Ownership, The Management Team, Organization, & Staffing Plan

Modified from the following source:
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Ownership

- **Who owns the company?**
  - Typically, the founding entrepreneur, 100%
  - Or the founding team, in equal parts
    - Say, four people, 25% each
  - Or the founding team, *unequally*
    - CEO—50%, VP R&D—30%, VP Mktg—20%

- **State the ownership at the time of writing the business plan**
Management Team

- Typically, the founding owners also manage the company

- Define the roles that each person will play
  - Basic roles are marketing, operations, and finance
  - If it’s a high-tech company, R&D becomes critical
  - Someone has to be CEO or president
  - One or more people may play multiple roles

- Give thumbnail sketches of each person, emphasizing relevant experience
  - Give full resumes in an appendix

- Comment on how long this team has worked together
Management Team (cont.)

- If some key positions are not filled yet
  - At least identify the person who will fill it
    - Say roughly when that person will join the firm
  - Leaving it unfilled and unidentified is bad, though sometimes unavoidable

- Future management positions can be identified in the staffing plan (next)
Except for very simple organization charts, provide one for the inception of the business. Also provide one you think will apply at the end of two years:

- It will show how you intend to grow the company
- It will highlight changing management responsibilities
  - For example, one owner could be acting CFO for the first year until a real CFO is hired in Year 2

Discuss briefly the two charts and how the company will be run.
Staffing Plan

- At various points in the early life of the new business, people (managers and employees) will be hired

- *What types of people* and *when* form the basis of the staffing plan
  - Do a staffing plan only if number of hires are appreciable over the next two years
  - By combining it with salaries and/or wages, it forms the “salaries” line in the financial projections
Optional Additions

- Values Statement
- Philosophy of doing business
- Company culture
  - The key things you look for in new hires to know they will fit in with the culture