



Business Planning Resources









Mission:

Vision:

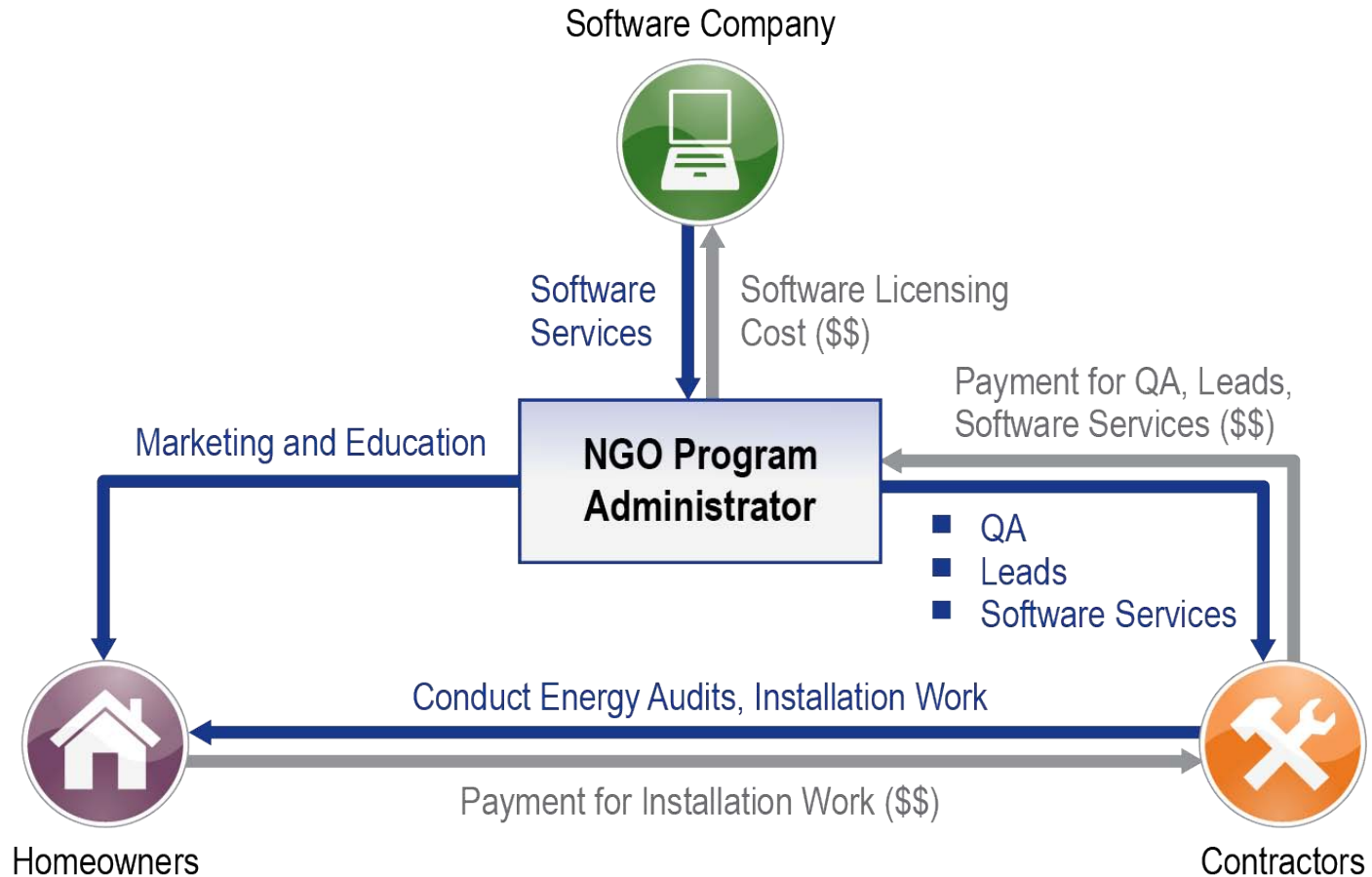
Goal:

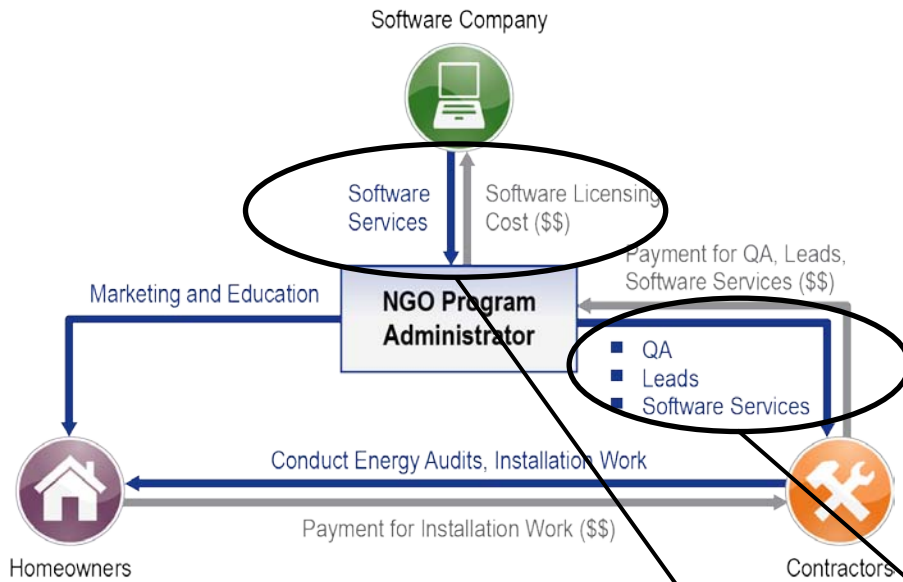
Business Planning Worksheet







Governance 	Financial Structure 	Assets & Infrastructure 	Service Offering 	Customer 	Partners 
<p><i>Define internal responsibilities:</i></p> <p><i>Define external restrictions (e.g., regulations, laws, etc.)</i></p>	<p><i>Identify sources/uses of funds:</i></p> <p><i>Track financial performance:</i></p>	<p><i>Identify assets (e.g., software, brand, etc.)</i></p>	<p><i>List services offered:</i></p> <p><i>Articulate value of service offering:</i></p> <p><i>Describe distribution channel(s):</i></p>	<p><i>Identify target customers:</i></p> <p><i>Describe outreach strategy:</i></p>	<p><i>Identify future partners or partnering opportunity:</i></p> <p><i>Describe how program aligns with potential partner interests:</i></p>

Costs	Revenue
<p><i>List and describe costs:</i></p>	<p><i>List and describe revenue:</i></p>

Business Model Schematic





Governance 	Financial Structure 	Assets & Infrastructure 	Service Offering 	Customer 	Partners 
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Costs			Revenue		
<p><i>List and describe costs:</i></p>			<p><i>List and describe revenue:</i></p>		

Sample Business Model Packet

Sample Business Plan Framework 1: A program seeking to continue operations in the post-grant period as a not-for-profit (NGO) entity



Mission: Create a sustainable, local home energy efficiency market in the greater city "X" region
Vision: Recognized as key to building and connecting demand and market capacity, enabling the market to grow to its full long-term potential
Goal: Operate in post-grant period by generating sufficient revenues to cover costs

Governance	Financial Structure	Assets & Infrastructure	Service Offering	Customer	Partners
Define internal responsibilities: <ul style="list-style-type: none"> Not-for-profit with a technical advisory board Define external restrictions (e.g., regulations, laws, etc.): <ul style="list-style-type: none"> Original grant funding requires the reporting and tracking of program progress. Revenues generated using grant funds must be used for same purpose as original grant rules mandated 	Identify sources/uses of funds: <ul style="list-style-type: none"> Grant funding is used initially Post-grant period, additional revenues are generated by selling services created during the grant period to contractors Each service sold incurs both revenues and costs to the program Track financial performance: <ul style="list-style-type: none"> Profits tracked through the use of an income statement 	Identify assets (e.g., software, brand, etc.): <ul style="list-style-type: none"> Software <ul style="list-style-type: none"> Customer relations management Home performance reporting Brand <ul style="list-style-type: none"> Invested in the development of a strong brand image that can be recognized by consumers to assist in education and outreach 	List services offered: <ul style="list-style-type: none"> For Homeowners: <ul style="list-style-type: none"> Energy efficiency education For Contractors: <ul style="list-style-type: none"> Lead generation Quality assurance (QA) Software services Articulate value of service offering: <ul style="list-style-type: none"> Makes finding qualified contractors easier for homeowners and assures work quality Contractors reduce their marketing and QA costs Describe distribution channel(s): <ul style="list-style-type: none"> Program does QA and marketing directly Contractors conduct energy assessment and installation 	Identify target customers: <ul style="list-style-type: none"> Homes >1,500 sq ft Household income >\$30,000 Describe outreach strategy: <ul style="list-style-type: none"> Host neighborhood events Train local "champions" to spread message Profile neighbors Use social media 	Identify future partnering opportunities: <ul style="list-style-type: none"> HVAC contractors Remodelers Describe how program aligns with potential partner interests: <ul style="list-style-type: none"> Program provides marketing, software, QA and other ancillary services that are generally considered areas of difficulty for contractors. In return, the program receives contractor compensation of 4% of total job cost
Costs				Revenue	
List and describe costs: <ul style="list-style-type: none"> Cost of goods and services sold (e.g., marketing/lead generation, labor and materials for QA) Software licensing fees Overhead (e.g., rent, utilities, administrative costs, etc) 				List and describe revenue: <ul style="list-style-type: none"> Federal grants (initial funding) Revenues from sales (long-term funding based on demand for services) 	

10/24/2011 1

5 Sample Business Models:

1. Operate in Market as NGO
2. Build Contractor Capacity and Depart Market
3. Operate in Commercial Sector Market (PACE)
4. Operate as Utility Marketing Partner
5. Operate in Market as Government Entity

operations in BETTER BUILDINGS U.S. DEPARTMENT OF ENERGY

critical to determining what an operation, its model and schematic

Vision: Recognized as key to building and connecting demand and market capacity, enabling the market to grow to its full long-term potential
Goal: Operate in post-grant period by generating sufficient revenues to cover costs

High Level Business Model Schematic

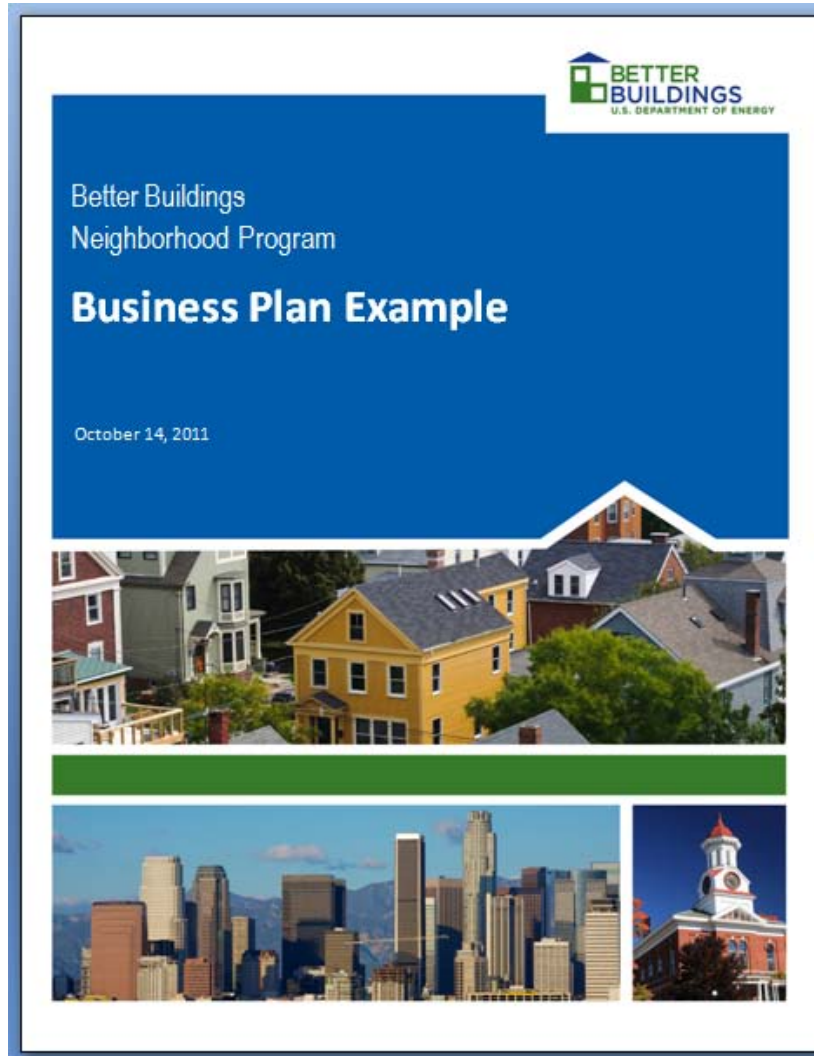


10/24/2011 2

...each sample includes

1. Sample business plan framework (table)
2. Sample schematic
3. "How to" advice

Business Plan Example



...at registration desk



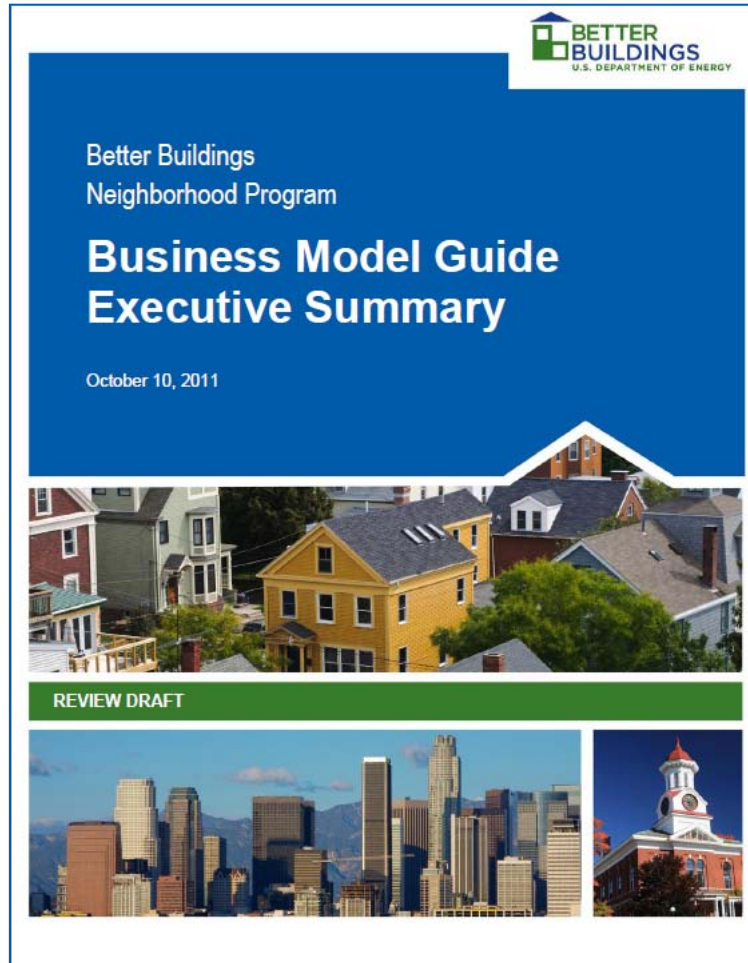
*Afternoon Interactive Sessions: Partner Analysis
and Strategies for Energizing the Private Sector*

Afternoon Sessions

Interactive Sessions: Partner Analysis and Strategies for Energizing Private Sector					
1:15-2:15 PM <i>Round 1</i>	Utility Programs <i>Lake Champlain Conference Room</i>	HVAC Contractors <i>Adirondack A</i>	Remodelers <i>Adirondack B/C</i>	Home Performance Contractors <i>Adirondack D</i>	Retailers <i>Montpelier Conference Room</i>
2:15-2:30 PM	Transition Break				
2:30-3:30 PM <i>Round 2</i>	Utility Programs 2	HVAC Contractors 2	Remodelers 2	Home Performance Contractors 2	Retailers 2
3:30-3:45 PM	Transition Break				
3:45-4:45 PM <i>Round 3</i>	Utility Programs 3	HVAC Contractors 3	Remodelers 3	Home Performance Contractors 3	Retailers 3

Session Objectives and Logistics

- Objectives:
 - Deepen understanding of partner business models: “walk a mile in their shoes”)
 - Identify key needs/success factors for this sector
 - Reflect on what each program can do to sustain/enhance this sector in their local markets
- Choose one session per round (three in all)
- OK for programs to split up
- Share your insights and questions
- If the room is full—come back for the next round!



Tables summarize each sector's market and business models

Partnership Evaluation Framework

The Partnership Evaluation Framework: How to evaluate a potential partner's business model and identify areas for collaboration

Model Framework	Relevance	Key Metrics	Questions for Consideration
Governance: How a firm makes decisions in the market	Understanding the governance structure associated with a given business model can help uncover what objectives actors will prioritize, how they will respond to both market trends and policy, and who they recognize as relevant stakeholders.	<ul style="list-style-type: none"> ✓ What objectives actors will prioritize ✓ How they will respond to both market trends and policy ✓ Who they recognize as relevant stakeholders 	<ul style="list-style-type: none"> ▶ Who are all of the stakeholders involved in investment decisions in your organization? In partner organizations? ▶ Once an investment is made, who has responsibility for its oversight? ▶ Are there external regulations that may influence the decision-making process?
Financial Model: How a firm raises capital for start up or expansion and sets performance targets	Establishing and tracking a key set of financial metrics and benchmarks across each industry segment can reveal the sources of a business' profitability, as well as key decision-points and motivations for a business to seek change	<ul style="list-style-type: none"> ✓ Revenues ✓ Costs of Goods (or Services) Sold ✓ Required margins ✓ Sources of funding and cost of funding 	<ul style="list-style-type: none"> ▶ What are the costs and revenues for the business? ▶ What are the major/key factors that influence changes in revenues or costs? ▶ How does the business finance investments?
Assets & Infrastructure: How a firm invests and brands itself in order to operate	Assessing the benefits and costs associated with an asset or infrastructure enables management to identify opportunities for creating value and reducing costs	<ul style="list-style-type: none"> ✓ Fixed assets (e.g. buildings) ✓ Inventory ✓ Equipment ✓ Brand value ✓ Trainings/Certifications 	<ul style="list-style-type: none"> ▶ What type of investment (i.e., buildings, machinery, and equipment) is needed? How costly is it, and are economies of scale a factor? ▶ How important are non-physical assets (e.g., brand, certifications) on the success of the business?
Service Offering: What goods and services a firm markets and sells	Examining existing service offerings and uncovering untapped opportunities to expand core business offerings or enter into partnerships may reveal ways of increasing customer traffic, consumption, and revenue over time	<ul style="list-style-type: none"> ✓ Range of service offerings an organization provides and how well they align to its strengths ✓ Required margins on an average service offering ✓ Level of demand in market for each service offered 	<ul style="list-style-type: none"> ▶ What are my organization's key strengths and service offerings? ▶ Are there alternatives/competitors to these services in the market? ▶ Can a strategic partnership help my organization expand its service offerings or control its costs?
Customer: who a firm's target market is, and how it reaches them	Identifying customer segments associated with each business model can help to measure probability of success for partnerships and service offerings	<ul style="list-style-type: none"> ✓ Marketing and lead generation efforts ✓ Cost per lead ✓ Customer demographics ✓ Key partnerships 	<ul style="list-style-type: none"> ▶ Who are the target customers to be served? ▶ What is the estimated overall demand for each service being provided? ▶ Can a strategic partnership help me capture a larger share of the market?

Tuesday Office Hours & Small Group Discussions



Tuesday, 4:45-5:45 PM

Session	Room
Office Hours	Montpelier
Home Energy Score Informational Session <i>(Joan Glickman, DOE)</i>	Adirondack A
Utility Cost-Effectiveness Tests <i>(Robin LeBaron, National Home Performance Council)</i>	Adirondack B/C
Heating Oil Partner Business Models	Adirondack D
Assessing Real Estate Partners <i>(John Beldock, EcoBrokers; Laura Stukel, Green MLS)</i>	Lake Champlain
Business Models 401 (Advanced)	Vermont
Working Time	Mezzanine

Lunch Table Topics (Tuesday)



- **Neighborhood Sweeps** (Better Buildings for Michigan)
- **Low-Moderate Income Homeowner Outreach**
(Camden, Greensboro, Indianapolis)
- **Home Energy Score**
(Joan Glickman, U.S. DOE)
- **Planning for a Green Premium in Home Sales**
(John Beldock, EcoBrokers; Laura Stukel, Green MLS)