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**Fachhochschule des  
Mittelstands (FHM)**



## **MOVIDIS – Lecture: Company Founding** 2/5 (SS 2022)

# Organizational Information

Nr.	date	time
1	16.02.2022	3 pm – 4:30 pm
2	16.03.2022	3 pm – 4:30 pm
3	13.04.2022	3 pm – 4:30 pm
4	11.05.2022	3 pm – 4:30 pm
5	08.06.2022	3 pm – 4:30 pm

Beside those live-sessions we can arrange individual sessions (if you want):

MS-Teams-Link:

[https://teams.microsoft.com/l/meetup-join/19:meeting\\_NmM0ZjFmNGYtMGlxOS00MzQzLWE0ZTEtMTVhMmQ2Mjl4NWQz@thread.v2/0?context={%22Tid%22:%225bf0da95-0f18-4542-9d8d-44c524396b7f%22,%22Oid%22:%22707784c7-d4a3-46e4-b470-856728c77c6f%22}](https://teams.microsoft.com/l/meetup-join/19:meeting_NmM0ZjFmNGYtMGlxOS00MzQzLWE0ZTEtMTVhMmQ2Mjl4NWQz@thread.v2/0?context={%22Tid%22:%225bf0da95-0f18-4542-9d8d-44c524396b7f%22,%22Oid%22:%22707784c7-d4a3-46e4-b470-856728c77c6f%22})

Prof. Dr. Ralf Brüning  
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Skype: [bruening-1](#)

## What means „Entrepreneurship“?

Definition according to Fueglistaller / Müller / Volery: (2008, p. 1, based on Shane / Venkatarman 2000):

- "Entrepreneurship is a process that is initiated and carried out by individuals and that serves to **identify, evaluate** and **use opportunities**"



# Review: business plan



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## Notes on editing / creating your business plan

- Subject of the business idea: **freely selectable!**
- Top priority: Business plan should consist of **"one piece"**
- Please send a short description of your business idea / topic of the BP by email
- Extent: approx. 20 pages (see following recommendation) in standard format
- **Submission: (31.07.2022) TrainNex upload**

# Review: business plan



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Adjusted scope recommendation:

## Contents:

- |                                       |                   |
|---------------------------------------|-------------------|
| 1. Executive summary                  | approx: 1 page    |
| 2. Product or service idea            | approx: 3 pages   |
| 3. Founding team                      | approx: 0,5 pages |
| 4. Industry and market                | approx: 4 pages   |
| 5. Marketing planning                 | approx: 3 pages   |
| 6. Business system and organization   | approx: 4 pages   |
| 7. chances and risks                  | approx: 1 page    |
| 8. Financial planning (3-5 year plan) | approx: 4 pages   |

-> Questions about the overview content-chapters???

„Individually mixed muesli“ (source: Fueglistaller / Müller / Volery 2008, S. 30ff.)

## Discussion questions:

- How did it come about that Hubertus, Phillip and Max discovered an entrepreneurial opportunity?
- How did the 3 founders evaluate the entrepreneurial opportunity?
- What are the advantages and disadvantages of different business models for using the entrepreneurial opportunity?
- What other alternatives are conceivable? What activities need to be started before starting the business?

# Structure / Chapters:

- **CHAPTER 1:** Introduction: basics of entrepreneurship & business planning
- **CHAPTER 2:** Business idea, business- and revenue model / management (Modules 1-3)
- **CHAPTER 3:** Market research, Marketing concept & sales forecast (Modules 4-6)
- **CHAPTER 4:** Cost planning & accounting, calculation & pricing (Modules 7-10)
- **CHAPTER 5:** Financial planning & risk-management (Modules 11-14)

## 2. Business idea, business- and revenue model / management



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### A (your) new business needs:

- An innovative and high potential business idea
  - new concept
  - huge market volume & market growth
- Unique (selling) positions
  - clear differentiation from the competitor,
  - clear benefit for the customers
- A Sustainable profitable business model
  - Organic development
  - Sustainable revenues



## 2. Business idea, business- and revenue model / management



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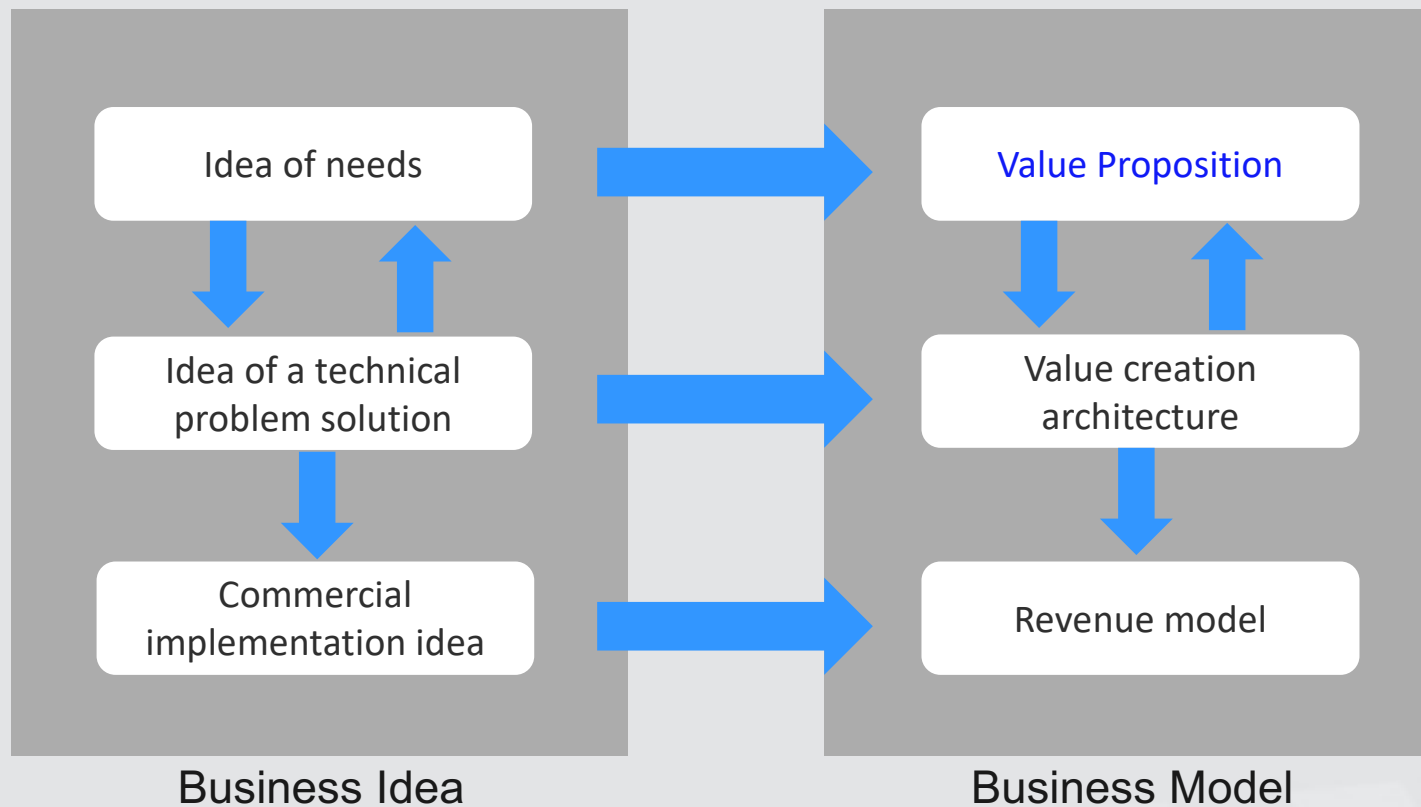
- **Business model:** Illustration of the operational production and performance system of a company, simplified:
  - which **input factors** go into the **added value process** and
  - how are **marketable services** transformed to the **relevant markets**?
- **Differences:**
  - **Business model:** primarily internal planning and design tool
  - **Business system:** actual implementation of a business model
  - **Business plan:** primarily external orientation + result of the planning process of a business model
- **Structural elements of the business model:**
  - **Value proposition** ("what component")
  - **Value-added architecture** ("how component")
  - **Revenue or income model** ("why component")

## 2. Business idea, business- and revenue model / management



### Transmission from business idea to business model

(Source: based on Freiling (2006), P. 214)



## 2. Business idea, business- and revenue model / management



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### a) Value Proposition: examples

- **Ebay:**

Selling opportunities for all products, diverse options for the buyer,  
“excitement” in the bidding process

- **Ikea:**

cheap products, attractive design, immediate receipt of the products

- **Starbucks:**

"Coffee experience", coffee house atmosphere

## 2. Business idea, business- and revenue model / management



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### b) Value creation architecture

➤ Design of added value: definition of the processes

#### (1) Process hierarchy:

- Business processes
- Main processes
- Sub-processes
- activities



#### (2) Business process model:

- Coordination and alignment of all activities on the market
- Where processes & activities must be based on customer benefit and customer value
- Inclusion of cooperation partners
- Make-or-buy Considerations

## 2. Business idea, business- and revenue model / management



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### c) Revenue model

- **Source of revenue:** which components of the service contribute to which revenue contributions
- **Billing mode:**
  - Usage or transaction-dependent calculation ("pay-for-performance mode")
  - Usage or transaction-independent calculation ("flat rates")
- **Price level**
- **Grading of conditions** (price and condition differentiation according to customer, time, quantity, region, etc.)

First thoughts about ...



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Your Business Ideas???

## 2. Exercise



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### The Elevator Pitch

#### Task:

- Convince a potential investor of your business idea within a very short time (about 30 seconds)! .... think carefully about what is important and use the FHM elevator ... ;-)

## 2. Business idea, business- and revenue model / management



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### Decision criteria for the choice of the legal form

(-> depending on the different national legislation and company constitutions)

- Number of shareholders
- Minimum capital
- **Liability regulation**
- Tax burden
- Personal participation of the owners
- Transferability of the capital shares
- Disclosure requirements