Good a1. company identification: business plan example

Business, Company

Executive Summary

ProService Company LLC will operate in Tysons, VA to provide high-quality services for Washington D. C., Maryland and Northern Virginia (DMV) area. Company's Address is 1800 Spring Hill Rd. Suite 310 Tysons, VA 22812.

A2. Mission of the Company:

The mission defines the essence of the organization and consolidates staff around this idea. We can even talk about some programming the staff to achieve and implement this idea. The mission of ProService Company LLC is to provide our clients with excellent means of modern, simple and reliable resources of global computerization. We also tend to solve the unsolved problems innovatively.

A3. Business Goals:

The company's goals and objectives are formulated on the basis of the main business objective in order to serve as the foundation for company's strategy and tactics, and define criteria for the information collection for choosing the strategy. Our business goals are initially formulated not only for the general objectives of the startup project, but they are closely related and referred to essential aspects of company's successful operation: financial, production, marketing and stuffing activities.

So, the ProService Company LLC is oriented on achieving the following business goals, which specifically and clearly demonstrate our understanding, competence and gravity of intensions:

In order to provide the possibility of invested funds return we are going to

ensure the profitability and efficiency of the startup project in terms of the

given business plan at the level of $ 200, 000;

Considering the marketing frames of future business the company is aiming

to achieve the key positions on the DMV area IT market by the means of our

innovative approaches.

Thus, our key goals satisfy the criteria of SMART approach, i. e. the goals are

specific, clear and well understood, measurable (e. g. by money and funds),

achievable considering the internal and external resources of the company,

realistic to fit the terms and conditions and timed, i. e. they have a specific

date to achieve and embrace a certain time period.

A4. Keys to Success:

There is a popular opinion that the purpose is business is profit, but we may

argue this suggestion because the true purpose is creation and preservation

of customers base. Therefore, 50 percent of time must be aimed on

customers' attraction and their retention. So, we consider the market

research as one of the goals to company's success. This activity plays a vital

role due to the means which ensure the following opportunities:

ProService Company will be able to effectively organize marketing activities;

Develop both short and long-term business objectives;

The Company will be able to develop a number of different approaches for

the sale of goods and services of the target audience;

Market research allows the company to qualitatively predict future profits. In

addition, it allows the company to more accurately determine the profit

margin.

Another key to company's success are, surely, our employees. It is well-known that happy and cheerful employees make their customers happy as well. Thus, we develop multi-level relationships with clients by the means of ideas, technical resources, funding, good marketing, and talented employees and so on. Hence, the creation of a friendly climate is of paramount importance, since personnel play an important role in the company's development and honest, open and friendly atmosphere forces the processes of managers, employees and customers' convergence.

Company Summary

B1. Industry History:

ProService will operate within the industry of hardware and software engineering. This industry has experienced a dramatic increase within the last 50 years. Nowadays, the total volume of a global IT market extends up to 2 trillion dollars. The largest segment in terms of cost is computer equipment. The explosive growth of data is driving demand for servers and data storage systems. The ubiquity of data centers and cloud solutions provide a steady demand for different types of network equipment. PC market is gradually decreasing in volume, whereas the market for mobile devices is growing steadily. Deliveries of printing and copying machines are relatively stable, while sales of monitors have been steadily declining. Demand on IT services is provided by the growing diversity and complexity of the use of corporate IT systems requiring high cost of installation, integration, training and maintenance. The most dynamic segment of the

global IT market is OS, its annual made up more than 6%. in the last few years, which is more than a half of the total volume of the segment form different application categories, the rest falls upon the system software and development tools. Consistently high demand is on solutions for enterprise resource planning and customer relationship, as well as security solutions. The rate of growth of cloud services will be significantly higher than the growth rate of traditional IT services. The benefits of cloud computing, such as the ability to quickly get the IT infrastructure lease, use it on demand and pay based on actual consumption, apparent to many users.

B2. Legal Form of Ownership:

Legal form of the company will be a form of individual entrepreneur since it is one of the simplest forms for running a business in terms of both financial and tax accounting. The sole trader does not require specific skills to keep a record of their activities, while at the creation legal entity (including joint-stock companies or Limited Liability Company) requires special skills accounting activities according to established rules.

A prerequisite for national entrepreneurial class activities, both through the creation of a legal entity and registration person as an individual entrepreneur is his capacity.

Just as in the JSC and LLC, the owner is entitled to have its own seal, its trademark, bank account, and deals sign contracts, receive a bank loan, to use in the labor activities of other citizens, engaging them on the basis of employment contracts and contracts of civil nature (contract, agency, commission, etc.).

B3. Location and Facilities:

The ProService Company will be located Tysons, VA, (1800 Spring Hill Rd. Suite 310 Tysons, VA 22182). For successful operation and activity the company requires a building of 100 sq ft for the main office. Facilities of ProService Company must ensure health and fire safety, security of employees. There must be 3 computers available to be able to provide the services to our customers together with appropriate furniture and decoration. Also, the computers must have Internet connection. ProService Company must also own a vehicle (a car) for transporting big and heavy equipment, network equipment, security tools and office furniture.

B4. Management Structure:

At the initial period of company's operation activity the biggest share of the work will fall on the private entrepreneur, as well as the second office worker.

In order to ensure the normal operation of the company the managers must keep in mind several times more employees than required. This approach is driven by the need to provide an operation without failures and interruptions. Another reason is the fact that the subcontracted workers are not required to be paid for the period when they were not working. Furthermore, additional contract workers can be involved and to perform other services For example, for repair, servicing, upgrading equipment, tuning software development. Also, senior students from respective specialties may be hired in order to complete some kinds of works for the company. The main requirement for them will be good knowledge on the subject area and responsible work

attitude. Taking into account the desire of many students to find a little money on the free time, it is safe to assume that the problem related to the lack of labor force will not rise at all.

Employees working for subcontracted work receive the agreed payment listed in contract. Extra fees are allowed to be paid for good employment performance and innovation aimed to increase the firm's profits.

B5. Products and Services:

The activities of ProService Company are primarily directed to intelligent technologies services. It is uniqueness of services provided lay in the scale of one company assembling a wide range of services covering different areas, related to computers. Unlike the vast majority of competitors, this company does not bet on the sale of ready-made goods - its activities are almost entirely focused on of-warranty service equipment, as well as other services. However, ProService is not an absolutely indispensable company from devoid of competition. All offered by ProService services can be found in other places like the individual computer stores, as well as firms and companies involved in computer services. Despite this, our company does not expect fierce competition for the following reasons:

Computer Company stores do not tend to take an active expansion of services not related to the sale or warranty service. Simple low-paid services such as small software development, software configuration and so on do not appear at computer stores despite some rare exceptions. Also, they are quite indifferent to non-warranty repair of equipment, development of web sites and competent advice, as a rule, is their excessive task.

Individuals, on the contrary, seek to actively promote small services. But they offer only a few services listed by our company. A serious drawback of the individuals is a questionable quality of service, and, as a rare exception, they are working illegally. In addition, most of them are not good in running the advertising policy, which complicates their search for potential customers.

The organizations involved in computer services generally work with any particular circle of relatively large customers. They are almost always heavily loaded with work. The main scope of their activity is repair, maintenance and modernization of computers. Other services as a rule are not engaged. Also, they do not advertise themselves widely which complicates the attraction of new clients.

ProService's activities are primarily aimed at servicing individuals and small organizations which do not have relevant skills (experts), equipment or time. In the initial period of activity of the company is planned to provide the following service list:

The non-warranty repair and maintenance of computers and periphery, i. e. scheduled preventive maintenance, hardware adjustment, BIOS firmware update, cleaning, fans and coolers lubrication, replacement, servicing and repair of inkjet cartridges, laser and dot matrix printers, and copiers devices. Allowed an onsite for a surcharge.

Modernization. This service is very important for computer equipment due to a high rate of obsolescence and the need for regular apparatus renewal. ProService plans to purchase the apparatus equipment in stores, as well as implement some of them on our own. The variant of the assembly of these

low-cost, but fully functioning computers. Allowed an onsite for surcharge.

Software setting up and installing. Not all PC users are able to competently establish and (or) configure the software tool. Our company offers a solution of this problem by the means experts for the low fee. We provide installation of both custom's software and our licensed software. In the latter case, the cost increases on the price of the license, if the required software is not free. Allowed onsite for a surcharge.

Web sites development. The development of Internet pages of any complexity for organizations and individuals. Also, the client may receive the any level domain name.

Simple software development. Often, an organization or an individual is required to obtain a certain simple software tool which cannot be acquired, for example, because it does not exist as a finished product. The only resolve of this situation is to develop a program and order it in ProService Company. Free help in computers, peripherals acquisition and other complex equipment associated with information technology. It is well known that to acquire expensive equipment requires a professional in the relevant field. Otherwise, even taking into account an honest seller incompetent buyer runs the risk purchasing the wrong goods. Our firm will solve the problem for the customer completely free and the income is generated in the form of a commission from the company-seller.

The 6 types of services listed above can divide the ProService activities into 3 types of activities subject to licensing:

Repair and maintenance of computer equipment;

Software development;

Website development.

Market Analysis

C1. Target Market:

ProService Company will operate in Tysons, VA. Tysons Corner is the edge city with population at daytime over 100, 000 and of 20, 000 over nighttime. It is a central business district of 14 mln sq ft of offices.

Services provided by our company are primarily aimed at the consumer market. Some services such as repairs, maintenance, modernization, installation of the software and its configuration, software development, should also be a point of interested for state and commercial institutions. However, the company will be primarily targeted on providing goods and services to customers but in further after the company will be well-known among the citizens, the company will conduct a diversification towards satisfying the needs of business areas.

C2. Industry Analysis:

Demand on IT services is provided by the growing diversity and complexity of the use of corporate IT systems requiring high cost of installation, integration, training and maintenance. The most dynamic segment of the global IT market is OS, its annual made up more than 6%. in the last few years, which is more than a half of the total volume of the segment form different application categories, the rest falls upon the system software and development tools. Consistently high demand is on solutions for enterprise resource planning and customer relationship, as well as security solutions. The rate of growth of cloud services will be significantly higher than the

growth rate of traditional IT services. The benefits of cloud computing, such as the ability to quickly get the IT infrastructure lease, use it on demand and pay based on actual consumption, apparent to many users.

C3. SWOT Analysis:

a. Identify three strengths, three weaknesses, three opportunities, and three threats.

b. Explain each of the identified strengths, weaknesses, opportunities, and threats.

D. Market Strategy

D1. 4Ps:

When the company starts developing a strategy, the results of the complex analysis and 4P make up a Marketing Mix, a set of to influence the market by the means of the company's goods and services. The first stage of analysis implementation is the product. The company will concentrate on 3 main activities: repair and maintenance of computer equipment, software development and website development. These activities include the following services ProService will provide:

The non-warranty repair and maintenance of computers and periphery, i. e. scheduled preventive maintenance, hardware adjustment, BIOS firmware update, cleaning, fans and coolers lubrication, replacement, servicing and repair of inkjet cartridges, laser and dot matrix printers, and copiers devices. Modernization. This service is very important for computer equipment due to a high rate of obsolescence and the need for regular apparatus renewal. ProService plans to purchase the apparatus equipment in stores, as well as

implement some of them on our own.

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software and our licensed software.

Web sites development. The development of Internet pages of any

complexity for organizations and individuals.

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Free help in computers, peripherals acquisition and other complex

equipment associated with information technology.

When the product was launched, there is a question at what price to sell it.

On the one hand, the company has a minimum price, which is cheaper to sell

at a loss. On the other hand, there are mid-market prices, there is a

maximum price.

Analysis of sales channels is the next stage. Sales channel is the way in

which the product or service can reach the consumer. The most popular and

effective ways of advertising the company's services are promotion in

hypermarkets, wholesalers, direct sales by phone or online store. This work

is carried out through advertising, promotion, PR, distribution of samples to

work with industry professionals, etc. Each event and result is determined by

the budget of the company. The final task is to get the tight contact with the

target audience for minimum money.

D2. Price List:

According to the current market trends and prices on services similar to the

ones that our company provides we have developed a price list on our

services.

D3. Promotional Strategy:

The promotional strategy of ProService Company will include image of the company to be easily recognized by potential customers. The company will develop a unique logo as well as a website which will include information on the ProService Company, its activities and services and goods it provides together with prices. It is planned to locate the company's logo on cards, direct mails, e-mail advertisements and on the company's web site.

At the first rime of company's existence on market and operation the advertising will be carried out through the web site by the means of Internet: Google adds, social networks, etc. Also, the potential auditing force will receive direct mails including description of our services. These advertisings will be designed specifically for the direct need of client attraction, providing necessary information about our company and its location as well as contact information. The design will be have a similar color theme as the company's web site in order to make it look more professional and work out a sense of familiarity.

D4. Sales Forecast:

Note: The sales forecast will be used as the basis for your revenue in your financial statements.

ProService Company covers the Washington D. C., Nothern Virginia and Maryland with the main office in Tyson, VA. This region is paramilitary the area of service providing but under circumstances of good company operation the services will no longer be limited by the given states and the company will expand its activity.

The information technology and systems industry in DMV area exceeds $ 500 million annually. This trend is expecting to continue and even increase the annual sales, so more and more companies will appear or change activity to become a part of IT industry.

E. Implementation Strategy

E1. Overall Strategy:

The overall strategy of ProService Company includes:

Growth Strategy – a controversial concept, related to both the range of manufactured products/services provided and the markets to consume them. The ProService Company provides for diversification, integration, activities globalization and market diversification.

Support Strategy.

The expansion of the market is to create and capture a new market segment, market development and production capacities. This is due to creating new technologies and equipment development as well as new market trends.

Diversification strategy is a form of concentration of capital in the conditions of scientific and technological progress by penetrating into new industries and occupations, as well as placement of the range of manufactured goods. The strategy of diversification in the broadest sense is a specific plan of penetration into a new sphere of activity. ProService Company will diverse its activity in frames of creating new equipment for PC modernization and well as providing net and cloud technologies for business needs. Implementation of this strategy requires the creation or acquisition of appropriate technology

with all necessary infrastructures. It is estimates as one of the most complex and costly growth strategies.

The integration strategy is combining the efforts of different departments of the enterprise or several enterprises to provide strategic objective within the requirements of the market.

Globalization activity of ProService Company is characterized by the release of the so-called general market, i. e. the markets of other regions and countries. In developing this strategy we will pay attention to the following factors:

Changes in exchange rates, labor costs, productivity, local features, prices that are essential in addressing the location of production.

Sales in the domestic market and therefore the optimum size of enterprises working for them.

Development of communications, information sphere and establishing delivery channels create preconditions for fast and cheaper delivery process anywhere in the world.

The strategy of market diversification is the orientation of the company to create unique in every aspect of products, which recognizes the importance many consumers. Successful market diversification allows the ProService Company to:

Set a higher price for the goods and services;

Increase sales;

Gaining customer loyalty to its own brand.

The strategy to support businesses operating in a market environment designed to support the business, and therefore is based on:

Protection of market share;

Support the production potential of the enterprise;

Product modifications.

E2. Monitoring Plan:

Quality control. The main factor of successful implementation of any project is the proper organization of work process and quality control. In order to avoid project failure (actually, there is no right for a mistake while operating on such a competitive market), the company will use a strict quality control system, which is based on the following principles:

Transparency of work for the client, i. e. the customer may at any time receive the necessary information about the project (the process of modernization, repair or web site or application development) and how to contact the manager and actual leaders of the project and, if necessary, with the company;

Each project meets one manager, so the client can resolve all questions with a specific person;

All documents are agreed with the client;

Project planning is carried out using Microsoft Project 2002 and « IT Sphere: IContracts»;

The customer approves the application interface at the stage of middle development, so before finishing the full functionality and appearance;

In case of software development the client receives a beta version of each

module of the project, as a result the customer gets more control over the

project;

Work is carried out strictly according to the technical requirements, complies with ISO;

The payment is made according to the progress;

every product is thoroughly tested, which is attended by programmers,

project manager, and testers;

After the delivery of the project, each client receives a short questionnaire to

determine the quality of our employees, so the company's management is

always aware of the quality of implementation of all projects.

All design is carried out in the company using the Microsoft Project 2002 and

« IT Sphere: IContracts» software, that allows to monitor the quality of each

stage according to the schedule. A detailed work plan is created before you

start working on a project that allows the customer to make their

adjustments at an early stage.

The standard work plan shows:

Timelines for each stage;

Priorities for each task;

Responsible persons for each step /unit employee.

The project manager has the following duties:

Data collection from the customer: functional requirements, samples

directories, reports, lists of equipment, drivers, etc.;

Drawing up the terms of reference;

Control over the development process;

Control over the compliance of the project specifications and the schedule;

Reporting on the progress of each stage of the customer;

Control testing of the product;

Revision and introduction of new features of the project;

Implementation of software;

Delivery of the project.

Software testing. Any software product goes through several stages of

testing:

Functional testing of the product and checking its conformity with TK;

Testing database;

Testing and verification of the interface;

Stress testing;

Testing installation and uninstallation;

System testing of the product;

Integration testing (e. g., interaction with 1C);

Regression testing;

Completion of the errors found;

Final testing for functional and system testing.

In the process of creating a code, programmers are also using unit-testing,

which uses the following components:

NUnit;

DUnit;

JUnit.

The manager is responsible for the project from the negotiations with the

client and up to delivery of the project.

Customer satisfaction. The growing number of loyal customers is a strategic priority of our business. The struggle for loyal customers involves increasing degree of loyalty, as a rule, by a group of undecided consumers. The company's mission is to attract customers and keep them, i. e. encourage a repeated purchase. It is well-known that 20% of regular customers bring the 80% of company's profit, so the ProService will aim not only on extending the customers base but on satisfying and maintaining them.

Thus, we understand that our services must satisfy the " time" and " comfort" conditions of our customers. We are going to provide our services quickly, in a short time and almost at any time together with simplicity and ease of communication with individual approaches. This is because we realize the customer's desire to enjoy our quality products and services fully, with positive emotions, in his/her sole discretion.

As the company grows and develops we are going to create a call center including at first time 3 employees who will be responsible for receiving appeals, requests and complaints from the customers.

During the provision of the service our employees will conduct interviews to find out finds out demands and wishes in the client's issues and suggestions on equipment, inventory or the service itself.

Also, we consider clients' questioning as an efficient way to increase the objectivity and accuracy of the survey.

Letters, cards, e-mail and faxes from clients will be summarized and reported to the commission in order to improve customer satisfaction.

Every month each division of the company will summarize the content of

calls received, analyze and then consider at the commission meeting to raise the customer satisfaction.

F. Financial Statements and Projections

F1. Forecasted Profit and Loss Statement:

F2. Forecasted Balance Sheet:

G. Financial Report

G1. Financial Projections:

The financial projection includes the projected sales of ProService Company services, operation expenses and shows a net profit before taxes deduction in 2015-2016 operation year. Assets of the company include network equipment, car, repair tools, computers, printers, scanners, office furniture, licensed programs and operation systems, security systems and fire safety instruments.

G2. Financial Position:

At the end of the first year of operation the ProService Company will profit at the level of nearly $25, 000. However, to ensure a proper activity the company requires obtaining such assets like vehicles for transportation and labor force to provide high quality services.

G3. Estimated Capital/Investment Needs:

The foundation and the initial operation of the company requires purchasing assets, vehicles, building, renting offices and salary payment, therefore the ProService Company needs the initial capital investments at the level of $200, 000 which will return in one operation year.

Since the market on which the ProService Company will operate is constantly growing and changing, the company's strategy foresees the diversification of services and goods manufactured, thus, implementation of new services like cloud technologies and network installation (according to current market trends) require additional investments. However, nowadays the company will steadily operate and will not change regime within 2-3 years.

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