or copyright if necessary

Even if you are starting small, acting professionally from the beginning helps avoid problems later.



Business Registration Basics

Do I Need to Register My Business?

This depends on your country, age, income level, and the type of business. You may need to register if:

- You will be earning money regularly
- You are selling products or offering paid services
- You want to open a business bank account
- You need a licence or tax identification number

In many countries, small youth-led ventures are allowed to begin informally, but if you grow, it is wise to register officially.

Steps to Consider (Depending on Country):

- Choose your business type (sole trader, partnership, limited company, etc.)
- Register with the appropriate national or regional authority
- Apply for any licences or permits (e.g. food handling, trade licence)
- Keep simple financial records (income, expenses, taxes)

If you are under 18, you may need a guardian to register on your behalf, or you may operate under a school, community group, or youth programme. Always check with a local business advisor, teacher, or youth organisation if unsure.

Customer Service and Business Ethics

Running a business is not just about selling. It is about building trust, relationships, and reputation. Customer service means making sure people who buy or use your product:

- Feel valued and respected
- Understand what they are getting
- Know how to reach you if they have questions or problems

Good service includes:

- Responding to messages quickly and politely
- Delivering on time and as promised
- Fixing mistakes or offering refunds if needed
- Saying "thank you" and asking for feedback

Your service reflects your values. People often remember how you treat them more than what you sold them.

Business Ethics are the moral values that guide your decisions. Ethical businesses:

- Are honest in their marketing and pricing
- Treat customers fairly
- Do not copy or steal other people's work
- Respect the environment and local laws
- Take responsibility when something goes wrong

You do not need to be perfect, but you should be honest, open, and committed to doing the right thing.

Activities

Activity 1: Checklist – What I Need to Start My Business

Use this checklist to review whether you are ready to launch. Tick off what applies to you:

- I have a clear and unique business name
- I know what I am offering and who my customers are
- I have created a logo and brand identity
- I have checked if I need to register my business
- I have set up a simple way to take payments (cash, bank transfer, etc.)
- I have materials or stock ready to sell
- I know how to contact customers and respond to questions
- I have practiced explaining my product or service clearly
- I have basic records for income and expenses
- I understand the importance of customer service and ethics

If there are items you have not completed, go back and review previous modules or speak with a mentor.

Activity 2 & Reflection

Activity 2: Write Simple "Terms and Conditions" for Your Business

Create a short written agreement or explanation that sets out:

- What you are offering
- How people can order or buy
- Payment terms (when and how customers pay)
- Delivery or collection rules (if applicable)
- Refunds, returns, or cancellations (if you offer them)
- How customers can contact you

Example: "All orders must be paid in full before delivery. I accept bank transfers or cash. Orders are delivered within 3 working days. Returns are accepted within 7 days if the product is damaged or defective. Please contact me via Instagram DM or email for any questions."

This gives your customers confidence and protects you from misunderstandings.

Reflection Questions

Answer these in your journal or voice notes:

- What are the first three actions I need to take before launching?
- Is there anything I need help with before going public?
- How can I make sure my business is trustworthy and professional from day one?
- What values will guide my decisions when things go wrong?
- Who can I turn to for guidance if I face a legal or ethical challenge?

Risk Management and Contingency Planning

Running a business can be exciting, but things do not always go as planned. Even if you are organised, unexpected problems can happen. For example:

- A supplier might not deliver your materials on time.
- Costs can suddenly go up.
- Customers may stop buying as much as you expected.

Many small businesses fail because they were not ready for these challenges. Learning to spot possible risks and plan ahead will help you stay in control and keep your business running.

Identifying Risks

Start by making a list of things that could go wrong in your business. These are called risks. Here are some examples:

Operational Risks

- Your equipment breaks down.
- Deliveries arrive late.
- You run out of materials.

Financial Risks

- You run out of cash to pay bills.
- A customer does not pay you.
- Your costs suddenly increase.

Market Risks

- Sales slow down during certain seasons.
- A new competitor opens nearby.
- Customer tastes change.

Legal Risks

- You forget to renew a licence.
- New rules affect your business.

Human Risks

- You or a helper get sick or injured.

Reputational Risks

- A customer posts a bad review.
- You make a mistake that upsets people.

Sit down and write as many risks as you can think of, even if they seem unlikely.

Assessing Impact and Likelihood

After you list the risks, you must decide:

- **How likely is this to happen?**

Creating Contingency Plans

A contingency plan is a clear set of steps you will take if something goes wrong. This is your Plan B.

Backup Suppliers

Find 1–2 other suppliers now and save their contact details.

- Test ordering from them in small amounts so you know they are reliable.

Emergency Cash

Keep some money set aside just for emergencies.

- Even a small amount (like €100–€500) can help.

Other Ways to Sell

If your main sales method stops working, be ready to sell through social media or delivery apps.

Equipment Repairs

Find out where you can repair or replace tools quickly.

- Put some money aside for repairs.

Insurance

Depending on your business, you could look into:

- Public Liability Insurance (if a customer gets hurt).
- Property Insurance (for stolen or damaged items).
- Business Interruption Insurance (if you cannot trade for a while).

Building a Resilient Mindset

Having a positive, calm attitude is very important. A resilient mindset means you:

- Accept that problems can happen.
- Stay calm and think about solutions.
- Learn from mistakes.
- Keep trying even if things go wrong.

Remember: Businesses that last a long time are not problem-free. They simply keep going when things get tough.

Activities

Activity 1: Risk Assessment Table

Make a table like this. Fill in 5 risks that might affect your business.

Risk Description	Likelihood	Impact	Contingency Plan
Example: Supplier delays	Medium	High	Use a backup supplier. Keep extra materials.

Activity 2: Contingency Plan Outline

Pick your 3 most serious risks and write 1–2 sentences explaining what you will do if each one happens.

Example: "If my main supplier fails to deliver, I will contact my second supplier the same day. I will also update customers about any delays."

Reflection Questions

Think about these questions and write down your answers:

- Which risk worries you the most?
- What can you do this week to reduce that risk?
- Who can help you if something serious happens?
- How confident do you feel about dealing with problems?
- What personal strengths will help you stay positive?

Operational Workflows and Time Management

When you start a business, you might focus mainly on your idea, your products, or your customers. But what you do each day—and how you organise your time—will often decide whether you succeed or struggle.

Many entrepreneurs: Get overwhelmed by daily tasks., Forget important steps., Waste time on low-priority work., Burn out because they try to do everything themselves.

This module helps you translate your plans into clear daily routines so you can work consistently, save time, and avoid stress.

Mapping Core Processes

Core processes are the main tasks you do to run your business. By mapping them, you can see:

- The steps involved.
- Where problems or delays happen.
- How to improve them.

Here are three common processes every small business has:



Order to Delivery

This is the process of getting a product or service to the customer.

Example Steps:

- Customer places an order.
- You confirm the order.
- You prepare the product or service.
- You package the order.
- You deliver it or make it available for pick-up.
- You follow up with the customer.

Customer Communication

This is how you stay in touch with your customers.

Example Steps:

- Reply to messages or questions.
- Confirm orders or appointments.
- Send updates (e.g., delivery times).
- Respond to complaints or feedback.
- Thank customers and ask for reviews.

Inventory Management

This is keeping track of your stock or supplies.

Example Steps:

- Check what supplies you have.
- Record what you use or sell.
- Reorder when you reach a minimum level.
- Store materials safely and neatly.

When you map your processes, write down each step in order so you can spot gaps or delays.

Workflow Design

A workflow is a clear, step-by-step way of doing something. It helps you:

- Work faster.
- Reduce mistakes.
- Train helpers more easily.

Checklists for Recurring Tasks

Checklists are simple tools to keep you consistent. You can create checklists for:

- Preparing orders.
- Opening or closing your workspace.
- Posting on social media.
- Doing end-of-week stock counts.

Example Checklist: "Packing an Order"

- Check the product is correct.
- Inspect for damage.
- Place in packaging.
- Add thank-you note.
- Seal package.
- Write shipping label.

Simple Process Charts

You can also draw flowcharts that show the steps visually. This is helpful if you have a team or want a quick reference on your wall.

Example:

Customer Order  Confirm Order  Prepare Product  Package  Deliver  Follow Up

Time Management Strategies

Many entrepreneurs feel they "don't have enough time." Good time management helps you work smarter, not harder.

Prioritising Urgent vs. Important

Not everything that feels urgent is truly important. Learn to:

- Do important and urgent tasks first (e.g., fulfilling orders due today).
- Schedule important but not urgent tasks (e.g., improving your website).
- Avoid spending too much time on urgent but low-value tasks (e.g., constantly checking social media).

Each day, write your top 3 priorities before you start working.

Time Blocking

Time blocking means you set specific blocks of time for each task.

Time	Activity
9:00–10:00	Answer messages.
10:00–12:00	Pack orders.
12:00–1:00	Lunch break.
1:00–3:00	Work on marketing.
3:00–4:00	Update inventory.

This stops you from jumping between tasks all day.

Avoiding Burnout

Working too much can lead to burnout. Protect your energy by:

- Taking short breaks.
- Having clear start and end times for work.
- Scheduling days off, even if your business is small.
- Saying "no" to tasks that do not help your goals.
- What can I do differently?

Delegation and Automation

You do not have to do everything yourself. Learning to delegate or automate saves time and reduces stress.

Delegation

Ask someone you trust to help with:

- Packing orders.
- Deliveries.
- Updating social media.
- Simple bookkeeping.

Even a few hours of help each week can make a big difference.

Automation

Use tools and apps to save time. For example:

- Automatic invoicing tools.
- Social media scheduling apps.
- Online order tracking

Tracking Progress

Finally, track how you are doing so you can improve your workflows over time.

Weekly Reviews

At the end of each week:

- Look at what you achieved.
- Notice what worked well and what did not.
- Decide what you will improve next week.

Example Questions:

- What took longer than planned?
- Did I meet my goals?
- What can I do differently?

Activities

Activity 1: Create a Daily or Weekly Workflow Checklist

Make a checklist for the tasks you do every day or week.

Daily Checklist

- Check messages and reply.
- Pack and ship orders.
- Post on social media.
- Update income and expenses.

Weekly Checklist

- Check stock levels.
- Review sales numbers.
- Clean and organise workspace.
- Plan next week's priorities.

Activity 2: Design a Process Map

Choose one process (for example, fulfilling an order). Draw a simple step-by-step map or list of the process.

Example:

- Receive order.
- Confirm payment.
- Prepare product.
- Pack and label.
- Ship.
- Send confirmation message.

Activity 3: Time Log Exercise

For 3 days, write down:

- Every task you do.
- How long you spend on it.

At the end, look for:

- Tasks that took more time than expected.
- Tasks you could delegate or automate.

Reflection Questions