

Individual Project – Starting your own Construction Company

As you gain experience and knowledge in careers as a construction professional, you may see a time and an opening to make a move and start your own construction industry company. As discussed in the class lectures there are many macro economic reasons why this may be a good idea, but companies form all the time in any economic environment. The idea of this project is to put some thought into what it would be like to take some of the first moves to make this happen. Remember failing to plan is planning to fail.

Task # 1 – Market Research - 60 points

Your market will not just be Construction as an industry, but a niche within the broader market.

- Define what it is your company will provide as a good or service
- Put together research into the niche you are looking to compete in
 - What area of Construction? Who will your clients be?
- Look at equipment costs, labor rates, an overhead needed for your business
 - These will form basis for the first year's operating costs
- Look at indexes to see if you can figure on what a project value might be for a simple project
 - Put together a simple project and show a pro forma job cost

Put this into a document to show some basis for the assumptions you will be making in your business plan. This portion of the project should be 2-3 pages in length. Research is the foundation from which you plan is built!

Task # 2 – Create a Business Plan – 40 points

Include the following:

1. Executive Summary

- This is the total summary of the business plan. It's like the resume for your plan, keep it to a page
- Summarize your business's product or service and how it will help your clients, what the target market is, your capital source, and financial highlights

2. Products and Services

- Describe the business and what product or service you will be providing.

3. Market Analysis Summary

- You need to know your target market—the types of customers you are looking for—and how it's changing in the current and future economic environment.
- Use this section to discuss your customers' needs. How are you going to service them and possibly many of them at once?
- You'll also need to know who your competitors are and how you stack up against them—why are you sure there's room for you in this market?

4. Strategy and Implementation Summary

- Use this section to outline your marketing plan, your sales plan, and the other logistics involved in actually running your business.
- You'll want to cover the technology you plan on using, your business location, facility requirements, special equipment you might need
- Finally, you'll want to outline the key metrics you'll be tracking to make sure your business is headed in the right direction.

5. Company and Management Summary

- This section is an overview of who you are.
- It should describe the organization of your business, and the key members of the management team. This will help with knowing what lies ahead in the number of qualified people you are going to need to procure.

6. Brief Financial Plan

- This section should include your basic projected revenues and first year's expenses
- A brief description of the assumptions you're making with your projections.
- Finally, you are raising money or taking out loans, you should highlight the money you need to launch the business.

This project should be 4-6 pages in length, however quality is always valued over quantity. The paper format should be 1" margins, single spaced, 12pt Calibri font. Formatting for additional length is should not be done.