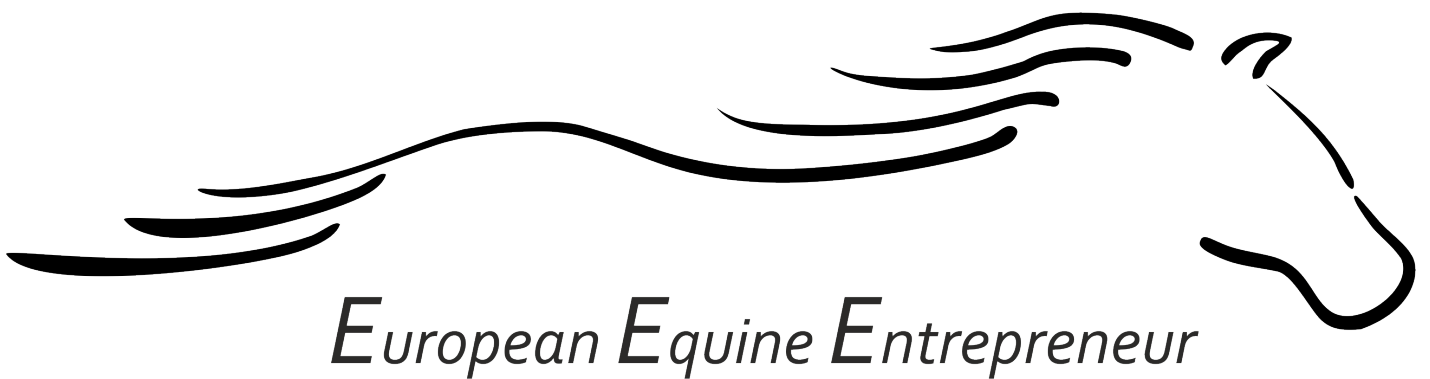


Student company handbook

- From entrepreneurial student to making it in the Horse business



Erasmus+

About the network (EEE)

This handbook has been written and commissioned by EEE (Network of European Equine Entrepreneurship) in order to develop entrepreneurial skills of equine vocational students.

The aim of this module is to:

- awaken the entrepreneurial spirit of equine students
- use pan-European collaborative structures to facilitate a process of change
- provide global opportunities, through education, knowledge sharing and skills transfer
- gain more cultural experience



Pilot-project students gathered in Roskilde - Denmark.

From left to right: FIN – Nina and Nora, NL – Merel and Judith,
DEN – Horse & Groom, Ann-Sophie and Laura, UK – Emily and Delphine

The network for European Equine Entrepreneurs has been established through the EEE project, which has been funded with support from the European Commission. This publication reflects the views only of the Network, and the Commission cannot be held responsible for any use which may be made of the information contained herein.



Background

From entrepreneurial student to making it in the Horse business.....

The equine sector is varied and has a broad range of disciplines, opinions, professions and attitudes. A basic understanding and awareness of potential opportunities across the whole sector is needed for the upcoming entrepreneur.

In a changing equine world, new demands and emerging economies, it is essential to the future horse managers and Equine Students, that they are prepared in the best possible way for the life that awaits them after graduation. In order to be successful as an equine entrepreneur a solid basic knowledge of horses, their requirements and the many aspects of horse management is required.

The rapid growth of the equine world, especially in countries with only a few years of experience that recently vastly expanded their horse population, gives new prospects for entrepreneurial souls. It brings new opportunities as well as challenges. Cultural differences, for example, different perceptions to horse welfare and sometimes restrictions due to religious or cultural beliefs, can be a challenge. Differences in communication and financial infrastructure, and even the possibility of trade restrictions between countries, might be actual challenges that need to be dealt with.

New markets bring new opportunities in every aspect of the equine business world, the traditional markets are constantly changing. New opportunities arise and new trends replace existing methods and products.

The true equine entrepreneur can identify and exploit opportunities both nationally and internationally, and at the same time, market products and services successfully. The ability to work within the equine sector, regardless of location, requires knowledge of different aspects. For instance, rules and regulation which vary greatly between different countries. Also differences in norms and values will have an impact on the possibilities. Different cultural backgrounds call for an approach based on mutual understanding and respect.

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Chapter 1. Introduction

Student representatives from different countries are required to develop a student company collaboratively. The setting up of these companies is intended to improve the entrepreneurship skills of the participating students.

The student needs adequate knowledge and understanding of the equine world in order to meet the needs for this project. Some previously acquired competences will be required in order to gain from participating in this module. Participating students will need to have a good knowledge of English to allow them to be able to read, write and communicate orally with the rest of the participating students. They will need to have good communication and presentation skills. Also some knowledge of purchasing and sales will be required.

What are the learning objectives of this module? The student can:

- explain what a student company is
- cooperate in a student company
- behave professionally within the company
- gauge which resources are important to get the company started
- manage client expectations
- market products successfully
- learn to deal with (international) challenges

During the project period, the student will gain skills in:

- financial management
- bookkeeping
- planning
- organising

Not every student is suited to being an entrepreneur, but for those that are, this project aims to give them the skills and tools to enable them to start and grow their own equine business. To succeed as an entrepreneur, you need to be able to realize your own innovative ideas.

Students who participate in this project must have a “growth” mind-set as against a “fixed” mind-set. They need to learn how to see possibilities instead of limitations. Preferably students should be selected by teachers based on their motivation and performance.

In order to make it in the horse business – or any other business – one must have a positive attitude and be able to work together with a diverse group of people. In the horse business this can be colleagues, horse owners, stakeholders, customers or business acquaintances.

A prerequisite for successful Equine Entrepreneurs is to be part of a relevant network, in this case an equine network. The network can be an existing one where the participating students gains inspiration, knowledge and insight into how a network is created. It might also be part of the project that the students create an equine network of business

acquaintances, equine specialists etc. Networking through social media, local events or regional businesses might all contribute to the success of the project.

1.1 Participating in a student company

In this student company module, you will gain entrepreneurship skills and the knowledge of how companies work.

You will learn to co-operate and communicate with fellow students. In this particular project, fellow students are from different countries, and as a part of the project students need to find possibilities to communicate despite obvious language barriers. The project-language will be English.

You will learn about the financial consequences of running a company.

There are two ways to create the Student Company. One is to have 2 students from each country, making 8 total members, and then dividing the roles between all participants, resulting in one common Student Company. An alternative model is to select students from each country and then divide the tasks between them. In this way there will be as many Student Companies as countries participating in the project.

If the project is carried out in a single country, the group can be smaller.

The students should be chosen based on their pro-active attitude and determination. The group must consist of ambitious and passionate students with a broad knowledge of the equine sector. The equine entrepreneur has the desire, vision and devotion to both meet and exceed set goals for the equine business.

The first step in this process is to decide - as a group – on which product you wish to manufacture and sell. This calls for a good background understanding of the needs of the industry, as well as some understanding of why some businesses fail and some succeed. The students must be able to see the opportunities that there are in a market, in addition to a drive to provide customer satisfaction.

The project should be spread across at least one academic school year. There should be at least 3 physical meetings during the year. Preferably the physical meetings should be held each time in a different participating country. The start-up week will consist of a week at one of the participating colleges. The group will then meet and start the student company. In the period between the start-up meeting and the conclusion of the project, there will be Skype meetings with the whole group, one every three weeks. Halfway through the project period there will be an additional physical meeting. Towards the end of the module, there will be another week when the whole group comes together again physically.

Global steps:

1. Team: Allocate tasks and company positions
2. Product: Brainstorm about products
3. Research: Research product prior to decision making
4. Business Plan: Write a business plan
5. Investors: Sell shares
6. Purchase materials and commence production
7. Marketing and communication: Decide on a marketing strategy
8. Sales: Sell the product
9. Closing: Evaluate and liquidate

The following actions will be required:

- A sound business plan must be written
- Products will need to be purchased, produced and sold
- Time spend on the project will need to be registered
- Transactions will need to be registered
- Financial accounts must be kept

The students must have a desire to keep improving the business and constantly be on the lookout for new and innovative ways to improve the service provided.

1.2 Resources

- A supervisor with knowledge of management and equine business
 - o at least one teacher per participating country
- This module
- Financial handbooks
- Access to internet, resources and literature
- An administrative handbook

See bibliography for preparation.

1.3 Competencies

To succeed as an entrepreneur, it is necessary that the participants are able to find and recognize new and innovative ideas. In order to be able to do just that, the students must have a proactive attitude and be determined and ambitious at the same time. In order to make it in the horse business and run a successful company, the participants must have obtained a great deal of competences in advance. The basic skills of taking care of horses,

including feeding, handling and grooming are considered essential for the entrepreneurs. Also there must be some knowledge of the sector in general.

The following competences will be worked on by participating in the student company:

- Doing market research
- Making a sales plan
- Discovering your own strengths and weaknesses (but also your own interests)
- Thinking market and client orientated
- Co-operation
- Extending network(s)
- Showing initiative
- Taking calculated risks
- Taking responsibility (being available)
- Communicating
- Negotiating
- Writing a business plan
- Dealing with feedback
- Dealing with conflicts

1.4 Functions/tasks

- Manager
- Secretary
- Personnel manager
- Financial manager
- Sales manager
- Production manager

It is important for the company to understand that the need for buying-in outside expertise might be essential to ensure viability and growth.

1.5 Tasks and responsibilities

When the different positions in the Student Company are assigned, there are two approaches to the distribution of the posts. One way would be to assign students with distinct characteristics to the posts matching them, and another would be to do the exact opposite, in order to have those characteristics improve in the students.

All the students must be motivated for their tasks, and show a positive attitude towards the project. Having a growth mind-set is the most important component of a successful entrepreneur, and the ability to choose courage over fear, and action over inaction will be valuable competences in the Student Company.

No matter what position assigned is, all challenges met must be broken down into smaller components in order to be embraced. Difficulties along the way must be met as opportunities, "if it was easy, everyone would do it".

At the end of the first physical project meeting, a contract stating every student/countries tasks and responsibilities will be drawn up . All participants will sign the contract.

1.5.1 Manager

Tasks:

- Make an agenda
- Chairing the meeting(s)
- Managing the student company
- Responsibility for the business plan

Responsibilities:

- Managing the whole company
- Organizing meetings of the Student Company
- Monitoring the co-operation of all participants

Through effective leadership the Manager must facilitate the completion of all necessary tasks.

1.5.2 Secretary

Tasks:

- Contacting participants
- Making and distributing the minutes of the meetings

Responsibilities:

- Supporting the chairman
- Making and distributing the minutes

1.5.3 Personnel Manager

Tasks:

- Monitoring the working hours and registering them
- Guiding the group process

Responsibilities:

- Making a personnel planning
- Solving conflicts
- Keeping the Financial manager informed about working hours

One of the competences required by the Personnel Manager is a positive attitude and an collaborative approach.

1.5.4 Financial Manager

Tasks:

- Keeping on top of the financial situation
- Making payments

Responsibilities:

- Making an estimation of costs
- Determining the sales price
- Financial administration
- Making payments
- Responsibility for the financial section of the business plan
- Weekly update on the financial situation

This post leads to insight into tax systems, loans and assets.

1.5.5 Marketing manager

Tasks:

- Carrying out market research
- Finding potential sales channels
- Writing a marketing plan
- Presenting results of the market research
- Organizing events

Responsibilities:

- Responsibility for performing market research
- Writing a marketing plan
- Sales
- Investigating potential sales channels
- Presenting ideas

One of the challenges for the Marketing Manager is to anticipate changes to the equine market, both local, national and internationally. Market research may require adaption to original strategies.

The 5p's of the marketing mix have to be addressed in the business plan.

1.5.6 Production manager

Tasks:

- Organising the production process
- Investigating the purchase of materials
- Monitoring the stock levels

- Purchasing
- Checking the production process
- Making a production plan

Responsibilities:

- Ensuring that materials are available on time
- Ensuring the best suppliers
- Keeping in contact with suppliers
- Checking and managing the production process

The production manager should take the environmental sustainability of the materials used and the created products into consideration.

Chapter 2. Marketing

2.1 Product

The students start by choosing a product that they wish to manufacture and sell. This should be an equine product. If possible all students should manufacture and sell the same product.

While in this process of choosing the product, the students are encouraged to “think out the box”. Since the aim of the project is to create true EEE’s – the students will need to take the key competences of an Equine student into consideration when they choose which product they wish to manufacture and sell through the student company. Managing research is to be carried out before proceeding with manufacturing.

To become an entrepreneur, a student needs to have an open, flexible and enquiring mind and the desire to create something new and having that new item becoming the start of an enterprise. In the process of finding a niche market, it is of great importance that the students have an open mentality and a growth mind-set in order to identify, consider and explore potential niche markets. Flexibility to meet changing demands of both assets and clients is a competence that will also be needed.

The product could be self-made or a product that is already being sold (keeping copyright in mind). When in the innovative period, the health and safety of all users of the product - both horses and people - must be taken into consideration. It is of great importance that the product fulfils legislative requirements for health and safety in the countries that the student company plans to market and sell in.

Choose a product with a big target group. Try to choose a product with a Unique Selling Point (USP). In order to find a product with a USP, the student company will need to analyse the chosen products asset to the business, and how this product will be different to products already on the market. There has to be an understanding as to what makes this product different.

All the participants (students) will be required to sell the product in their own countries.

It is prohibited to sell food, alcohol or smoking articles.

2.2 Market research

Before a product is chosen it is important to be sure that the target group is interested in your product. For this reason, market research should be carried out before committing to a product choice. The students will have to be able to see which opportunities there are for them in the industry.

There are great opportunities for equine entrepreneurs in upcoming foreign markets i.e. China, the Emirates, Eastern Europe and Russia. To seize these opportunities, as an equine entrepreneur the ability to adapt to different cultures and to face the challenges that follow is a huge advantage.

Basic knowledge and understanding of how to recognize a business opportunity is needed for the participants. In this project, the students will start with a survey to find out what the consumer wants.

In order to know what the consumers want, the students must have gained the knowledge of how the equine industry works, and what is already on the market. As an entrepreneur, the students need some understanding as to why some businesses fail where others have great success.

The essential skills and knowledge of taking care of the healthy horse, horse husbandry, grooming and handling must be achieved before market research is carried out.

Some knowledge on how the sector is structured is essential in order to get a clear view on what products will sell.

Details as “Which colour or item does the consumer want?” and bigger issues like “What price is he/she prepared to pay?” will all need clarification in order for the project to succeed.

2.3 Price

The price influences what you can sell and how much you will sell of it. If the costs of purchasing the materials are low, the product can be sold for a low price.

How do you set a price?

There are 3 ways to analyse a selling price:

- Cost + profit
- Competitor (other companies with the same product)
- Market research

Setting the price is one of the 5p's in the Marketing Mix. It is a part of the business plan that addresses several aspects of marketing.

There might be a need for different pricing in the different countries.

2.4 Market

Once the company has chosen a product and a price, the students must think about a place where they can sell their products.

Web shops, personal sales or physical shops are all possibilities. Make sure that all permits are in order.

Every student will be required to sell the product in her/his own country.

2.5 Promotion

As an equine entrepreneur, you need to be able to communicate your ideas to clients and stakeholders successfully. This can be done in a network created for the purpose, or in an already existing equine network.

You must promote your products in order to sell them. This can be done in various ways:

- Social media
- Web shop
- Developing a logo
- Markets
- Brochures

In order to succeed in communicating the students company's ideas to clients and stakeholders, the communication must be sector-specific.

As an equine entrepreneur you need to be able to see the perspective of the client and understand what makes an equine client unique. An understanding of the specific needs and demands of the sector and its clients are of great value.

Knowledge of needs and demands is valuable in the marketing process. Thinking of a strategy and carrying out campaigns through different types of media will be way easier if this knowledge is present. Constant monitoring and reviewing will make it possible to make adaptations and changes along the way.

Chapter 3. Shares

In order to purchase or manufacture your product, investment is needed. Every student has the obligation to sell 5 shares at € 20 (or its equivalent in another currency) each. Every shareholder is thereby part-owner of the student company.

One of the competences the students will need to possess is the recognition and understanding of good horsemanship. Not just as a truism for working in the horse business, but also in order to gain respect from potential shareholders.

Every month you inform (as student company) the shareholders what their investment has achieved with a newsletter. The business plan must be written and communicated in such a way that it is clear to the stakeholders what their investment will be used for.

As an equine entrepreneur, you can only be successful if you can communicate your ideas to clients and stakeholders. The equine sector asks for a sector-specific communication. A code of conduct for respectful communication should be implemented.

Stakeholders in this project will be investors, colleagues, customers and suppliers.

Chapter 4. Business plan

4.1 Business Plan

The entrepreneur needs to have a good background understanding of why some businesses succeed and some fail. This requires a level of business education and knowledge and an understanding of how to identify a business opportunity and the skills to follow it through. Participating students must acquire these skills.

As an equine entrepreneur, you need to be able to see opportunities through us of market orientation and research. You need to plan your business: make a solid business plan that involves making a profit without risking wellbeing of horses. This asks for research, anticipation of changing markets, analytical thinking and a helicopter view.

To be clear about what your company is going to do, it is necessary to write a business plan. The plan must be a solid business plan for the equine sector and include identification of USP (Unique Selling Points), strategic planning, goal setting and the making of relevant adaptations.

You need to be able to constantly evaluate and improve your actions in order to maintain successful changes in your business tactics so that the company is be able to overcome challenges and move with changing markets. Students participating must be able to solve whatever problem that they encounter through the project.

Dealing with challenges asks for resilience, flexibility and creative thinking. The ability to face up to reality and keep a positive attitude, and when needed – change the plan and come up with new solutions. This may also call for the ability to convince others that change is needed.

Risk management also needs to be a part of the planning, and therefore taught beforehand. In order to improve a business, the students involved must be able to take educated risks. The risks taken must at all times be based on careful consideration through research.

As a part of the risk management, a SWOT analysis must be carried out for the student company. Through this the strengths, weaknesses, opportunities, threats, expected profit and effects on personnel/horses and customers will be made visible. The SWOT analysis helps to develop self-awareness and reality of own ability.

Below is a table of contents for the business plan.

	Content	Explanation
1	Company	Place, staff, student company
2	Marketing plan	
	Mission and vision	What to do? Goals?
	Product / service	Description
	Market research	Analyse the results
	Market goals	How many to sell?
3	Financial Plan	
	Investment Plan	What is needed (materials) and costs
	Financial needs	How to get the money needed
	Exploitation budget	Schedule of profits and costs
	Liquidity budget	What money comes in and goes out
	Taxes	Which taxes do you have to pay

The business plan has to have a sound financial basis. This includes the business model, viability, sustainability, staff and assets.

In order to make a profit from the company, there needs to be a focus on development and improvement and linking these to opportunities. There also needs to be a constant review on options for improvement from both financial and organisational aspects.

The business plan also has to take environmentally sustainability into consideration, and with that in mind, implement the best possible control measurements.

4.2. Mission

When students get innovative ideas for equine businesses it is essential that they formulate a vision and mission statement.

In a few sentences it should be clear to customers what you want to achieve. In the mission statement the following questions should be answered:

- Who are we?
- What are we doing?
- Who are our customers?
- What do the customers need?

The equine entrepreneur can write a solid business plan and can communicate their plan to stakeholders in a convincing way. The students must be able to adapt their communication skills to any sort of audience. From the Eastern European investor to stakeholders in the same line of education.

4.3 Strategic Plan (Vision)

Opportunities for equine entrepreneurs are expanding in upcoming markets, like China, Eastern Europe and Russia. To be prepared for these possibilities, a certain amount of competence in adapting to different cultures is an advantage.

The vision for the student company should answer the question: How do we want to achieve our goals?

The members of the Student Company need to be able to evaluate the actions taken in order to successfully change the business tactics and move with or into changing markets.

The entrepreneurial process must be continuously evaluated and improved. Both processes and results must be taken into consideration in the strive for continuous improvement of the business results. The involved must be able to use both the PDCA cycle in order to Plan, Do, Check and Act and the CRTA model for the Connect, Respond, Trust and Acceleration.

The Student Company needs to recognize the need for outside expertise and approach this with a growth mind-set in order to ensure viability and growth. When identifying weak points within the student company, the team must be open to engage with specialist external partners and teams such as lawyers, technology teams, business advisors or marketing specialists.

4.4 Realize targets

It is very important to have clear targets. Targets should be constructed using the SMART-principles.

Specific

Measurable

Acceptable

Realistic

Time bound

Chapter 5. Finance

5.1 Estimate

The financial manager makes a financial estimate.

In this he/she estimates all sorts of costs:

- Purchase price
- Revenues (money coming in from selling products)
- Marketing costs
- Personnel costs
- Production costs
- Sales price

5.2 Administration

In the financial administration, all earnings and expenditure must be recorded.

Chapter 6. Bibliography and literature

SWOT

USP

5 P's

PDCA

CRTA

KIE

Litterature:

kie-modellen (KIE-modellen - innovativ undervisning i gymnasierne

by [Irmelin Funch Jensen](#) & [Ebbe Kromann-Andersen](#)

Chapter 7. Teacher skills

The teachers involved in the Student Company Project must be skilled in many ways. There is a need for teachers that can be innovative and knowledgeable. They must be able to keep the students motivated and focused on the project. The teachers must be able to facilitate the student's ideas, and keep them going through challenges and successes. The teacher must – in the same way as the students – be entrepreneurs.

Another competence that is needed from the teachers on the project is knowledge on how to start and run a business. The teachers needs to know how to plan the business, taking care of all the accounting issues and knowing the tax-rules in the home country of the business. The teachers needs to know about the challenges new businesses meet, and how to overcome them. The knowledge of "How to reach your goals" are very important.

Chapter 8. Plan for teaching prior to Student Company kick-off week

Week 1:

Introduction to innovation

- What does it mean to be innovative?
- Presentation of different models

Working on models

- SWAT
- USP
- 5 P's
- PDCA
- CRTA

Week 2:

Establishing a company

- Administration

Business plans

- Costs and profits
- Planning and budgeting
 - Profit and loss account, sales forecast, liquidity budget
- Liquidity ratios, solvency and profitability

Tax rules

Week 3:

Marketing

Through the Student Company project period, there needs to be access to a teacher/counsellor for two hours every week.