

AN ENTREPRENEURSHIP IN COMPUTER CONSULTING
(BUSINESS PLAN INCLUDED)

A THESIS PROJECT
PRESENTED TO
THE CHANCELLOR'S SCHOLARS COUNCIL
OF PEMBROKE STATE UNIVERSITY

IN PARTIAL FULFILLMENT
OF THE REQUIREMENTS FOR COMPLETION OF
THE CHANCELLOR'S SCHOLARS PROGRAM

BY
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Computers are a major part of today's society and are used in almost every aspect of life. Many people are becoming computer literate, whether through necessity or for personal satisfaction. They are beginning to realize the benefits of knowing how to operate computers, in my case it was the latter. My keen interest in computer programming and design led me to pursue a degree in Mathematics and Computer Science. From my experiences interning with N.C. State Government and U.S. Department of Agriculture, I recognized the need for consulting and training to businesses and professionals. I liked working with computer problems and programming them to meet the needs of these businesses and professionals. I quickly realized that if this area of Computer Science was to be the area in which I chose to concentrate in, then a background in Business Administration would be valuable. With a Bachelor of Science degree in Mathematics and Computer Science, a minor in Business Administration and experience in computer programming and consulting, I decided I would start my own company after graduation.

"The use of consultants is thoroughly ingrained in the American way of doing business. And for personal computing projects, it is often the best, and some times the only, way to get a project done." (Weiss, p. 76) In large

corporations, the MIS department is usually so too busy with applications requests that it can not satisfy the majority of end-users. If you can not wait years to automate, an outside consultant is just about your only option. For the small or medium-sized business, it is usually impossible to keep up with the rapidly expanding technology. Here, again, getting the right systems may dependant upon getting outside expertise. Consultants are also free of controversy of office politics, so they are in a good position to get top management to see the objective benefits of what you want to do. Consulting involves helping a customer explore the alternatives available to him/her, making recommendations, possibly on both hardware and software, and then building and installing the system and training the users. Some firms may also offer contract programming.

One of the most important and crucial parts of starting an new business is the Business Plan. At this stage it is the most determining factor in whether or not a business receives the necessary financing. It will also act as a guide to successfully starting and expanding a small business and, although it won't always score on the first time out, it will generate reactions to guide you through reshaping it and successfully analyzing the product proposal before too much is invested in it. A problem for many is deciding if he/she needs a business plan. It applies to those individuals having a product or service idea, entrepreneurs looking for partners, businesses in search of

capital and companies facing rapid change or who are having problems and wish to get their business back on track.

A business plan explains who the customer will be, why he/she would be interested in purchasing the product or service, and why the customer would choose the business over that of the competition. It also defines the goals and objectives of the business, a financial breakdown and analysis of the first one to three years of business, management analysis as well as a summary of the management team and their credentials. When finished, the business plan will act as a blueprint for successful marketing, operations, and financing.

As stated earlier, there are many reasons for writing a business plan; some write it when requesting venture capital, some for evaluation and analysis of current business operations and some as a blueprint to starting a new business. The content and focus of the business plan will vary accordingly. Some are more of financial summaries, while others are more concerned with management and market operations. Writing a business plan involves much investigation into the market in which you wish to penetrate. Much of the information will be purely estimation, due to the fact that most businesses are not going to give confidential information to prospective future competitors. Much of my plan was done upon estimation and correlation of similar businesses and markets, after trying several computer consulting associations and the Raleigh

Chamber of Commerce to no avail. Business plans vary in length and specifications. A startup looking for from \$50,000 to \$100,00 in seed capital many only need about fifteen to twenty pages, whereas a major venture requiring capital investment in facilities could go up to one hundred pages.

MCLEAN CONSULTING AND SERVICES
A Computer Consulting Company

Prepared by
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Submitted to
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Pembroke State University
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I. Summary of Highlights

This business plan is presented as a research thesis project. The principal, Martha Mclean is proposing to start a computer consulting firm. The consulting firm will be located in Raleigh, N.C within the vicinity of Research Triangle Park, enabling the firm to cater to the entire Triad area. To begin operations, the principal is requesting a loan of \$200,000.

The business will be a corporation with four operational areas: Consulting-which will be the main and primary focus of the business; Services-which will include systems building and installation and, in some cases, user training; Contract Programming-which will entail simple applications programming; and lastly, Administration-which will involve the management and accounting areas of the business.

The consulting will be handled by the principal, who is a Mathematics and Computer Science major from Pembroke State University, with a minor in Business Administration, and a computer engineer. The installation and user-training will be the primary job of the engineer, with aid from the principal. The contract programming will be the main job of the Computer Analyst(programmer).

The firm will be targeted mainly to small businesses in its early stages, but later hopes to branch into the areas of local and federal government. Since the Research Triangle Park is a highly industrialized area and fastly growing, most small businesses will find it necessary to seek consulting companies in order to compete in this current high-tech market. goal of most small businesses starting out in the Raleigh, Durham and Chapel Hill area.

We expect at least a ten percent market share for the first year. The principal is seeking a line of credit of \$50,000.

II. BUSINESS VENTURE AND INDUSTRY

A. The Proposed Business Venture

1. Nature of the Business

The principal is proposing to open a Mclean Consulting and Services to be located in Raleigh, N.C, in the vicinity of Research Triangle Park. The total estimated cost for opening the business is \$188,300. The principal is requesting a bank loan of \$200,000.

2. Structure Of the Company

Mclean Consulting and Services will be a organized corporation. Each share holder (Investor and Principal) having relative interest in the corporation, with profits and losses evenly distributed.

3. Goals and Objectives

By October, have the financing completed and ready to go. To open by January of 92, in order to complete and negotiate leasing for offices and set up proper administrative guidelines. The first year of operation will focus on establishing a foundation in the consulting field of providing excellent and dependable service with a personal touch, which will aid in penetrating the market and establishing a place for Mclean Consulting and Services in the Triad area.

Long term goals include branching into consulting to local government agencies in the Raleigh area. These government agencies may need employee training to use software or contract programming to meet the needs of the existing software. Possibly increasing work force to meet the expanding needs of the company and moving into different areas within North Carolina. By this time the firm will be functioning successfully and will have established a great part of the consulting market.

4. Unique Advantages and Opportunities

a. Concept. Although computer consulting is not a new area within this location, the proposed venture has a specific target market-small businesses-and intends to concentrate solely in this area, establishing a reputation of the best of its kind in the area. Unlike other consulting firms in the area who try to cater to everyone and give them the same advice and service, Mclean Consulting will be dedicated to the needs of the small business. This

is a rapidly growing area, and ensuring that it receives personal and individual attention, in that, we realize what meets the needs of one company may not meet the needs of the other. And since most companies are moving into office automation, they require the service of a good consultant but are wary of large consulting firms that will be too expensive and impersonal. In other words, they want someone they can relate to.

b. Competition. Consulting is not a new service in this area but there are only a few specialized consulting firms in the area. And those that consult generally are into sales of a particular hardware or software which limits their objectivity to the customers needs and most customers realize this and stray away from these companies which is an advantage to my company. Another advantage that the company will have over its competition, will be that, since it is specialized and not involved in sales of any particular hardware or software, it can allocate its energies solely to the project at hand.

c. Location. Since the firm will operate from the Raleigh-Durham area. The Traid area is surrounded by booming businesses and industries as well as three major universities. The Triad area is probably the most industrialized and booming area within the state.

d. Target Market. Because the Raleigh-Durham area is highly industrialized and rapidly expanding, there is a rapid increase in small business opening throughout the

Triad area. These new businesses firm will want to cater to these industries or benefit from them in some relative manner. To do this they must be equipped to handle these new accounts with high speed systems and effective management systems. Office automation is the first step in this direction by many businesses. In fact, in order for these small businesses to compete in such a high-tech market, they must meet their competitors standards.

They will need consulting on hardware and software needed for office automation to increase productivity and reduce cost. They will need personal guidance on what is best for them since they do not have large consulting departments in many cases any form of computer analyst to advise them in automation needs. In many cases they may need contract programming in offices already automated. Many specialized software packets such as Dbase III or Lotus 1-2-3 with applications can be programmed to fit the needs of the company. These businesses may also need software training for their employees on various hardware and software.

e. Computer Literacy. More and more people are realizing the need to become computer literate. They realize that it is a required skill by most businesses. But, there are still some senior employees who find themselves faced with a new automated office and they know very little or nothing about computers. These businesses would need training in software and hardware systems.

f. Convenience of Service. With Mclean Consulting and Services being based in the Raleigh area, it will be easily accessible to the business community, as well as the entire Triad area.

5. Business Operation.

Mclean Consulting and Services will specialize in consulting, training and contract programming. It will not entail the selling or purchasing of computer hardware or software. It retains the rights on all contract programming and will negotiate contracts to protect the interest of both parties at initial consulting sessions. The proposed business will not cater to software and hardware manufacturers, in order to maintain an unbiased opinion of each project and it's specifications.

B. The Industry

1. General.

The phenomenal growth of small businesses in this decade has led to a tailoring of consulting services to the smaller firms. In fact, the tremendous growth in entrepreneurial activity has fostered an industry of entrepreneurs serving entrepreneurs. Advising entrepreneur-scientist presents special problems to the consultant, who must be able to help them with business fundamentals but who also understands high-tech products and markets. Small companies want more varied services than large firms that have plenty of management services. Since most do not have

large MIS departments to do data processing, they are realizing the need for automation. Since the prices of personal computer hardware is plummeting, many small businesses are seriously considering automation for the first time. But automating a business is far from easy. Choosing and installing the right equipment and software, and making the switch from manual to electronic operations is a lengthy, anxiety-ridden and complex process. This is why choosing the right consulting firm is so important.

III. PRODUCT AND SERVICE

Small businesses need consultants to advise them on hardware and software needed to automate office, thereby increasing productivity and profits and reducing cost. They tend to need personal guidance on what is best for them since they do not have large consulting departments and, in many cases, any form of computer analyst to aid them in choosing what is best for them. In many cases, they need contract programming if the office is already automated. Many specialized software packets such as Dbase III Plus and Lotus 1-2-3 with applications can be programmed to fit the needs of the company. They aid expanding existing systems when company size increases and technology must increase for continued success of the business. These companies may need employee training in the use of software. Not only will small businesses be interested but as the firm matures and

establishes a foundation, larger businesses will begin to look it's way when thinking of expanding current automated systems.

McLean Consulting and Services will offer four major services, Consulting, Contract Programming, Employee Training and Installation Services. Computer consulting will include advising business in office automation, networking systems, analyzing software needs, analyzing hardware needs and recommendations on systems utilities. The Contract Programming will include applications into software languages to modify the existing software to meet the needs of the business. The Installation will include installing the necessary hardware and/or software of the business. The Employee Training will include in house classed on using specific software or hardware.

IV. MARKET STRATEGY

A. Raleigh Profile

The local market is Raleigh, N.C. The target market will be small businesses and possibly universities and government agencies in the Raleigh, Durham, and Chapel Hill area.

1. Trade Area

Raleigh is located near the geographic center of North Carolina in Wake County. It is situated along the dividing line between the Piedmont Plateau and the coastal

plain regions of the State. It is approximately five hundred miles from New York, Atlanta, and Jacksonville, Fla. It is estimated that one half of the U.S. population is located within a five hundred mile radius of Raleigh.

2. Expanding Population

Raleigh has experienced a steady but rapid increase in population over the last decade. In 1985 Wake County's population as estimated by Raleigh Chamber of Commerce was 360,194; Raleigh's was 178,000.

3. Balanced Economy

The broad industrial mix of the tri-county area accounts for the relatively low unemployment rate. In 1980, it was estimated by the Raleigh Chamber of Commerce that the local, state, and federal governments employed 26% of the work force; trades, approximately 18%; finance, insurance, real estate and service industries, 25%; agriculture, including forestry, 2%. Per capita income in Wake County rose from \$9062 in 1979 to \$12759 in 1983.

4. Future Market

The area provides one of the most promising environments for the entrepreneur in the entire state of North Carolina. Raleigh has an expanding local population. It has six colleges and universities and four business schools with a total enrollment of over 30,000. All these educational institutions give the area its scholarly tone and make it attractive to high technology, research, and service industries and their employees.

5. Expected Growth

Raleigh's rapid growth pattern provides a base for both prosperity and stability into the next decade. It's economy is secured on the base of the offices of the state government and industrial park area of Raleigh-Durham and Chapel Hill. In the fifties, the largest (5,500 acres) research park in the world was planned and located equidistant from three major universities-North Carolina State University in Raleigh, the University of North Carolina at Chapel Hill, and Duke University in Durham.

Today, internationally recognized, the Research Triangle Park is the embodiment of philosophy that research and education are necessary forerunners to industrial growth. Easily recognized names such as Becton Dickinson, Union Carbide, Mead, Northrop, J.E. Sivine, Burroughs Wellcome, Troxler Electronics and I.B.M stand shoulder to shoulder with the National Center for Health and Statistics, the National Institute for Environmental Research Center, the National Humanities Center and the newest addition-the General Microelectronics Center. Today, Raleigh is the Eastern North Carolina's distribution center for sales, trade and manufacturing. It is easily accessible by bus, train, plane and automobile. Raleigh has beautiful residential areas where new and older homes in traditional or contemporary styles are available-including single family condominium/townhouses or the very latest in apartment living. It has two major up-to-date hospitals, Duke Medical

Center in Durham and Memorial Hospital in Chapel Hill; they are both University teaching hospitals and within a half-hours drive of Raleigh.

6. Labor Force

The labor force in Raleigh, N.C. area was estimated by the Raleigh Chamber of Commerce at 375,010 on October of 1985. The work force was 77% white and 23% minorities. The unemployment rate for October, 1985 was 2.4% for Wake County and 2.2% for the tri-county area.

B. Local Market

McClean Consulting and Services will solicit customers from the entire Triad area. However, attention will be focused on the local businesses and professionals in the Raleigh community. Although there are currently computer servicing companies in the area only a few cater to specific consulting needs. With the rapid expansion rate of the Raleigh-Durham area, many businesses are starting and there is a great need for consultants for office automation, automation is first priority to most entrepreneurs. In October of 1988, new construction was up 28% in the Raleigh-Durham area over last year alone. Retail was up 5.3% and Transportation was up 35%. Statistics show this is a good area to locate a new business.

McClean Consulting and Services is expected to capture at least ten percent of the market in the first year. Because this company specializes in the specific needs of

the business, it will be at an advantage over the other computer services companies in the area. The cost of consulting services will vary according to the job specifications. The general consulting fee in the Raleigh, Durham, and Chapel Hill area is around \$100.00 per hour. In order for McClean Consulting and Services to compete in the current market, consulting fees will start out at \$75.00 per hour in the initial business operations. Consulting fees vary according to geographic locations and size and reputation of the firm.

C. Location

McClean Consulting and Services will be possibly located at 4001 Barrett Drive, North Hills, Raleigh, N.C. The location has been chosen because of the quick access to the Beltline, connecting the Triad area of Raleigh, Durham and Chapel Hill.

D. Competition

Raleigh is a very dynamic city, made up of many educational institutions, industries and government agencies. Accordingly, there are already computer consulting firms in the area. But very few specialize in consulting services only, and even fewer specialize in small business consultation.

E. Promotion Strategy

1. Target Market

a. Community. The promotional strategy will encompass the professional and business community of the Triad area; Raleigh, Durham and Chapel Hill, with primary focus on the Raleigh area. Because this is a highly industrial park area, there is a wide range of business of already in existence.

Raleigh is the second largest and most productive area in the state of North Carolina. The growth rate of new businesses has almost doubled in the past decade. With rapid new growth and business expansion, this should prove to be a profitable area for computer consulting services.

b. Pricing. Because this will be a computer consulting business, the services we will provide will be based upon a hourly rate and will vary in price according to the depth and length of the job. The type of job will vary per business according to size and area of interest.

c. Guarantees. Due to the complicated legalities of contract programming, consulting and installation, all consulting will be negotiated to the last detail and a contract drawn up of job specifications.

d. Public Relations. To achieve the attention of the community, the principal and parts of the team will become involved with community activities to meet and socialize with other company executives and government officials to gain recognition and exposure through the executive grapevine. The firm possibly will publish a

monthly newsletter that provides automation information to small businesses and entrepreneurs as well as advances in computer technology.

e. Advertising. In addition to specialized signs, the company will have a logo that will identify the company as a highly professional and efficient but having a personal touch. An initial \$9000 will be spent on advertising alone, the first month advertisement will be placed in newspapers, computer trade journals, and small business journals in the area.

2. Justification of Market Share

With Raleigh being an open market for small businesses, consulting companies are needed to guide them to a successful start. And although there are already computer consulting firms in the Raleigh/Durham area. None specialize in consulting for small businesses or entrepreneurs. Since small business make up a large portion of the economy, we expect to achieve at least a ten percent share of the market initially.

Research shows there is a great demand for companies serving small businesses and entrepreneurs. Since most small business can not afford large firm consulting fees or in some cases feel they will be taken advantage of, they will be able to identify with Mclean Consulting and what it offers.

V. Management Organization Structure

A. Legal Entity

The legal form of the business will be a corporation with Martha Mclean owning seventy percent of the company and thirty percent possible share to employees. Profits will be shared according to contribution.

B. Organizational Structure

1. Consulting

Consulting will be a joint effort between Martha Mclean and Mychal White. Since Mr. White is an engineer and Miss Mclean is a computer programmer, they will collaborate on the job specifications and analyze the situation according to software and hardware requirements.

2. Contract Programming and User Training

Martha Mclean will be responsible for computer applications programming and training employees to use the programs or software package they choose.

3. Administration

Sharon White will be in charge of the daily operation of the business. It will be her duties to maintain the records, client information, supervise the part-time accounting employees and see that everything is in order. Advertising coordination, newspaper publication and general follow-up activities will come under her administration. The principal, Martha Mclean, will aid her in her administrative duties.

C. Background

Martha Mclean is a senior at Pembroke State university, majoring in the field of Mathematics and Computer Science with a minor in Business Administration. She has interned for the last two summers with N.C. State Government in Raleigh, N.C. and U.S. Department of Agriculture in Washington, D.C., respectively. She is currently employed at a computer Retail Store, where she is involved in computer sales.

Mr. Mychal White is a graduate of Meridian Technical College, in Meridian, Mississippi, where he received an Associate Degree in Electrical engineering. He spent three years in the military where he worked in technical communications and has spent the last three years working with computerized scoring equipment.

Mrs. Sharon White is a graduate of Pembroke State University where she received a Bachelors of Arts Degree in Broadcast Communications. She worked as assistant producer for WECT channel 6 in Wilmington, N.C. as well as at Corporate Investment of the last year.

VI. Financial Proposal

A. Financial Summary

Mclean Consulting and Services will open with a \$200,000 bank loan. First year operation is projected to

show profit of \$11,700. The break even point will occur on the fourth month of operation.

Servicing the proposed loan is well within the capacity of the operation, as forecasted. A close examination of the projected values for the firm's financial ratios show they began at acceptable levels and show improvement over the projection period.

B. Assumptions to Financial Projection

1. Accounts

The number of accounts in the first year is expected to be ten percent of the market of customers. This percent is expected to double by the second year.

2. Operating Expenses

Operating expenses are projected according to the following schedule:

Advertising.....	\$15,500	
Accounting/Legal.....	\$6,000	(annually)
Phone.....	\$900	(initial cost)
Rent.....	\$500	(per month)
Salaries.....	\$7000	(per month)
Utilities.....	\$550	(per month)
Payroll.....	\$500	(per month)
Supplies.....	\$4000	(initial payment)

3. Cash and Credit Sales

Sales breakdown projected to be 100% cash.

4. Accounts Receivables

5. Debt Service

Debt service is based on a \$200,000 loan for ten years at sixteen percent.

C. Analysis of Risk

A risk could be encountered if the company goes too long without a solid customer, although this is unlikely in that we have planned for much leeway before breakeven point.

PROJECTED CASH FLOW BUDGET
FOR TWELVE MONTHS ENDING DECEMBER 31, 1988

	JAN.	FEB.	MAR.	APR.	MAY	JUN.	JUL.	AUG.	SEP.	OCT.	NOV.	DEC.	TOTAL
RECEIPTS													
CONSULTING FEES	0	5336	7836	10336	12836	15336	17836	18336	22836	25336	29646	34330	200000
LOAN	200000	0	0	0	0	0	0	0	0	0	0	0	200000
TOTAL	200000	5336	7836	10336	12836	15336	17836	18336	22836	25336	29646	34330	400000
DISBURSEMENT													
ADVERTISING	9000	500	500	500	500	500	500	500	500	700	800	1000	15500
RENT	1000	500	500	500	500	500	500	500	500	500	500	500	6500
INSURANCE	500	500	500	500	500	500	500	500	500	500	500	500	6000
ACCT/LEGAL	500	500	500	500	500	500	500	500	500	500	500	500	6000
SALARIES	7000	7000	7000	7000	7000	7000	7000	7000	7000	7000	7000	7000	84000
PHONE	900	700	550	400	400	300	300	350	400	600	800	800	6000
UTILITIES	550	550	550	550	550	550	550	550	550	550	550	550	6600
FURN. & FIX.	20000	0	0	0	0	0	0	0	0	0	0	0	20000
SUPPLIES	4000	1000	500	500	500	500	500	500	500	500	500	500	10000
PAYROLL	500	500	500	500	500	500	500	500	500	500	500	500	6000
DEST. SERVICES	850	850	850	850	850	850	850	850	850	850	850	850	10200
INTEREST LOAN	-	2000	-	2000	-	2000	-	2000	-	2000	-	2000	12000
TOTAL	44800	14600	11950	13800	11800	13700	11700	13700	11750	14000	12300	14700	168300
CASH FLOW	155200	-9264	-4114	-3464	1036	1636	6136	4636	11086	11336	17346	17630	212000

PROJECTED INCOME STATEMENT
FOR TWELVE MONTHS ENDING DECEMBER 31, 1988

	JAN.	FEB.	MAR.	APR.	MAY	JUN.	JUL.	AUG.	SEP.	OCT.	NOV.	DEC.	TOTAL
SALES REVENUE													
CONSULTING FEES	0	5336	7836	10336	12836	15336	17836	18336	22836	25336	29646	34330	200000
GROSS SALES	0	5336	7836	10336	12836	15336	17836	18336	22836	25336	29646	34330	200000
OPERATING EXPENSES													
ADVERTISING	9000	500	500	500	500	500	500	500	500	700	800	1000	15500
RENT	1000	500	500	500	500	500	500	500	500	500	500	500	6500
INSURANCE	500	500	500	500	500	500	500	500	500	500	500	500	6000
ACCT/LEGAL	500	500	500	500	500	500	500	500	500	500	500	500	6000
SALARIES	7000	7000	7000	7000	7000	7000	7000	7000	7000	7000	7000	7000	84000
PHONE	900	700	550	400	400	300	300	300	350	400	600	800	6000
UTILITIES	550	550	550	550	550	550	550	550	550	550	550	550	6600
FURN. & FIX.	20000	0	0	0	0	0	0	0	0	0	0	0	20000
SUPPLIES	4000	1000	500	500	500	500	500	500	500	500	500	500	10000
PAYROLL	500	500	500	500	500	500	500	500	500	500	500	500	6000
TOTAL	43950	11750	11100	10950	10250	10250	10250	10850	10900	11150	11450	11850	166600
OPER. PROFIT	-43950	-6414	-3264	-514	1886	4486	6986	7486	11936	14186	18196	22480	33400

From the projected business plan one can easily see why it is so important to businessman and investors. My business plan was one that would be used by any entrepreneur or small business looking for funding or planning expansion in the same area of interest, although the financial analysis would have been a little more detailed in containing a detailed Balance Sheet, Income Statement and Cash Budget for up to three years.

The Business Plan required research into the Raleigh/Durham and Chapel Hill area. An analysis of the current Computer Consulting Market, a study of the intended target market and a study of the economic prosperity of the city and the businesses. It required access to financial statistics of the current market which in some cases was impossible, in that, no firm was willingly going to supply me with confidential sales revenue or consulting fees, so a lot of pricing was done by deduction and speculation or in some cases compromising for similar statistics of firms in the computer retail field. A great source of information was found in your basic telephone book or newspaper. Computer Consulting Associations and Raleigh Chamber of Commerce were all tried but yielded no information.

The idea to start a consulting firm was simply seeing the need for one by most small businesses and government agencies. It is a area in which I would love to work, in

that I am involved with people daily and the market is forever changing. I like advising people on their hardware and software needs and seeing the project fully through, by possibly installing the hardware and/or the software and training the user. In some cases the software has to be designed to meet the customers needs, this will also be a area we would cover. In fact, we see that all the needs of the customers are met. We would make sure they know their case is a special one and we specialize to meet their needs. Once we have established a satisfied customer, they will no doubt request our services when it comes time for expansion.

As stated in the business plan, Mclean Consulting and Services will target to small businesses in the Raleigh/Durham and Chapel Hill area. Raleigh was chosen as a target location because of its rate of growth and industrialization. There is a tremendous amount of new businesses every year in the area, and although my company cater to small businesses, we will still offer services to large firms or industries who may have a MIS, but may need employee training or contract programming. The company will offer four main service areas. Computer Consulting entails analysis into the customer needs; what kind of systems they need, how much memory, how many terminals, whether they will be networked to a central terminal and what kinds of software will be needed. Installation will include the installation of the hardware and software, and networking the terminals if necessary. Contract Programming-All a

company may need is a spreadsheet program such as Lotus 1-2-3 or a database management system such as Dbase III, but need a program written to make it applicable to what they want to do or the type of business they are in. User Training-In many cases businesses will already have the hardware and software and want someone to come in and train their employees to use it. My firm will specialize in all these areas in whole or parts. We will cater to the needs of the business.

The firm will consist of a full-time programmer and systems analyst, a full-time engineer, a full-time administrator and a part-time accountant and legal advisor. They will all work in collaboration to meet the needs of the client. The programmer/analyst has experience in programming, systems design, networking and is familiar with most leading software. She also is familiar with the engineering side of computers and has a background in Business Administration. The engineer is familiar with computer engineering and has years of experience of systems and networking. The administrator has a background in public relation, business and some computers. The part-time legal/accountant will be hired before initial opening.

The major goal of the company on the first year is market penetration. To make the community aware of the company and to establish some recognition over the leading competitors. If we can gain access to at least ten percent of the market initially, the firm will breakeven after the

first four months. The company will operate initially from a \$200,000 bank loan.

This research paper and Business Plan has made me sit down a layout what I need to do to start a Business. It is not as simple as getting a building and going to work. There is careful analysis into the market, the customers, the competition and the area you plan to locate. It requires careful financial planning and realistic goal setting. In fact, the Business Plan in some cases is the deciding factor in whether a principal stops or continues with his/her plans. I will choose the latter, this Business Plan has made me realize it will be hard but not impossible. After completing college, I plan to work with a consulting firm for a few years to learn more about the market and gain more experience, but I plan to come back to Raleigh, N.C. and start my business.