



**Article Type:** Research Paper

# FINANCIAL PLANNING MODEL FOR ESTABLISHING A NEW BUSINESS A CASE STUDY ON “BLUE OCEAN” RESTAURANT

Petrus Pius Salamin and Francisca Hermawan\*



**AFFILIATION:**

Unika Atma Jaya, Jakarta, Indonesia.

**\*CORRESPONDENCE:**

[ciscah61@gmail.com](mailto:ciscah61@gmail.com)

**THIS ARTICLE IS AVAILABLE IN:**

<http://journal.umy.ac.id/index.php/mb>

**DOI:** [10.18196/mb.10182](https://doi.org/10.18196/mb.10182)

**CITATION:**

Salamin, P. P., & Hermawan, F. (2019). Financial Planning Model for Establishing a New Business a Case Study on “Blue Ocean” Restaurant. *Jurnal Manajemen Bisnis*, 10(2), 246-255.

**Abstract:** This article aims to (1) design an appropriate financial planning model for a restaurant, (2) give an example of a financial planning model that may be can be applied to the same kind of business, (3) give a guidance to the owner and employee in daily financial operational activity. This article is based on (1) the analysis of theory and its application in a real business, especially at Blue Oceanrestaurant, as a new business, (2) survey on the surrounded area, and (3) interview with the business’ owners in the surrounding area .We have analyzed all the data and information, and then try to describe it in a financial planning model, consisting of needs and uses of investment funds (Start-up cost), start-up balance sheet, pro forma income statement, cash budget, pro forma endingbalance sheet.It can be concluded that a financial planning model will give a clear guidance to the owner and the employeehow to manage daily operation and financial control, and it is clear what financial goals and objectives have to be achieved by the owner (in the next five years).

**Keywords:** Financial Planning Model; Blue Ocean Restaurant.

## Introduction

“Blue Ocean” is a brand name of a new restaurant will be established in the year of 2020. This restaurant will produce sea food as the main menu. It will be located at a hilltop of a hillock, Labuan Bajo, with the main view of sun sets and Komodo Island in the west. Labuan Bajo islocated in one of the new world seven wonders (Komodo); so, it is a tourism area. The main target market isvisitors or tourists, either foreign or domestic tourists. The potential of tourist visiting is about 150.000 tourists per year. The main objective of this business is to gain profit. Khan, 2017 said that the prime objective of a business concern should be to maximize its profits The question is how much profit would be achieved? To answer this question we have to design a comprehensive financial planning. Financial planning for establishing a new business involves needs of start-up capital, beginning balance sheet, proforma income statement, cash budget, and pro forma finalbalancesheet. A number of factors can be expected to moderate the impact of business planning on firm performance. The effectiveness of

business planning might be dependent on whether the small firm is new or established. (Brinkmann, Grichnik, & Kapsa, 2010) Based on the discussion, this article will describe how to design financial planning for a new business, so the final objectives and goals of the business are clearly defined.

The data used is the data resulted from observation, interview and secondary data. Price or cost data is the projected data based on prevailing price in the market at the time of survey, and its future projections. The level of sales (in units) is determined based on restaurant capacity (i.e. capital, labor, equipment used, and physical restaurant capacity), and market potential to day and in the future is also taken into account, as well as the selling price considered to be reasonable in the market. Financial planning approach is based on three basic financial statements; they are pro forma balance sheet, pro forma income statement and cash budget. But, at the first step, the needs of start-up capital must be calculated first. To determine profit, as the main objective of the business, two methods can be chosen: (1) to develop a sales forecast and work down, (2) to set a profit target and work up (Scarborough, 2016: 428). In this case, approach used is to develop a sale forecast first, and then work down.

Profit is the main goal of an entrepreneur. How much profit to be achieved? Hence, before running a business an entrepreneur has to plan how much profit projected to be achieved. An entrepreneur, therefore has to design a financial planning. How to design a financial planning for a new business? The problem is not all entrepreneurs understand how to design financial planning for a new business. This article will answer that question or problem.

## **Literature Review and Hypotheses Development**

“Business plan is a written summary of an entrepreneur’s proposed business venture, its operational and financial details its marketing opportunities strategy, and its manager’s skills and abilities (Scarborough, 2016: 178). Thus, financial plan is a part of a comprehensive business plan. It is one of the most important steps to launch a new business venture. In line with that, Miller (2008) described that one of the main components of business plan is financial plan. Entrepreneurs have to develop workable strategies for earning a profit, as their main goals, otherwise they suffer from failure. According to Zimmerer (2008) at least there are two functions of business plan: (1) It provides an operational guidance of the business; (2) to attract lenders and investors; Lenders or investors demand a realistic financial plan before putting their money in to a start-up company. A financial plan is a vital tool that helps entrepreneurs to manage their business more effectively, and to avoid failure. Hence, a proper financial management is needed. Financial management requires putting in place a system that provides entrepreneurs with relevant financial information in an easy-to-read and readily understandable format on a timely basis; it allows entrepreneurs to know not only how their business are doing financially but also why their companies are performing that way (Scarborough, 2016).

To assess whether its financial objectives are being met, firms rely heavily on analysis of financial statements, forecast, and budget (Barringer, 2012: 283). A financial statement is a written report that quantitatively describes a firm's financial health; this involves income statement, balance sheet and statement of cash flows (Barringer, 2012). Forecast are an estimate of a firm's future income and expenses, based on its past performance, its current circumstances, and its future plans (Barringer, 2012: 283). Budgets are itemized forecast of a company's income, expenses, and capital needs and are also an important tool for financial planning and control (Palepu and Healy in Barringer, 2012: 283).

Financial statement can be divided into two categories: (1) Historical financial statement, and (2) Proforma financial statements. Historical financial statements reflect past performance and are usually prepared on a quarterly and annual basis (Barringer, 2012: 285). This includes the income statement, the balance sheet and the statement of cash flows. While, proforma financial statements are projections for future periods based on forecast and are typically completed for two to three years in the future (Barringer, 2012:285). In line with that, Salamin (2018) stated that pro forma financial statement is financial statement that is based on transactions that will occur in the future; so, it is a financial projection or plan for the next years. This includes pro forma income statement, pro forma balance sheet, and pro forma of cash flows or cash budget. Mariotti and Glackin (2016) described that there are three basic financial documents to track their business: an income statement, a balance sheet, and a cash flow statement. The income statement is a basic source of information for investment and other related decisions. Cash flow statement provide information about cash flows from various activities. (Dastgir, Sajadi, & Akhgar, 2010). Chen, DeFond, & Park, 2002 stated that balance sheet is an important source of value relevant information.

What should be planned by an entrepreneur? Some practical tools that help entrepreneurs to develop a financial plan for establishing a new venture, in general, involves needs, uses and sources of capital (start-up capital), pro forma or projected beginning balance sheet, pro forma income statement, cash budgeted, and pro forma ending balance sheet.

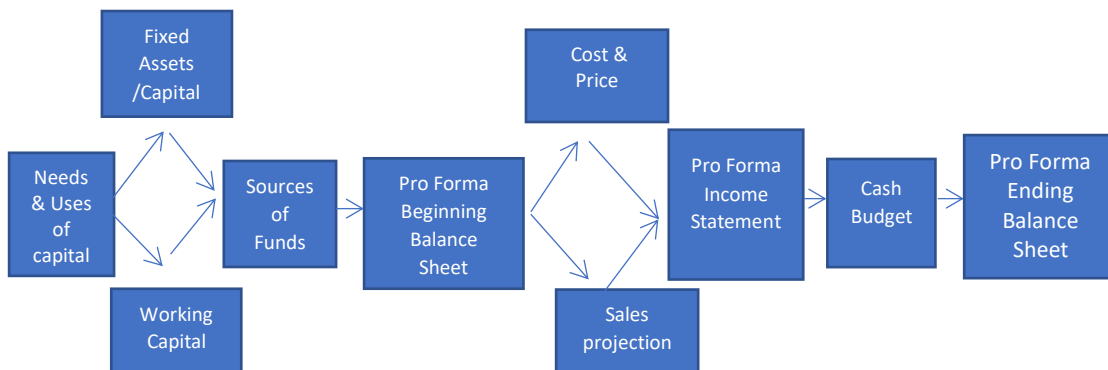
According to Husnan (2008), the needs of capital for establishing a new business consists of capital for investing in fixed assets and working capital. Fixed assets involve tangible fixed assets (such as land, building, vehicles etc.), and intangible fixed assets (such as goodwill, copyrights, patents, pre-operation cost, feasibility study etc.). Working capital refers to fund needed for investing in current assets. This capital is needed in daily operational activities (such as buying raw materials, salaries, utilities, marketing etc.). Sutojo (2000) also categorizes start-up investment into Fixed investment and working Capital. Furthermore, Mariotti and Glackin (2016), described that it is important to tack on an additional certain percent to your estimates for contingencies and emergencies.

There are several studies of financial planning for small businesses. For example, in South Africa, the study focused on six areas of financial management namely financial planning, analysis and control, accounting information, working capital management, investment management and management accounting. The results indicate that micro-enterprises do

not engage in financial planning, analysis and control (Fatoki, 2012). Meanwhile, for restaurant business, a study from Anggraeni & Asizah, 2012 discussed about the key factors that have high priority and play roles in influencing results in the hierarchical system on management of Indonesian restaurant. Determining key factors in Indonesian restaurant management is from internal factors which are the strength factors of Indonesian restaurant financial planning, control, and strategies to differentiate products, dining environment, location, food safety and cleanliness, prices, marketing promotions, and taste.

### Research Method

Financial planning is important because unplanned financial will cause failure (Dunn & Liang, 2011). Next is a model or diagram process of financial planning of Blue Ocean restaurant as a new business will be being established. The stages in financial planning is as the following:



### Result and Discussion

#### Needs and Uses of Capital/Funds

The funds needed to start this business or usually called startup capital is amounting to IDR 309.496.000, consisting of IDR 225.000.000 for investing in fixed assets, and IDR 56.360.000 for working capital, and IDR 28.136.000 (10% of start-up capital) for contingency funds. The detail of needs and uses of funds can be seen in the next table:

#### Sources of Capital or Funds

The source of capital needed for establishing this new business is from personal funds of the owner of Blue Ocean restaurant; no bank loan, no debt; so no interest will be paid.

**Salamin & Hermawan**  
Financial Planning Model for Establishing a New Business

**Table 1** Need and Use of Funds/Estimated Start-up Cost

Description	Estimate	Notes/Assumptions
Start-up expenses (working Capital):		
Food raw materials	IDR 2.700.000	90 portions/day x IDR60.000 x 50% (it is assumed that cost of raw material :50% of sales)=IDR2.700.000/day =IDR972.000.000/year
Rent, per month	IDR 5.000.000	IDR 60.000.000, first year
Gasoline ect.	IDR 160.000	IDR 160.000/day; 360 x 160.000=57.600.000/year
Salary, per month	IDR 36.000.000	1 Manager, 1 supervisor, 4 Cooking Asst, service staff, office staff Total : 12x 36.000.000=432.000.000 per year
Utilities (electric, water, telephone), per month	IDR 4.000.000	Per year; 12x4.000.000=48.000.000
Promotion, per month	IDR 500.000	Brosures ect. (online & offline) = 6.000.000 per year
Security and Cleaning service,	IDR 6.000.000	3x2.000.000x12=72.000.000/year
Miscellaneous	IDR 2.000.000	12x2.000.000/year
<b>Total Start-up Expenses</b>	<b>IDR 56.360.000</b>	
<b>Start-up Fixed Assets :</b>		
Tables	IDR 5.000.000	15 tables
Chairs	IDR 10.000.000	60 chairs
Table for Cashier	IDR 1.000.000	
Cashier machine	IDR 4.000.000	
Freezer	IDR 20.000.000	1 unit
Air Condition	IDR 15.000.000	3 units
Kichen equipments	IDR 20.000.000	
Office equipment	IDR 10.000.000	Computer,tables,chairs ect.
Car	IDR120.000.000	1 unit (open cup)
Motor bike	IDR 20.000.000	1 unit
<b>Total Start-Up Fixed Assets</b>	<b>IDR 225.000.000</b>	
<b>Total Start-up investment</b>	<b>IDR 281.360.000</b>	
ContingencyFunds/cash reserves (10%)	<b>IDR 28.136.000</b>	Cash reserves or cash requirements for initial shortfall during operations
<b>Total Start-up + Contingency</b>	<b>IDR 309.496.000</b>	

### Beginning Balance Sheet

It is assumed that this business will be started in first January 2020. The owner will transfer funds from its own private bank account to the Blue Ocean bank account, as a start-up capital, amounting to IDR 309.496.000; so there is a clear cut between personal bank account of the owner with the Blue Ocean bankaccount. The beginning balance sheet of Blue Ocean restaurant is as shown in the following table 2.

**Salamin & Hermawan**  
Financial Planning Model for Establishing a New Business

**Table 2** Beginning Balance Sheet

Beginning Balance Sheet Blue Ocean Restaurant 1st January 2020			
<b>ASSETS</b>		<b>LIABILITIES</b>	
Cash	IDR 309.496.000	Owner's Capital/Equity	IDR 309.496.000
Total Asset	IDR 309.496.000	Total Liabilities & Owners's Equity	IDR 309.496.000

This model is appropriate for a small business, in which there is no significant time difference between physical preparation (physical development) and operational (production) activities of the business. No fixed assets has been bought; so there is no fixed assets shown yet in the balance sheet above. Total asset IDR 309.496.000 above will be used for investing in start up fixed assets, working capital, and contingency cash. This fund is initial transfer from the owner private bank account to Blue Ocean bank account. Then, it can be used to buy fixed assets and to finance operational activities (see cash budget, table 5). So, there is a clear cut or separation between owner's private bank account with the business' bank account.

Sales Projection (Forecast)

"... new firms typically base their forecast on a good-faith estimate of sales and on industry averages (based on a percentage of sales) or the experiences of similar start-ups for cost of goods sold and other expenses. As a result, a completely new firm's forecast should be preceded in its business plan by an explanation of the sources of the numbers for the forecast and the assumptions used to generate them (Barringer, 2012; p.293)."

In this case, sales in unit is based on restaurant capacity. Its capacity is for 60 person (15 tables, with 60 chairs). Operational time from 10.00 -22.00 (12hours). The average time used by customers is assumed about 2 hours. So, the full capacity is :  $12/2 \times 60 = 360$  customers per day (maximal capacity = 129.600/year). It is assumed that capacity used is only 25% (90 consumers per day; working days: 360/year; total consumers = 32.400/year); and it is projected to increase by 5 % per year for the next five years.

The average price for all items bought by a consumer is projected IDR 60.000, and it will increase to IDR 70.000 in the year of 2022 and it will be increased again to IDR 80.000 in 2024. This increase in price is caused by increasing of cost about 10% per year. Total variable cost (raw material for food) is projected 50% of sales price. So, Sales price = Cost (50%) + Markup (50%). Sales projection (in unit and IDR) can be seen in the following table 3.

Sales in unit in the 1st year is projected to 132.400 portions/consumers, and it will increase to 39.382 portions in 2024, with average growth of 5% per. While, Sales revenue in the 1st year is projected to IDR 1.944.600.000, and it would increase to IDR 3.150.560.000 in 5th years, with average growth of 13% per year.

**Salamin & Hermawan**  
Financial Planning Model for Establishing a New Business

**Table 3** Projected Sales (in portions & IDR)

	2019	2020	2021	2022	2023
Average price	60.000	60.000	70.000	70.000	80.000*
Portions/comsumers	32.400	34.020	35.721	37.507	39.382
TotalSales Revenue (IDR)	1.944.000.000	2.041.200.000	.500.470.000	.625.490.000	3.150.560.000

**Pro Forma Income Statement**

The main goal of a business is to gain profit. How much profit to be achieved? It must be planned. Here, Blue Ocean uses basic accounting report that is Pro Forma Income Statement. This is not historical income statement report, but profit planning or projected profit to be achieved.

It is projected that in the first year, 2020, Blue Ocean restaurant earned profit IDR 227.400.000, and it is projected to increase to IDR 618.377.352 in 2024, with average growth of 29,4 % per year.

**Table 4** Pro Forma Income Statement

Pro Forma Income Statement Blue Ocean Restaurant 2020-2024 (in IDR)					
Description	2020	2021	2022	2023	2024
Net Sales Revenue*	1.944.000.000	2.041.200.000	2.500.470.000	2.625.490.000	3.150.560.000
Cost of Good Sold (food raw materials): 50% of sales	972.000.000	1.020.600.000	1.250.235.000	1.312.745.000	1.575.280.000
Gross Profit	972.000.000	1.020.600.000	1.250.235.000	1.312.745.000	1.575.280.000
Operating Expenses:					
Rent payment	60.000.000	65.000.000	70.000.000	75.000.000	80.000.000
Gasoline ect.	57.600.000	60.480.000	63.504.000	66.679.200	70.013.160
Salaries	432.000.000	432.000.000	496.800.000	496.800.000	571.320.000
Utilities	48.000.000	50.400.000	52.920.000	55.566.000	58.344.300
Promotion	6.000.000	6.300.000	6.615.000	6.945.750	7.293.038
Security & Cleaning Services	72.000.000	72.000.000	82.800.000	82.800.000	95.220.000
Miscellaneous	24.000.000	25.200.000	26.460.000	27.783.300	29.712.150
Depreciation	45.000.000	45.000.000	45.000.000	45.000.000	45.000.000
Total	744.600.000	756.380.000	844.099.000	856.574.250	956.902.648
Operating Expenses					
Projected Profit	227.400.000	264.220.000	406.136.000	456.170.750	618.377.352

\*Net sales Revenue excludes restaurant tax (paid by consumers added in price charged)

**Salamin & Hermawan**  
Financial Planning Model for Establishing a New Business

Cash Budget

**Table 5** Cash Budget

Cash Budget Blue Ocean Restaurant 2020 – 2024					
Description	2020	2021	2022	2023	2024
Cash Receipt:					
Cash Sales	1.944.000.000	2.041.200.000	2.500.470.000	2.625.490.000	3.150.560.000
Cash Disbursement:					
Purchases of raw material	972.000.000	1.020.600.000	1.250.235.000	1.312.745.000	1.575.280.000
Rent payment	60.000.000	65.000.000	70.000.000	75.000.000	80.000.000
Gasoline ect.	57.600.000	60.480.000	63.504.000	66.679.200	70.013.160
Salaries	432.000.000	432.000.000	496.800.000	496.800.000	571.320.000
Utilities	48.000.000	50.400.000	52.920.000	55.566.000	58.344.300
Promotion	6.000.000	6.300.000	6.615.000	6.945.750	7.293.038
Security & Cleaning Services	72.000.000	72.000.000	82.800.000	82.800.000	95.220.000
Miscellaneous	24.000.000	25.200.000	26.460.000	27.783.300	29.712.150
Purchases of Fixed Assets	225.000.000	-	-	-	-
Total Cash Disbursement	1.896.600.000	1.731.980.000	2.049.334.000	2.124.319.250	2.487.182.648
Surplus/Deficit	47.400.000	309.220.000	451.136.000	501.170.750	663.377.352
Beginning Cash Balance	309.496.000	356.896.000	666.116.000	1.117.252.000	1.618.422.750
Projected Final Cash Balance	356.896.000	666.116.000	1.117.252.000	1.618.422.750	2.281.800.102

Here, timing of cash receipts and cash disbursement on annually basis. But it is better for entrepreneurs to construct it on daily, weekly or monthly basis. As shown in the next table (cash budget), amount of final cash balance in the 1st year is IDR 356.566.000, and it increases to IDR 2.281.470.102 in 2024; never cash be deficit. It means that this business be able to finance all its operatinal activities. The Cash budget for Blue Ocean restaurant is shown in the table 5.

Pro Forma Balance Sheet

The pro forma balance sheet provides a firm a sense of how its activities will affect its ability to meet its short-term liabilities and how its finances will evolve over time. It can also quickly show how much of a firm's money will tied up in accounts receivable, inventory, and equipment. The pro forma balance sheet is also used to project the overall soundness of a company. The pro forma balance sheet of Blue Ocean restaurant is shown in the table 6.

Total owner's projected accumulated equity would increase from IDR 536.8966.000 in 2020 to IDR 2.281.800.102 in 2024, with average growth of 44% per year. This means that the owner of this business will be wealthier by 44% each year.



**Salamin & Hermawan**  
Financial Planning Model for Establishing a New Business

**Table 6** Pro Forma Final Balance Sheet

Pro Forma Final Balance Sheet Blue Ocean Restaurant 2020 – 2024					
Description	31-12-2020	31-12-2021	31-12-2022	31-12-2023	31-12-2-24
<b>Assets:</b>					
Cash (Current Assets)	356.896.00 0	666.116.00 0	1.117.252.00 0	1.618.422.75 0	2.281.800.10 2
Fixed Assets:	225.000.00 0	225.000.00 0	225.000.000	225.000.000	225.000.000
Depreciation Acc.	45.000.000	90.000.000	135.000.000	180.000.000	225.000.000
	180.000.00 0	135.000.00 0	90.000.000	45.000.000	0
<b>Total Activa</b>	<b>536.896.00 0</b>	<b>801.116.00 0</b>	<b>1.207.252.00 0</b>	<b>1.663.422.75 0</b>	<b>2.281.800.10 2</b>
<b>Liabilitas :</b>					
Start-up Capital	309.496.00 0	309.496.00 0	309.496.000	309.496.000	309.496.000
Projected Profit 2020	227.400.00 0	227.400.00 0	227.400.000	227.400.000	227.400.000
Projected Profit 2021		264.220.00 0	264.220.000	264.220.000	264.220.000
Projected Profit 2022			406.136.000	406.136.000	406.136.000
Projected Profit 2023				456.170.750	456.170.750
Projected Profit 2024					618.377.352
Total Projected Profit	227.400.00 0	491.620.00 0	897.756.000	1.353.926.75 0	1.972.304.10 2
<b>Total Owner's Equity/Liabilities</b>	<b>536.896.00 0</b>	<b>801.116.00 0</b>	<b>1.207.252.00 0</b>	<b>1.663.422.75 0</b>	<b>2.281.800.10 2</b>

## Conclusion

Financial planning is started with determining the needs and sources of capital, beginning balance sheet, sales projection (included cost and price), proforma income statement, cash budget, and finally pro forma final balance sheet. Financial plan giving the owner a clear view of how much capital needed to launch this new business, what financial condition (profit, cash, and assets) during its operation. Blue Ocean restaurant needs IDR 309.49.000, either for investing in fixed assets and working capital. Its profit growth is about 29.4% per year; and final cash balance every year is always surplus, never be deficit, except the condition is changing. Furthermore its owner's equity is projected to grow by 44% per year in average.

However, it is suggested that the owner should be disciplined in applying this financial plan, there must be a clear separation between private owner's bank account with the

business' bank account, as well as paying attention to the changing of various factors that may affect the financial has been planned; it is important to renew this plan according to the changing of the business environments.

## References

- Anggraeni, G., Lin, C., & Azizah, S. (2019). Using SWOT and AHP to Evaluate the key Factors on Management of Indonesian Restaurant. *Jurnal Ilmu-Ilmu Peternakan*, 29(2), 167-177. <https://doi.org/10.21776/ub.jiip.2019.029.02.08>
- Barringer, B. R., & Ireland, R. D. (2012). *Entrepreneurship, Successfully Launching New Ventures*, Fourth Edition. Pearson Education Limited.
- Brinckmann, J., Grichnik, D., & Kapsa, D. (2010). Should Entrepreneurs Plan or Just Storm the Castle? A Meta-Analysis on Contextual Factors Impacting the Business Planning–Performance Relationship in Small Firms. *Journal Of Business Venturing*, 25(1), 24-40. <https://doi.org/10.1016/j.jbusvent.2008.10.007>
- Chen, S., DeFond, M. L., & Park, C. W. (2002). Voluntary Disclosure of Balance Sheet Information in Quarterly Earnings Announcement. *Journal of Accounting and Economics*, 33(2), 229-251. [https://doi.org/10.1016/s0165-4101\(02\)00043-5](https://doi.org/10.1016/s0165-4101(02)00043-5)
- Dastgir, M., Sajadi, H. S., & Akhgar, O. M. (2010). The Association Between Components of Income Statement, Components of Cash flow Statement and Stock Returns. *Business Intelligence Journal*, 3(1), 9-21.
- Dunn, P., & Liang, K. (2011). A Comparison Of Entrepreneurship/Small Business and Finance Professors' reaction To Selected Entrepreneurial And Small Business Financial Planning And Management Issues. *Journal of Entrepreneurship Education*, 14, 93.
- Fatoki, O. (2012). An Investigation Into the Financial Management Practices of New Micro-Enterprises in South Africa. *Journal of social sciences*, 33(2), 179-188. <https://doi.org/10.1080/09718923.2012.11893097>
- Husnan, S., & Suwarsono, M. (2014). Studi Kalayakan Proyek Bisnis, Edisi Kelima. UPP STIM YKPN
- Khan, Z. A. (2017). Profit Maximisation as an objective of a firm-A Robust Perspective. *International Journal of Research in Finance and Marketing*, 217-219.
- Mariotti, S., & Glackin, C. (2016). *Entrepreneurship, Starting and Operating a Small Business*, 4th Edition, Pearson Education, Inc.
- Miller, M. (2008). Alpha Teach Yourself, Business Plans, dalam 24 Jam. Prenada.
- Palepu, K.G., & Healy, P.M. (2008). *Business Analysis and Valuation: Using Financial Statements*, 4th ed. (Mason, OH: Cengage South-Western)
- Salamin P.P., Hermawan F., Setiawan K. (2018). Market and Financial Analysis: A Case Study On “Pndok Maranggi 17” Restaurant. *Rusian Journal of Agriculture and Socio-Economic Sciences (RJOAS)*, 5 (77), 48-53. <https://doi.org/10.18551/rjoas.2018-05.06>
- Scarborough, N. M., & Cornwall, J. R. (2016). *Essential of Entrepreneurship and Small Business Management*, Eight Edition, Pearson Education Limited
- Sutojo, S. (2000). *Seri Manajemen Bank No. 2, Pembiayaan Investasi Proyek (Capital Budgeting)*, PT Darma Mulia Pustaka
- Zimmerer, T. W., Scarborough, N. M., & Wilson, D. (2008). *Essential of Entrepreneurship and Small Business Management*, 5th edition, Pearson Education Limited