

Module 06 : Launching the business

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Week 01:
Set objectives and plan
activities for launch



Resource Recovery and Reuse
(RRR) Entrepreneurship

Week 1 Module 6: Set objectives and plan activities for launch

“Welcome to week 1 of module 6: Set objectives and plan activities for launch.

In the previous modules, you assessed your business environment, developed a business model for your RRR business and got an overview of the most important waste-to-energy, waste-to-nutrients and waste-to-water technologies. You also calculated the costs for launching your business and running it over the years to determine whether you’ll be expecting to make profits or losses. In short, you have assessed the feasibility of your RRR business idea and developed the business model accordingly.

This week I’m going to introduce you to setting actionable objectives and planning activities for launching your RRR business.

We will focus on answering the following questions “Where do I want my RRR business to be in 12 months from now?” and “How do I get there?”. To answer the first question you need to set objectives for your RRR business launch. For the second question you need to define activities and tasks that need to be completed to achieve your objectives.

If you don’t know where you’re going, you’re likely to wind up anywhere. Objectives describe what you want to achieve and maintain as you operate and grow your RRR business. Having a concise list of objectives gives you a foundation for your action plan.

There are different kinds and types of objectives. Let me highlight some of them and give you concrete examples:

Common financial objectives address issues such as survival, profitability and revenue growth. Survival is a key financial objective for a start-up business. To survive, your business needs to have sufficient sources of finance and a viable business model. A corresponding objective might read as follows: “Generate 1,000 USD per month for basic operations within the next 12 months”.

Innovative and learning objectives focus on improving and building a better value proposition for your customers or operating more efficiently. As an example, “Develop a treatment system that efficiently eliminates micro-pollutants from wastewater by the end of this year”.

Marketing objectives cover aspects such as promotion and market share. For your RRR business to be able to increase market share, promotion of your services or products will be key. An

example of objectives could be: “Build customer mailing list of 200 contacts within the next 12 months” and “Increase the market share of RRR product from 5 to 20% by end of the year”

Acquisition, use and maintenance of physical and financial resources represents an operational objective. “Finding a co-founder or manager for your business within the first quarter” is a possible objective.

The functionality of your technology affects your business’ operations and ultimately reputation and sales. Setting an operational objective like “Decrease machine break-down by 10% by end of the year” helps you to ensure consistent product quality standards.

To alter negative public perceptions of your RRR business and improve the way the general public views your company, you can consider setting public responsibility objectives such as “Establish a positive social media presence in the next 12 months”.

Note that the examples I gave you were SMART objectives; they are Specific, Measurable, Assignable, Realistic and Time-bound. Objectives need to be specific. Use general quality and quantity verbs such as increase, decrease or improve to describe the desired achievement in a precise way. For example, instead of talking about “improving the operations of your business”, you specify the objective by “increasing the efficiency of the sorting process”. It is also important for you to be able to measure the progress of achieving your objectives. For this you need a well-defined start and end point. For example, “Increase the efficiency of the sorting process from 2 tons of municipal solid waste per day to 4 tons per day”. Also assign the responsibility for achieving an objective to an individual. Otherwise it will never be achieved. For example, the efficiency increase of the sorting process will in the responsibility of the Technical Officer. Objectives need to be realistic. They can be ambitious, but not unrealistic to the point that they become demotivating. Increasing the amount of waste to be sorted per day from 2 to 4 tons is realistic if certain processes are adapted and new machinery is bought. Increasing from 2 to 10 tons is not realistic. A deadline, date or time when the objective will be accomplished or completed is necessary and must be included to make your objectives measurable. For example, you want to achieve the efficiency increase within 6 months.

Let me give you the example of SLD Company, a Filipino manufacturing company dedicated to converting agricultural waste into commercially viable products. The company makes carbonized charcoal briquette from agricultural waste such as corn cobs, coconut husks or the peel of vegetables and fruits. SLD’s objectives are:

- “To achieve sales of PHP 3,744,000 by penetrating Jollibee Food Corporation and different supermarkets and grocery stores over the next 12 months”. This objective was set based on potential market demand from charcoal users including restaurants, fast food stores offering grilled products and high-end and non-brand diners.

- “To increase profit by 95% offering small packed charcoal to different market stalls, community stores and small grocery stores over the next 12 months.” Although charcoal cannot compete with Liquefied Petroleum Gas and electricity, it is still needed in households and businesses in the Philippines for grilling and barbecuing. Some households prefer to use charcoal as fuel because of its low price and small retail packaging.
- “To create the pioneer brand name of charcoal briquettes in the Philippines by providing quality products over the coming years.” Usually charcoal in the Philippines does not carry manufacturer branding, because the industry is mostly confined in the backyards of small farmers in the provinces.
- “To develop and innovate charcoal related products by research and development and alliances with charcoal related companies over the next 2-3 year.” SLD is looking into collaborations with companies producing and selling related products such as matches and lighters to offer it in conjunction with charcoal. A sack of charcoal briquettes could be offered with one free lighter or match.

Now that you have seen the examples, it is your turn to set objectives for launching your RRR business. You may use the table provided in the worksheet below to determine your SMART objectives.

Once you have determined objectives for launching your RRR business, you need to develop an action plan. An action plan maps out specific tasks, sets intermediary milestones and assigns tasks to specific staff members. To come up with your own action plan, follow these four steps:

1. Start by identifying all the activities that you need to complete to accomplish your first objective. Start with the activities that you will do now. There is no point in having an action plan that starts in six months from now. Use creativity techniques such as brainstorming, brain-writing or mind-mapping to identify activities related to your objectives. To describe the activities, use action verbs in the present tense that indicate clearly observable and measurable actions (for example: identify, search, buy, prepare, participate, write, build-up, attend, ...). Analyse activities by asking yourself: are there any activities that I can drop? Break large activities into smaller, more manageable chunks. “Instruct and train employees in the safe operation of the new mechanised briquette making machine” is an example for a well-written activity.
2. Identify the end point for each activity and arrange them in a logical, chronological order and set observable milestones. Milestones mark the completion of a particular activity on a specific date. For example, “all licenses and permits are issued” is a milestone showing that the new composting plant can be legally operated to achieve the objective of “increasing production capacity from 0 to 50%”.
3. Then put timelines on every activity and create a visual representation of your plan. You can use a Gantt chart or other type of flowchart to do so.

4. Finally, assign responsibilities. Allocate each activity to one individual that is responsible for its implementation within the available budget and time. If you are a one-person start-up, this will obviously be yourself. If you cooperate with partner organisations and assign activities to them, make sure that they know and approve of the action plan too!
5. Repeat the same steps for your remaining objectives. You may find that some of the activities are the same and serve several objectives. In that case you may merge the activities.

Here is the example of an action plan of the SLD charcoal briquette manufacturing company in the Philippines. The shown activities are part of a bigger action plan for achieving SLD's objective of "creating the pioneer brand name of charcoal briquettes in the Philippines". Some of SLD's advertising activities are for example: "Set up a webpage" or "Prepare an advertisement for the local newspaper". The activities related to production are "Instruct and train employees in the safe operation of the briquette making machine". Milestones are having an up-and-running webpage and a published advertisement in the newspaper at a specific time.

The activities all have responsibilities assigned to them. In the case of the advertising activities, it is Nikka Villa, head of marketing & sales, that is responsible for setting up the webpage and preparing the advertisements in the newspaper and radio. In the case of the production activities, it is Robert Louis Aban, head of operations that is responsible for training the employees and joining other seminars.

Again, now it is your turn to come up with an action plan. Use the action plan template in the worksheet below and define an action plan for achieving your objectives.

After you have filled in the worksheets, I will see you in week 2 that will focus on funding your launch."

List of Reference:

Graph sources:

- Unless otherwise noted, all graphics and case studies from OTOO, M. (Editor), DRECHSEL, P. (Editor) (2018): *Resource Recovery from Waste. Business Models for Energy, Nutrient and Water Reuse in Low- and Middle-Income Countries*. International Water Management Institute (IWMI). Routledge

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