



Co-funded by the
Erasmus+ Programme
of the European Union



Competence Framework for Business Administration for Entrepreneurs

Project Title: Communicating Professional Competence (COMPROCOM)

Project Number: 2015-1-EL01-KA202-013960

***die Berater*[®], March 2017**

The European Commission support for the project does not constitute an endorsement of the contents of this document, which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

Project	Communicating Professional Competence (ComProCom)
Project number	2015-1-EL01-KA202-013960
Title of Document	Competence Framework for Business Management
Intellectual Output no.	6
File name (with extension)	IO6_Business_Administration_Framework_31Mar17.pdf
Document Version	3
Dissemination Level	This version is public
Authors	Erol Koc, <i>die Berater</i> ®
Date	31.03.2017

1. Investigate and evaluate business opportunities

1.1 Formulate the idea for the business and evaluate opportunities to make it work

This includes:

- Identifying how it will work in practice
- Identifying your distinctive strengths
- Identifying the implications of any laws you will need to meet, resources you will need to buy and skills you or others will need to develop
- Developing a clear understanding of customers' needs, competitor's activities and the market for business idea
- Deciding whether business idea is likely to make you enough money to cover costs and any profits that you need to make
- Assessing risks, such as product, market, business and financial risks

1.2 Research the market(s) for the business (includes analysis and trends)

This includes:

- Determining what you need to know about market
- Prioritizing the results of the first step
- Reviewing different research alternatives
- Estimating the cost of performing the research
- Talking about your idea with potential customers, if suitable going from idea generation to prototyping

1.3 Check the feasibility of the business idea from personal, financial and resource perspectives

This includes:

- Determining exactly what resources are essential and their associated costs
- Assessing product risks (is it really feasible)
- Assessing market risks (is there enough understanding of the market)
- Assessing business risks (is there really a business case)
- Assessing financial risks (is needed funding possible)

2. Plan to develop the business

2.1 Identify the preferred legal form for the business

This includes:

- Understanding how each legal structure works, what their liabilities are and how roles are defined in each structure
- Understanding taxation differences
- (If needed) Understanding the pros and cons of being in a founding team

2.2 Identify the business's product/service lines

This includes:

- Describing your product / service (including strengths and weaknesses)
- Checking copyright or trademarks, service marks and patents

2.3 Identify the resource implications for developing and running the business (will include sources of supply)

This includes:

- Creating realistic budgets
- Projecting cash flow, costs and revenue into the future
- Creating an internal operational plan (containing guidelines of how you plan to execute the business idea)

2.4 Develop the business plan, including any need for finance

This includes:

- Listing your objectives and goals for the year
- Locating potential issues or problems
- Preparing for potential changes in your market
- Conducting a risk analysis
- Setting up investment for your business

3. Set up the business

3.1 Ensure the required legal formalities are complied with (e.g. business format, tax, any licensing or approval specific to business type)

This includes:

- Knowing how to obtain a business license
- Knowing about necessary licensing or certification requirements
- (If needed) Checking for needed application in different cities or countries or for multiple locations

3.2 Secure the resources needed to start trading (premises, people, equipment etc.)

This includes:

- Setting up finances (i.e. debt financing, venture capital financing, crowdfunding)
- Acquiring suitable staff
- Renting office space
- Buying/Renting needed equipment
- Securing your environment (including IT systems and intellectual property)

3.3 Set up the necessary management, financial and IT systems

This includes:

- Setting up a clear finance strategy
- Setting up a loan for generating your income
- Implementing a robust financial management system
- Understanding different options in IT hardware and services
- Defining a mission statement

3.4 Set up sales structure

This includes:

- Creating a sales plan
- Training of sales staff
- Planning of compensation
- Setting up sales goals

- Controlling sales status
- Creating a pitch deck (and preparing an elevator pitch)
- Piloting and testing the product/service

3.5 Set up a Marketing structure

This includes:

- Creating a marketing plan
- Defining your USP (Unique Selling Proposition)
- Setting prices and understanding techniques of pricing experiments (like A/B testing) and
- Setting up and running of a web and social media presence
- Knowing about the basics of SEO (Search Engine Optimization), Online Marketing and Advertising
- Knowing about the basics of Social Media Advertising (like creating campaigns and measuring their success with suitable Key Performance Indicators)
- Creating a customer service plan

4. Manage the business

4.1 Manage own work and priorities to meet objectives, agreements or expectations

This includes:

- Managing and administering business processes
- Managing finance and cash flow, controlling your burn rate and runway on a regular level
- Using IT systems and services in the most efficient way and keeping IT architecture scalable through owning or renting
- Keeping records for financial, legal and management purposes
- Selling the product or service, while optimizing the sales pipeline

4.2 Organise and manage the work of others to meet objectives, agreements or expectations

This includes:

- Providing clear and engaged direction to others
- Setting up clear sales targets
- Setting up clear production targets
- Communicating clearly the operational goals (using a system which keeps everybody updated about the company's health and changes in the environment)
- Setting up a human resource development plan

4.3 Implement management tasks consistently with the organisation's priorities, vision and values

This includes:

- Clearly defining the purpose of the organization
- Defining your strategy and the contribution of every team member to it
- Establishing realistic goals and objectives
- Establishing a mechanism for informed change when needed

4.4 Enable and support participation in the leadership or decision-making process

This includes:

- Understanding how to utilize best the different approaches to decision making

- Being thoughtful about making decisions
- Communicating decisions as appropriate to those affected
- Facilitating other's decision making within their role and accountability and within the context of the organization's vision, goals and values
- Be receptive for feedback and new ideas (also regarding the decision making process)

4.5 Maintain team motivation and focus on purpose and objectives

This includes:

- Using a system for talent management
- Identifying reasonable and meaningful goals
- Breaking down major goals into a series of smaller steps
- Recording, measuring and documenting your processes

4.6 Promote flexibility and adaptation to change

This includes:

- Showing willingness to learn new methods or techniques
- Maintaining openness to different approaches and business offerings
- Allowing others for fresh and innovative input on business processes
- Adjusting your methods to deal with a changing environment
- Setting up product development so it allows for constant iteration (on customer data)

5. Review and improve the business

5.1 Review the performance of the business

This includes:

- Using suitable Key Performance Indicators (KPIs)
- Understanding strong points and issues of KPIs
- Using KPIs for continuous controlling

5.2 Optimise products and services

This includes:

- Structural collecting of customer data
- Assessing consumer satisfaction
- Structural analysing product or service use
- Assessing possibilities for optimizing, from product design to inventory management
- Protecting your Intellectual Property and Trademark

5.3 Improve the operation of the business

This includes:

- Documenting policies that outline employee roles and responsibilities and reviewing them on a regular basis
- Instituting measures to assess performance of your business
- Finding ways to gain efficiency (cutting costs)
- Implementing a quality assurance system
- Reviewing sales with efficient metrics
- Using different marketing initiatives

5.4 Investigate new markets and niches

This includes:

- Analysing markets and business environments
- Monitoring customer satisfaction and using collected data for idea generation

6. Communication

6.1 Communicate effectively verbally, in writing and via different electronic platforms

This includes:

- Maintaining visible exposure for the business and its products or services
- Working and negotiating effectively with customers, suppliers and colleagues
- Proper usage of communication tools

6.2 Establish and maintain professional and effective relations with people

This includes:

- Developing soft skills (like collaboration, communication, conflict resolution)
- Distributing clearly defined job titles with clear responsibilities and implications
- Using a clear promotion system
- Checking for employee happiness and establishing a positive work environment

6.3 Resolve conflicts within the organisation

This includes:

- Communicating effectively verbally, in writing and via different electronic platforms

6.4 Promote effective communication amongst others

This includes:

- Providing training in communication skills and techniques
- Having an awareness of the signs of poor communication among employees
- Using IT services for documentation and knowledge management

6.5 Make effective use of listening and questioning

This includes:

- Promoting effective communication amongst others

7. Business ethics and compliance

7.1 Maintain up-to-date knowledge of, and act in accordance with, relevant legislation, regulations and codes of practice

This includes:

- Applying specific legislation, regulations and codes of practice to your area of work
- Ensuring that you operate within the law, drawing on an adequate knowledge of the law (particularly relating to specific field of operation)

7.3 Ensure equality of opportunity and non-discriminatory practice in relation to employment and in access to goods, services and facilities

This includes:

- Maintaining a balance between the business and social or community objectives of the enterprise, in line with its values and vision
- Ensuring equality of opportunity and fair treatment for the enterprise's staff, volunteers, customers/supporters, and stakeholders
- Making fair and ethical use of any voluntary support that the enterprise uses
- Having no wage disparity between the sexes

7.4 Act in accordance with the values and stated purpose of the organisation or enterprise

This includes:

- Having a company mission statement and being able to check regularly whether activities are on track
- Working in accordance with the spirit and the essence of the enterprise's statutes and internal regulations, and ensuring that others do the same
- Acting in a way that takes into account the social impact of the enterprise (and the need to assess it)

7.5 Operate according to the principles of transparency

This includes:

- Applying the principles of transparency and accountability across own area of responsibility.

8. Personal management and development

8.1 Maintain the knowledge and skills needed to meet the requirements of the business

This includes:

- Identifying own strengths and limitations in respect of current and emerging work requirements
- Taking action to develop the knowledge and skills needed to be able to act effectively (this may be through various means e.g. formal training, events and networks, discussion with colleagues and experts, self-directed study and investigation, and action-based learning)
- Identifying any technical expertise (e.g. accounting, law, marketing, the specific field/s of the enterprise) needed personally to operate effectively, and acting to gain this at the appropriate level
- Managing stress
- Staying focussed
- Balancing business and private life

8.2 Continue learning from your practice and that of others

This includes:

- Actively documenting processes and activities
- Using feedback at work, whether formally from reviews and evaluations or informally from colleagues, members and customers, to help identify areas for development or changes in approach
- Constantly self-reflecting

8.3 Facilitate the development of others in accordance with current and anticipated needs

This includes:

- Developing a (as personal as possible) development programme and actively encouraging the use of training activities
- Using performance reviews as real conversations, paying attention to employee needs