

# BECOME AN ENTREPRENEUR



## **A Step-by-Step Guide to start a business**

Find out where to begin and how to  
achieve success

### Strategic Planning

Create a strategic plan that will help you visualize your business with mid and long-term goals.

- Assessment
- Strategy formulation
- Strategy execution
- Evaluation

### Ask the following three questions:

- Where is your business now?
- Where do you want to take it?
- What do you need to do to get there?

# DEFINE YOUR IDEA

## Select a business name

The name of your business is very important, especially since you want it to be easy to remember and to always be the first choice in the minds of customers.

Some rules in choosing him:

- Choose a name you like
- Choose a long-term name, I would say forever
- Choose a short and easy to pronounce the name
- Give yourself time to find the right name
- The most important thing is that you believe in IT, do not let yourself be influenced by other people

After the idea, comes the name. The 2 unfold around each other.

If you have already chosen a name, congratulations.

If you want the chosen name to be the name of the website, it would be good to check on the [rotld.ro](http://rotld.ro) website that the domain name is not already given.

The name must be registered with [OSIM](http://OSIM), as a registered trademark and not risk being sued for copyright.

If you don't have a name yet, there are specialized companies to help you choose a suitable name.

## Identify your target customers

Defining the customer segment will help you have online sales and visibility without spending a lot of money.

- You need to know your customers as well as possible,
- to know what their preferences are,
- what social media channels they are passionate about,
- what their age is,
- what keywords help you get closer to them.

# WRITE A BUSINESS PLAN

- A business plan is a written document describing a company's core business activities, objectives, and how it plans to achieve its goals.
- Not 2 business plans are the same, but the common elements are:

**Executive summary:** description of the company and its mission, the company's leadership, employees, operations, and location

**Products and services:** descriptions of the products and services, the company offers pricing, product lifespan, and benefits to the consumer, information about research and development (R&D), production, and processes.

**Market analysis:** whom the competition is, its strengths and weaknesses, the expected consumer expectations.

**Marketing strategy:** explains how the company will reach, attract and keep the customers and the marketing plans

**Financial planning:** includes financial statements, balance sheets or targets, and estimates for the first few years of the business.

**Budget:** composed of cost of development, manufacturing, marketing, staffing, and other expenses connected to the business.

You may find examples of business plans here:

<https://www.bplans.com/sample-business-plans/>

# FINANCIAL PLAN

## Startup business model

- what business model will the business have

<https://bstrategyhub.com/50-types-of-business-models-the-best-examples-of-companies-using-it>

## Revenues & Costs & Prices

- Revenue categories (per customer / per period / per category)
- What are the factors that influence income
- Cost categories: fixed / variable; operational / investment / financial)
- How do you set a price so that it is the best possible price?

## Break-even analysis

- How much do you have to earn to cover the costs? or
- How much do you have to spend to bring in enough income to be profitable?
- Cost-benefit analysis for each category of product/service sold

## Financial reports:

- Income statement, balance sheet, cash flow statement
- Explaining the terms and setting a way of working (rules and procedures, financial discipline)
- Collaboration with accounting, so that its financial reporting can be analyzed at any time by the company's management
- Explain the differences between balance sheet, IS, and Cash Flow
- Do you have enough money in the bank to pay your suppliers and salaries? How do you make forecasts for receipts and payments?

## Managerial reporting:

- Do you know how to read accounting figures?
- How do you keep track of your financial activity?
- KPI setting and how to work with them

## Funding options:

- Business loans / Business grants / Investors / Crowdfunding
- Preparing to present financial data to investors
- What financing methods are there and what are the differences?
- How do you make the forecasts for the next 2-3 years?
- How do you explain to investors past and future financial data?

# SELECT A LEGAL STRUCTURE

Sole proprietorship

Partnership

Limited liability company (SRL)

Registered sole trader (PFA)

You choose a legal structure depending on the kind of business you plan to have and measure each one's plus and minus.

**SRL (limited liability company)** is a type of company - an independent entity, different from the person/persons who set it up and run it. It is a legal entity and the partner is liable for its obligations within the limits of the share capital.

**PFA (Registered sole trader)** is a type of economic enterprise, not a company. PFA does not acquire the status of the legal entity but is only the person of the holder, authorized to carry out a certain economic activity. Thus, the holder of a PFA is liable for his obligations with all personal property.

### PFA (Registered sole trader)

- You pay 10% net income tax (income minus expenses). It can be paid in real system or at the income rate.
- If the monthly net income is equal to or exceeds the minimum wage per economy (2300 lei in 2021), you pay the social contributions calculated at the minimum wage per economy (the contributions for 2021 are: pension 25% and health 10%).
- You can withdraw money from the company at any time, without paying tax .
- The accounting is quite simple and only one declaration is submitted per year (single declaration).

### SRL (Limited liability company)

- You pay income tax (on turnover) of 1% if you have at least one employee and 3% if you have no employees.
- You pay a profit tax (income minus expenses) of 16% only when you have a turnover of 1,000,000 EUR/year.
- You can be employed by the company (and thus pay social security, health, etc.), but this is not mandatory.
- You cannot withdraw the money (the profit obtained) from the company at any time, but only quarterly or annually. The profit distributed to the associates is taxed at 5%.
- You need an accountant to keep track of income and expenses, employees, and to prepare and file tax returns.

It would be best to speak to a professional accountant to make sure you have the most legal structure to function as a company.

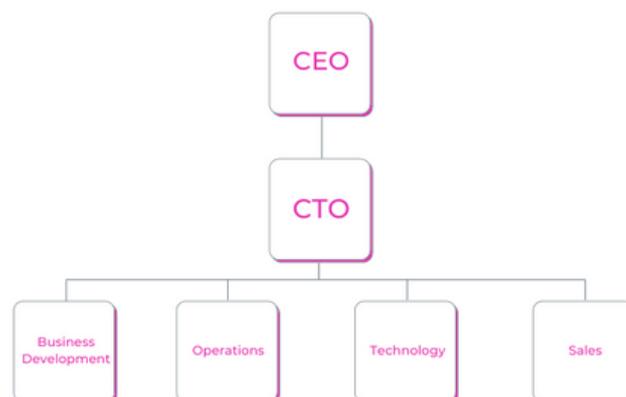
## BUILD THE TEAM

### Define roles and responsibilities

- Analysis of the specific needs of the business
- Based on the analysis, design the roles that will be defined
- Roles are also defined following responsibilities
- It should be borne in mind that the roles fall within a COR code - Classification of Occupations in Romania

### Define the organisation chart

- Business organisation, departments, and subordination. An organisational chart (often called organisation chart, org chart, organigram(me), or organogram) is a diagram that shows the structure of an organisation and the relationships and relative ranks of its parts and positions/jobs.



# CHOOSE THE VENDORS

- Understanding business objectives and based on identifying needs
- Based on the needs, the identification of vendors who can support the business in its growth is made
- The market of the sellers is prospected and it is good to take into account what competitors are in the market
- Choose reliable suppliers you can rely on
- Do not experiment on your business, choose a supplier already tested in the market
- Create a strong networking network
- Establish relationships, not contacts.

## COMPANY & PERSONAL BRANDING

### Website

- Creating a website is as important as creating a Facebook and LinkedIn page.
- The website gives confidence and visibility.
- If you are a technical, patient, and creative person, you can create your own website with the help of platforms that offer complete services (from site templates to hosting solutions, marketing, and even online payment system, if you have a marketplace):

[wix.com](https://www.wix.com), [Shopify](https://www.shopify.com), [WordPress](https://www.wordpress.com)

- If you don't have the time or patience, there are companies and freelancers who can create your website.
- Give the site an important part because it is the mirror of your product.
- It must contain as much information as possible, in as little space as possible, be easy to use and operate as quickly as possible.

### Logo

- After choosing the name and before creating the website, you must create a logo.
- The logo is the name of the company transposed into the design.
- There are creative people who do this, they help you find the best design for you, also with business cards, email signatures, promotional materials, social media banners, etc.
- In general, agencies that offer web design services include in their services part of logo creation and branding.

### Social Media

- Use social media to make your business known.
- Use Facebook, LinkedIn, Instagram, the condition being to have a distinct approach, but also a consistency of posts.
- There is a fairly common trend, that of creating accounts on more and more networks, but without having a marketing strategy and a specificity.
- Connect with people! Build a strong network and contribute to its growth.
- Be visible and stand out through the distributed content.
- Transpose in social media the partnerships you have, which can increase your visibility and attract new customers.
- Choose to invest in content marketing and address a niche, a target audience, in relation to the services you offer.
- Use visual content (photos, videos, infographics, live) to generate a higher engagement.
- Keep in mind that visuals are processed much faster than text, with people remembering more of what they saw than what they read.

# Employer Branding

- The reputation of the employer is built from the beginning
- What exactly is it and how is it measured?
- The reputation of the employer is the perception that people have about your company strictly from a professional point of view, how you behave with the employees, how you deliver your promises towards them
- It is most easily measured in the recruitment area, by the desire of as many candidates who want to work for your company

## Marketing Plan

Marketing is one of the most significant expense for companies. The marketing plan helps you create your strategy in the short, medium, and long term.

The marketing plan includes:

- Description of your product or service.
- Market analysis.
- Marketing goals and objectives.
- Pricing details.
- Advertising plan.
- Marketing budget.

Product, price, promotion, place, packaging, positioning, and people are the 7 elements you must constantly evaluate.

The main contents of a marketing plan are:

Executive Summary  
Situational Analysis  
SWOT Analysis  
Objectives  
Marketing Strategy  
Action Program  
Financial Forecast  
Controls

A complete marketing plan typically includes:

### Current Situation

- Economic State, Legal State, Governmental State, Technological State, Ecological State, Sociocultural State, Supply chain State

### Market Analysis

- Market definition, Market size, Market segmentation, Industry structure, and strategic groupings, Competition and market share, competitors' strengths and weaknesses, Market trends

### Consumer Analysis

- Buying decision, Participants, Demographics, Psychographics, Buyer motivation and expectations, Loyalty segments

### Internal

- Company Resources - Finances, People, Time, Skills
- Objectives - The mission statement and Vision statement, Corporate objectives, Financial objective, Marketing objectives, Long term objectives, Description of the basic business philosophy
- Organisational Culture

### Situation Analysis

- External threats, External opportunities, Internal strengths, Internal weaknesses, Critical success factors in the industry, Sustainable competitive advantage

## Marketing Research

- Information requirements, Research methodology, Research results

## Marketing Strategy - Product

- Unique selling proposition (USP), Product mix, Product strengths, and weaknesses, Perceptual mapping
- Product life cycle management and new product development, Brand name, brand image, and brand equity, Augmented product

## Marketing Strategy segmented

- By product, By customer segment, By geographical market, By distribution channel

## Marketing Strategy - Price

- Pricing objectives, Pricing method, Pricing strategy, Discounts, and allowances, Price zoning, break-even analysis at various prices

## Marketing Strategy - Promotion

- Promotional goals, Promotional Mix, Advertising reach, frequency, and media, Salesforce requirements, techniques, and management, Sales promotion, Publicity and public relations, Electronic Promotion (e.g.: web, or telephone), Word of Mouth Marketing, Viral Marketing,

## Marketing Strategy - Distribution

- Geographical coverage, Distribution channels, Physical distribution and logistics, Electronic distribution

## Implementation

- Personnel requirements, Assigning responsibilities, Giving incentives, Training on selling methods, Financial requirements, Management information systems requirements, Month-by-month agenda, Gantt chart, Monitoring results and benchmarks, Adjustment mechanism, Contingencies (what ifs)

## Financial Summary

- Assumptions, Pro-forma monthly income statement, Contribution margin analysis, Breakeven analysis,

## Scenarios

- Prediction of future scenarios, Plan of action for each scenario

## Controls

- Performance indicator, Feedback Mechanisms

Pictures and specifications of products, Results from completed research



# BECOME AN ENTREPRENEUR

Every successful company has a plan in place and knows where it is going in the future.

If you are not yet one of these businesses, you can be.

The strategic plan is designed to set the company's objectives and to define their importance.

Strategic planning will help you improve your performance and help your company reach its potential.

The plan can and must be constantly changed. Even if your vision remains the same, your objectives may change.

*For more information about strategic planning, talk to [She is Mom](#) experts today.*