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Business Plan, Third draft

Business Project Book

Content:

1. Executive Summary	1-2
2. A few examples of prospective services	3-4
3. Several BPB challenges	5
4. Estimate of Revenues	6-9
5. Team and estimate of Costs	10
6. Supplement: Titles/Salaries	11-16
7. Business Project Book General Overview	17-21

1. Executive Summary

Business Project Book (BPB) is envisioned as business enhancement internet-based platform, i.e. online financial institution that is intermediary among traditional financial institutions (**BANKS**, building societies, credit unions, stock brokerages, asset management firms etc).

BPB may be the Media Lab – Bank of America (and any other bank that join) assisted startup that will potentially utilize smart technologies developed at Media Lab and MIT and be an attractive hiring place for its students/employees in the future.

BPB will provide an unified online service for business development/communication, including but not limited to: business projects web hosting (with template forms), data storage (time stamped electronic agreements/contracts etc), secure financial transactions in cooperation with partner financial institutions, network visualizations, search engines, track record of members' business performance under various metrics, basic legal and business consulting, templates of business forms/agreements/contracts, content and copyrights supervision.

BPB is thought of as self-organized (within its predetermined principles/rules) on-line business workplace and financial market that may grow to a large global enterprise encompassing many banks and billions of users across continents.

Hopefully, the BPB network will provide an inspiring business enhancement tool that could help to remedy the currently handicapped world economy.

BPB may utilize the project description provided by project owner, site visitors' reviews and when allowed (by project owners) project business metrics/reports (see Section 2) in order to assist users, **BANKS** and other financial institutions to devise and implement, current and future, investment and other strategies.

Backing up scheme: In case of a financial institution becoming insolvent or excluded from the **BPB** umbrella, other financial institutions will secure and back up all its financial services/contracts related to the **BPB** customers. In other words, under a mutually binding agreement, **BPB** related contracts of each financial institution under the **BPB** umbrella will be covered by all other financial institutions. Detailed terms and conditions of that agreement will be specified by the participating financial institutions. (see the General Overview section, page 17)

BPB will require some initial capital to quickly grow to its envisioned size. Some of that capital could maybe come from the bailout funding.

(Need suggestions for possible sources of funding!

Maybe apply vesting type of financial structure and have a board of directors.

Maybe include government as one of the parties, so that BPB could tap into bailout funding?)

2. A few examples of prospective services

BPB will promote business development and attract customers by offering new technologies, original concepts, reliable & self-customized services while radiating positive, future-advancing entrepreneurship on every level.

New business metrics

BPB may provide various business metrics (or scores, grades, records, reviews). This optional but recommended service may motivate careful/responsible business planning, thus providing additional level of business development security. It will assist business owners to plan their businesses well in the future, notify them who are the reliable current or future investors, service providers or other partners/clients and finally assist them to succeed with more certainty and without wasted time, money and energy. This info may be release either to entire or selected (e.g. prospective client) parts of the network.

NOTE: Business metrics are not intended to publicly communicate business details but rather to offer elementary guidance, i.e. reference points to both business owners and their clients. All publishable metrics may be updated in an automatic fashion.

Based on business status (see *standard metrics* below), business plan, and online presentation other businesses could choose to offer immediate investments, services, provide advise/recommendation or give a promise/guarantee (with some probability) to invest or provide service in the future. Thus, one could *vest in* and back up future business development. (This is more complex concept than the future markets; i.e. not to be confused with *futures*).

One could envision the following type of metrics:

- Completeness, realism, potential of business plan (it will include relative measure of what's planned and what's promised, commercial opportunity/risks, technical risks etc; e.g. business operating plan completeness will include promises for investments/services from other businesses when some specific milestone is achieved)
- Reliability of business based on the promises and fulfillments (dependent on probability weightings of the promises/guarantees, also conditioned by all involved parties)

MORE WORK NEEDED

Some standard metrics

<ul style="list-style-type: none"> -Number of project's website visits, -Average time spent per visit, -Number of owners, -Investment distribution, -Number of employees, -Salary distribution -Number of projects linked to this project (and average over some of their properties), 	<ul style="list-style-type: none"> -Type, location, duration etc of business -Size class (X<\$1million, \$1<X<\$10 million, \$10<X<\$100million etc) -Success quantifiers (numerous dimensionless graph showing time progression of planned vs. real quantities; comparison with similar businesses; similar to new business metrics, see above) -Business related legal actions and BPB advisory warning. ETC
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A few examples of new communication technologies

One could develop better communication technologies for peer to peer courier services and online group meetings (*this will help to introduce more trust to online businesses and remove some of the unnecessary long trips and energy/fuel/money waste*)

- **eface** (vs. **email**) etc (most of the current and new devices will have embedded camera etc) where brief video/audio message could be easily combined with other media file (among other textual ones like standard email); this video message could be then recorded, easily edited and then played with real or avatars face

- **emeeting** develop software for meetings where real participant's activity (voice/gesture) is directly correlated with his representation on the screens of other participants (different participant could have different views depending on their engagement with other participants); e.g. when someone is talking his/her window will grow in size etc.

- use **better visual representations** of the **BPB** network (e.g. email) messages / blogs / business documentation database (sexy spatial clustering depending on various chosen metrics)

- develop new **security features** so that customers feel more comfortable

and many other services...

Examples of search/matching services

- real estate (selling, buying, mortgage etc)
 - business loans, lending etc
 - service providers
 - product providers
 - marketing,
 - various financial instruments
 - business partnering
 - search/matching based on above mentioned business metrics
- Etc

3. Several BPB challenges

-Most of the startup business projects, with owners without substantial past record (probably around 95% in this class) will result in numerous unsuccessful project websites clogging the system (estimate is that 80% of all websites will be of that kind). However good **BPB** visualization, metrics, transparency etc. may boost business literacy, introduce reasonable planning and eventually reduce that number.

-Every electronic system is subject to security breaches. It will be very challenging to provide system that has many-sigma security level. It will be wise to carefully design security architecture to provide necessary protection from hacking attacks, fraudulent transactions, identity thefts etc. thus provide trust to customers and partner institutions.

-**BPB** network, as originally envisioned, assumes to spread across globe (growing organically from US). It will be challenging to harmonize laws from different countries to fit the **BPB** regulations and define status of primary online projects.

-For various reasons business project may decide to work with banks outside the **BPB** network. Customers will feel less secure in dealing with banks outside the network because those transactions won't be secured as the **BPB** backed ones (see backing up scheme in the *General Overview* section).

-It will be challenging to design appropriate guidelines and "**BPB** laws" to govern allowed website content, business activities and provide efficient monitoring system while giving a large amount of freedom (plus various multimedia tools) to project owners. One needs to observe criminal activities and other unusual events, and devise an efficient way to deal with them. Also, it will be challenging to secure that this service is neither used for other purposes, nor to impede fundamental flexibility/freedoms nor to counter-productively obstruct the natural/positive evolution of socio-business dynamics.

-Finally the biggest challenge of all is to create an attractive online service that will be simultaneously useful and fun.

4. Estimate of Revenues

BPB will financially depend on:

- Commission paid by the project owners to the **BPB** Management Board to cover the cost of computer storage, accompanying software, etc. necessitated by the project presentation. (This fee will vary depending on type of service; e.g. basic service below assumes \$10/month /project for web hosting)
- Commission from each financial transaction that involves **BPB** (e.g. 10 cents per \$100 transaction)
- Commission (e.g. 0.1 cents) paid by users for each visited site. These funds may be shared between the **BPB** Board and parties owning the project.
- Commission from the accompanying *basic* marketing services (banners etc). These funds may be shared between the **BPB** Management Board, parties owning the project and **BANK** providing trustworthy firm being marketed.

Table below illustrates estimate of “*direct*” revenues from the basic service for **BPB** and **BANKS** during the first phase (assumes \$110 transaction amount per user’s visit, see explanation below) for:

- A) Bad case scenario=50,000 users/day (annual transactions flow ~\$2.01 billions)
- B) Medium case scenario=500,000 users/day (annual transactions flow~\$20.83 billions)
- C) Good case scenario=1,000,000 users/day (annual transactions flow ~ \$40.15 billions)

NOTE: These “*direct*” revenues do not include:

- 1) Banks’ profit from transaction fees, new accounts, loans etc.
- 2) Profit from the flux from less to more trustworthy banks!!!
- 3) Profit from *utilizing allowed information to stimulate new financial activities.*
- 4) Profit from the *advanced* marketing services
- 5) Profit from other services (e.g. matching various business, etc)

BASIC SERVICE assumes:

- 1) \$10/month /project for web hosting
- 2) 10 cents per \$100 transaction
- 3) 0.1 cent per each site visited
- 4) marketing CMP \$10, i.e. cost per impression is \$10 /1000 views

A)

Assuming **bad case scenario**

Assumptions =

50,000 users /day,

10,000 projects,

10 visited sites /day /user,

3 adds /site, and

\$110 transaction amount /user /day (this assumption is made on assumptions that 1/5, i.e. 2000 of businesses are serious businesses and that money flow for each of those businesses is roughly \$1 million annually)

Total per category:

1) web hosting

\$10/month times 10,000 = \$100K/month

2) financial transaction

50,000 users times \$110/day times 1/1000 = \$5.5K/day = \$165K/month

3) internet traffic

50,000 users times 10 pages/day times 0.1 cent = \$0.5K/day = \$15K/month

4) marketing

3 adds/site times 50,000 users times 10 pages/day times \$10/1000 = \$15K/day = \$450K/month

Total Basic Service (**bad case scenario**) ~ \$730K /month or **\$8.76 millions /year**

NOTE: If internet traffic is shared equally between project owners and **BPB**, and marketing services are shared in ratio 10/50/40 for project owners/ **BPB** /**BANKS** this suggests estimate:

3) \$7.5K/month for project sites (or average \$0.75 /month /site), \$7.5K/month for **BPB**

4) \$45K/month for project sites (or average \$4.5 /month /site), \$225K/month for **BPB**, \$180K/month for **BANKS**

Total Basic Service per institution (bad case scenario) ~

\$52.5K/month = **\$630K /year** for project sites (in average \$63 /year /site)

\$497.5K/month = **\$5,970K /year** for **BPB (to vesting entities)**

\$180K/month = **\$2,160K /year** for **BANKS (directly from marketing)**

B)

Assuming *medium case scenario*

Assumptions =

500,000 users /day,

100,000 projects,

10 visited sites /day /user, 3 adds /site, and

\$110 transaction amount /user /day (this assumption is made on assumptions that 1/5, i.e. 20,000 of businesses are serious businesses and that money flow for each of those businesses is roughly \$1 million annually)

Total per category:

1) web hosting

\$10/month times 100,000 = \$1,000K/month

2) financial transaction

500,000 users times \$110/day times 1/1000 = \$55K/day = \$1,650K/month

3) internet traffic

500,000 users times 10 pages/day times 0.1 cent = \$5K/day = \$150K/month

4) marketing

3 adds/site times 500,000 users times 10 pages/day times \$10/1000 = \$150K/day = \$4,500K/month

Total Basic Service (*medium case scenario*) ~ \$7,300K /month or **\$87.60 millions /year**

NOTE: If internet traffic is shared equally between project owners and **BPB**, and marketing services are shared in ratio 10/50/40 for project owners/ **BPB** /**BANKS** this gives:

3) \$75K/month for project sites (or average \$0.75 /month /site), \$75K/month for **BPB**

4) \$450K/month for project sites (or average \$4.5 /month /site), \$2,250K/month for **BPB, \$1,800K/month for **BANKS****

Total Basic Service per institution (*medium case scenario*) ~

\$525K/month = **\$6,300K /year** for project sites (in average \$63 /year /site)

\$4,975K/month = **\$59,700K /year** for **BPB (to vesting entities)**

\$1,800K/month = **\$21,600K /year** for **BANKS (directly from marketing)**

C)

Assuming *good case scenario*

Assumptions =

1,000,000 users /day,

200,000 projects,

10 visited sites /day /user, 3 adds /site, and

\$110 transaction amount /user /day (this assumption is made on assumptions that 1/5, i.e. 200,000 of businesses are serious businesses and that money flow for each of those businesses is roughly \$1 million annually)

Total per category:

1) web hosting

\$10/month times 100,000 = \$1,000K/month

2) financial transaction

1,000,000 users times \$110/day times 1/1000 = \$110K/day = \$3,300K/month

3) internet traffic

1,000,000 users times 10 pages/day times 0.1 cent = \$10K/day = \$300K/month

4) marketing

3 adds/site times 1,000,000 users times 10 pages/day times \$10/1000 = \$300K/day = \$9,000K/month

Total Basic Service (*good case scenario*) ~ \$13,600K /month or **\$163.20 millions /year**

NOTE: If internet traffic is shared equally between project owners and **BPB**, and marketing services are shared in ratio 10/50/40 for project owners/ **BPB** /**BANKS** this gives:

3) \$150K/month for project sites (or average \$0.75 /month /site), \$150K/month for **BPB**

4) \$900K/month for project sites (or average \$4.5 /month /site), \$4,500K/month for **BPB**, \$3,600K/month for **BANKS**

Total Basic Service per institution (*good case scenario*) ~

\$1,050K/month = **\$12,600K /year** for project sites (in average \$63 /year /site)

\$8,950K/month = **\$107,400K /year** for **BPB (to vesting entities)**

\$3,600K/month = **\$43,200K /year** for **BANKS (directly from marketing)**

5. Team and estimate of costs

Team (42 employees)

1 Chief Executive Officer (\$1,383,747)

1 Secretary to Chief Executive Officer (\$105,548)

1 Chief Association Executive (\$241,126)

1 Human Resources Director (Non-Autonomous) (\$204,174)

1 Accounting Clerk I (\$51,283)

1 Business Systems Executive (Banking) (\$267,708)

1 Banking Operations Department Manager II (\$90,038)

1 Associate General Counsel (\$346,670)

1 Attorney III (\$243,832)

1 eCommerce Strategy Manager (\$175,216)

1 Technology Research Manager (\$191,138)

1 Chief Information Security Officer (\$261,249)

2 Web Designer (2 times \$101,550 = \$203,100)

2 Graphical User Interface (GUI) Programmer II (2 times \$116,608 = \$233,216)

2 Web Software Developer, Sr. (2 times \$132,300 = \$264,600)

1 Art Director – Web (\$158,867)

1 Application Systems Architect (\$159,308)

1 Client/Server Programmer V (\$165,314)

1 Online Banking Manager (\$90,903)

1 Web Security Manager (\$168,014)

1 Website Manager (\$164,179)

1 Network Engineering Director (\$221,575)

1 Network Administrator V (\$138,093)

1 Network Security Systems Manager (\$221,575)

1 Data Warehousing Manager (\$184,424)

1 Data Modeling Analyst (\$147,665)

1 Customer Service Director (\$193,979)

1 CRM Integration Specialist (\$177,809)

10 Surfer – Web (sites' content supervision) & call in center (10 times \$74,156 = \$740,156)

Total salaries \$7,194,506 ~ \$7.2 millions

Various consulting and legal fees~\$500,000

Hardware/Software/Outsourcing services ~ \$500,000

Space and Utilities ~ \$500,000

Total \$8,700,000 annually

6. Supplement: Titles/Salaries (from salary.monster.com for Boston, MA as of November 2008)

1 Accounting Clerk I

Performs routine accounting activities such as maintenance of the general ledger, preparation of various accounting statements and financial reports and accounts payable or receivable functions. Requires a high school diploma or its equivalent with 0-2 years of experience in the field or in a related area. Has knowledge of commonly-used concepts, practices, and procedures within a particular field. Relies on instructions and pre-established guidelines to perform the functions of the job. Works under immediate supervision. Primary job functions do not typically require exercising independent judgment. Typically reports to a supervisor or manager.

Base median salary \$33,998

Total median salary \$51,283

1 Application Systems Architect

Responsible for the overall system design. Documents development requirements for database, applications, and operation system environment. Consults with end users to test and debug applications to meet client needs. Serves as expertise in all aspects of designing and application development. May conduct training to IT Staff. Requires a bachelor's degree and may be expected to have an advanced degree in area of specialty and at least 5 years of experience in the field or in a related area. Demonstrates expertise in a variety of the field's concepts, practices, and procedures. Relies on extensive experience and judgment to plan and accomplish goals. Performs a variety of complicated tasks. May provide consultation on complex projects and is considered to be the top level contributor/specialist. Typically reports to a manager or head of a unit/department.

Base median salary \$105,556

Total median salary \$159,308

1 Art Director – Web

Determines the look-and-feel of the entire site. Creates original graphics and icons for use on the site. Implements the web design parameters, style guides and visual standards. Establishes and produces graphic material for use in advertising and promotion of online services and products. Requires a bachelor's degree with at least 4 years of experience in the field. Generally manages a group of exempt and nonexempt employees. Relies on experience and judgment to plan and accomplish goals. Typically reports to a senior manager.

Base median salary \$113,640

Total median salary \$158,867

1 Associate General Counsel

Assists in protecting an organization's legal interest and maintaining its operations within the scope established by law. Provides hands-on counsel to all levels of executive staff and manages the operations of legal department. Responsible for identifying and analyzing legal issues, drafting key documents, presenting clear recommendations, and assuring legal compliance. Must be a graduate of an accredited law school with at least 10 years of experience as an attorney and admitted into the state bar. Familiar with a variety of the field's concepts, practices, and procedures. Relies on extensive experience and judgement to plan and accomplish goals. Performs a variety of complicated tasks. Leads and directs the work of others. Reports to the Top Legal Executive.

Base median salary \$225,149

Total median salary \$346,670

1 Attorney III

Prepares and examines contracts involving leases, licenses, purchases, sales, insurance, etc. Provides legal advice to an organization, prepares resolutions and forms, and participates in major legal actions. Responsible for foreseeing and protecting the company against legal risks. Must be a graduate of an accredited law school with 5-8 years of experience and admitted into the state bar. Familiar with a variety of the field's concepts, practices, and procedures. Relies on extensive experience and judgment to plan and

accomplish goals. Performs a variety of tasks. May lead and direct the work of others. A wide degree of creativity and latitude is expected.

Base median salary \$159,930

Total median salary \$243,832

1 Banking Operations Department Manager II

Manages and directs the operations department for a financial institution. Ensures efficient delivery of products and services to clients. Develops and implements policies and procedures. Requires a bachelor's degree or its equivalent with at least 8 years experience in the field or in a related area. Familiar with a variety of the field's concepts, practices, and procedures. Relies on experience and judgment to plan and accomplish goals. Performs a variety of complicated tasks. May lead and direct the work of others. Typically reports to a senior manager.

Base median salary \$61,461

Total median salary \$90,038

1 Business Systems Executive (Banking)

Oversees all aspects of an organization's business banking systems. Plans and directs cost effective solutions to business issues. Implements technological service strategies to support business and user needs. Evaluates revenue potential; may be responsible for segment P&L. Requires a bachelor's degree with at least 15 years of experience in the field. Familiar with a variety of the field's concepts, practices, and procedures. Relies on extensive experience and judgment to plan and accomplish goals. Performs a variety of tasks. Leads and directs the work of others. A wide degree of creativity and latitude is expected. Typically reports to top management.

Base median salary \$173,620

Total median salary \$267,708

1 Chief Association Executive

Plans and directs all policies, objectives, and initiatives for an association, foundation, coalition, or other similar organization. Responsible for the development, promotion, and operations of the organization. Ensures all activities support the focus of the organization. May represent the organization in the community or serve as spokesperson. May require a bachelor's degree with at least 10 years of experience in the field. Demonstrates expertise in a variety of the field's concepts, practices, and procedures. Relies on extensive experience and judgment to plan and accomplish goals. Performs a variety of tasks. Leads and directs the work of others. A wide degree of creativity and latitude is expected. May preside over board of directors/trustees.

Base median salary \$241,126

Total median salary \$331,159

1 Chief Executive Officer

Plans and directs all aspects of an organization's policies, objectives, and initiatives. Responsible for the short- and long-term profitability and growth of the company. May require a bachelor's degree with at least 15 years of experience in the field. Demonstrates expertise in a variety of the field's concepts, practices, and procedures. Relies on extensive experience and judgment to plan and accomplish goals. Performs a variety of tasks. Leads and directs the work of others. A wide degree of creativity and latitude is expected. May preside over board of directors.

Base median salary \$714,171

Total median salary \$1,383,747

1 Chief Information Security Officer

Responsible for determining enterprise information security standards. Develops and implements information security standards and procedures. Ensures that all information systems are functional and secure. Requires a bachelor's degree with at least 12 years of experience in the field. Familiar with a variety of the field's concepts, practices, and procedures. Relies on extensive experience and judgment to plan and accomplish goals. Performs a variety of tasks. Leads and directs the work of others. A wide degree of creativity and latitude is expected. Typically reports to top management.

Base median salary \$172,775

Total median salary \$261,249

1 Client/Server Programmer V

Reviews, analyzes, and modifies programming systems including encoding, testing, debugging and installing to support an organization's client/server software applications. Requires a bachelor's degree in area of specialty and at least 8-10 years of experience in the field or in a related area. Demonstrates expertise in a variety of the field's concepts, practices, and procedures. Relies on extensive experience and judgment to plan and accomplish goals. Performs a variety of tasks. May provide consultation on complex projects and is considered to be the top level contributor/specialist. A wide degree of creativity and latitude is expected. Typically reports to a manager or head of a unit/department.

Base median salary \$118,957

Total median salary \$165,314

1 CRM Integration Specialist

Responsible for Customer Relationship Management (CRM) system integration. Ensures all functions of CRM system effectively work with all other applications and operating systems. Requires a bachelor's degree in area of specialty and at least 7 years of experience in the field or in a related area. Familiar with a variety of the field's concepts, practices, and procedures. Relies on extensive experience and judgment to plan and accomplish goals. Performs a variety of tasks. Leads and directs the work of others. A wide degree of creativity and latitude is expected. Typically reports to a manager or head of a unit/department.

Base median salary \$120,427

Total median salary \$177,809

1 Customer Service Director

Directs and oversees all aspects of an organization's customer service policies, objectives, and initiatives. Develops and establishes procedures and policies governing customer correspondence and the handling of customer complaints. Requires a bachelor's degree with at least 10 years of experience in the field. Familiar with a variety of the field's concepts, practices, and procedures. Relies on extensive experience and judgment to plan and accomplish goals. Performs a variety of tasks. Leads and directs the work of others. A wide degree of creativity and latitude is expected. Typically reports to top management.

Base median salary \$130,975

Total median salary \$193,979

1 Data Modeling Analyst

Develops data models to meet the needs of the organization's information systems. Manages the flow of information between departments through the use of relational databases. Maintains data integrity by working to eliminate redundancy. Stays informed of the ways the organization uses its data. May require a bachelor's degree in a related area and at least 5 years of experience in the field or in a related area. Familiar with concepts, practices, and procedures within a particular field. Relies on experience and judgment to plan and accomplish goals. Performs a variety of tasks. A wide degree of creativity and latitude is required. May lead and direct the work of others. Typically reports to a manager.

Base median salary \$103,505

Total median salary \$147,665

1 Data Warehousing Manager

Develops and implements information management strategies. Coordinates and manages information management solutions. Scopes, plan, and prioritizes multiple projects. Manages all aspects of the warehouses such as data sourcing, migration, quality, design, and implementation. Requires a bachelor's degree with at least 7 years of experience in data warehouse design and development experience. Generally manages a team of exempt and nonexempt employees. Relies on experience and judgment to plan and accomplish goals. Typically reports to senior management.

Base median salary \$124,235

Total median salary \$184,424

1 eCommerce Strategy Manager

Identifies and designs an organization's strategic and long-range e-commerce goals. Aids in the development of an Internet/extranet strategy and helps to coordinate effort across all IT functions to support company's business strategy. Provides insight on e-commerce business to top management for inclusion in overall business plan. Requires a bachelor's degree in area of specialty and at least 7 years of experience in the field or in a related area. Familiar with a variety of the field's concepts, practices, and procedures. Relies on extensive experience and judgment to plan and accomplish goals. Performs a variety of tasks. Leads and directs the work of others. A wide degree of creativity and latitude is expected. Typically reports to a manager or head of a unit/department.

Base median salary \$116,319

Total median salary \$175,216

2 Graphical User Interface (GUI) Programmer II

Designs and develops business applications using a number of visual components. May participate in the testing and enhancing of components. May require a bachelor's degree in a related area and 2-5 years of experience in the field or in a related area. Has knowledge of standard concepts, practices, and procedures within a particular field (i.e., C, C++ language programming, XMotif programming interfaces and GUI API packages). Relies on limited experience and judgment to plan and accomplish goals. Performs a variety of tasks. Works under general supervision; typically reports to a project leader or manager. A certain degree of creativity and latitude is required.

Base median salary \$82,394

Total median salary \$116,608

1 Human Resources Director (Non-Autonomous)

Plans, directs and carries out policies relating to all phases of personnel activity. Recruits, interviews, and selects employees to fill vacant positions. Plans and conducts new employee orientation to foster positive attitude toward company goals. Keeps record of insurance coverage, pension plan, and personnel transactions, such as hires, promotions, transfers, and terminations. Investigates accidents and prepares reports for insurance carrier. Conducts wage survey within labor market to determine competitive wage rate. Prepares budget of personnel operations. May be responsible for evaluating and suggesting new benefit or compensation structures or changes to existing plans. Requires a bachelor's degree with at least 7-10 years experience in Human Resources. Generally manages a group of human resources professionals. Relies on experience and judgment to plan and accomplish goals. Typically reports to a Top Human Resources Executive.

Base median salary \$133,439

Total median salary \$204,174

1 Network Administrator V

Sets up, configures, and supports internal and/or external networks. Develops and maintains all systems, applications, security, and network configurations. Troubleshoots network performance issues and creates and maintains a disaster recovery plan. Recommends upgrades, patches, and new applications and equipment. Provides technical support and guidance to users. May require a bachelor's degree in area of specialty and 8-10 years of experience in the field or in a related area. Familiar with a variety of the field's concepts, practices, and procedures. Relies on extensive experience and judgment to plan and accomplish goals. Performs a variety of tasks. May provide consultation on complex projects and is considered to be the top level contributor/specialist. Typically reports to a manager or head of a unit/department.

Base median salary \$98,093

Total median salary \$138,093

1 Network Engineering Director

Responsible for all aspects (software and hardware) of organization's network systems. Recommends, implements, and maintains network architectures (LAN and WAN). Requires a bachelor's degree with at least 8-10 years of experience in the field. Familiar with a variety of the field's concepts, practices, and procedures. Relies on extensive experience and judgment to plan and accomplish goals. Performs a variety of tasks. Leads and directs the work of others. A wide degree of creativity and latitude is expected. Typically reports to top management.

Base median salary \$140,641

Total median salary \$221,575

1 Network Security Systems Manager

Manages all network security systems for LAN/WAN, telecommunications, and voice systems. Leads network security administration staff. Requires a bachelor's degree with at least 5 years of experience in the field. Familiar with a variety of the field's concepts, practices, and procedures. Relies on extensive experience and judgment to plan and accomplish goals. Performs a variety of tasks. Leads and directs the work of others. A wide degree of creativity and latitude is expected. Typically reports to a manager or head of a unit/department.

Base median salary \$140,641

Total median salary \$221,575

1 Online Banking Manager

Oversees electronic banking activities. Develops policies and procedures for electronic banking processes in order to ensure compliance with established standards and regulations. Responsible for the bank's electronic and cash management-based products and services. Requires a bachelor's degree with at least 4 years of experience in the field. Familiar with a variety of the field's concepts, practices, and procedures. Relies on experience and judgment to plan and accomplish goals. Performs a variety of tasks. Leads and directs the work of others. A wide degree of creativity and latitude is expected. Typically reports to a head of a unit/department.

Base median salary \$62,423

Total median salary \$90,903

1 Secretary to Chief Executive Officer

Relieves Chief Executive Officer of administrative functions in order to increase the time CEO has available for executive level responsibilities. Handles a wide variety of complex and confidential situations and resolves conflicts involving the clerical and administrative function of the office. Responsible for confidential and time sensitive material. Prepares routine and advanced correspondence including letters, memoranda, and reports. Calls on one or more lower level secretaries for assistance on a per project basis. Requires an associate's degree or its equivalent with at least 4 years of experience in the field or in a related area. Familiar with a variety of the field's concepts, practices, and procedures. Relies on experience and judgment to plan and accomplish goals. A wide degree of creativity and latitude is expected. May direct and lead the work of others. Typically reports to the CEO.

Base median salary \$73,544

Total median salary \$105,548

10 Surfer – Web (sites' content supervision)

Visits multiple websites to gather information. Reviews and catalogues websites according to established guidelines. Requires a high school diploma with 0-2 years of experience in the field or in a related area. Has knowledge of commonly-used concepts, practices, and procedures within a particular field. Relies on instructions and pre-established guidelines to perform the functions of the job. Works under immediate supervision. Primary job functions do not typically require exercising independent judgment. Typically reports to a manager.

Base median salary \$47,805

Total median salary \$74,156

1 Technology Research Manager

Evaluates emerging trends in the information technology field and their worth to the organization. Educates staff on the use of new technology; ensures products and solutions are applied in a manner that maximizes usefulness. Requires a bachelor's degree in area of specialty and at least 7 years of experience in the field or in a related area. Familiar with a variety of the field's concepts, practices, and procedures. Relies on extensive experience and judgment to plan and accomplish goals. Performs a variety of tasks. Leads and directs the work of others. A wide degree of creativity and latitude is expected. Typically reports to a head of a unit/department.

Base median salary \$130,441

Total median salary \$191,138

2 Web Designer

Designs and constructs web pages/sites including incorporating graphic user interface (GUI) features and other techniques. Maintains and provides ongoing design of the website, promos and ad banners, seasonal content specials and custom chat launcher design for partners. May require a bachelor's degree in a related area and 2-4 years of experience in the field or in a related area. Familiar with standard concepts, practices, and procedures within a particular field. Relies on limited experience and judgment to plan and accomplish goals. Performs a variety of tasks. Works under general supervision; typically reports to a manager. A certain degree of creativity and latitude is required.

Base median salary \$70,090

Total median salary \$101,550

1 Website Manager

Responsible for development, implementation and maintenance of the organization's website. Monitors web traffic, oversees the development of web content, and maintains web server. Ensures that the site meets the business needs of the organization. Requires a bachelor's degree in area of specialty and at least 7 years of experience in the field or in a related area. Familiar with a variety of the field's concepts, practices, and procedures. Relies on extensive experience and judgment to plan and accomplish goals. Performs a variety of tasks. Leads and directs the work of others. A wide degree of creativity and latitude is expected. Typically reports to a head of a unit/department.

Base median salary \$110,364

Total median salary \$164,179

1 Web Security Manager

Responsible for designing, implementing, and maintaining security measures to support the information and data security needs of the company's Web presence. Researches and evaluates new or improved security measures to implement for Web systems' security. Requires a bachelor's degree with at least 7 years of experience in the field. Familiar with a variety of the field's concepts, practices, and procedures. Relies on extensive experience and judgment to plan and accomplish goals. Performs a variety of tasks. Leads and directs the work of others. A wide degree of creativity and latitude is expected. Typically reports to a manager or head of a unit/department.

Base median salary \$113,167

Total median salary \$168,014

2 Web Software Developer, Sr.

Consults with clients and other project team members to design, build and manage web sites. Develops installation programs for websites. May negotiate contracts/agreements with software vendors and other internet companies. May require a bachelor's degree in a related area and 3-5 years of experience in the field or in a related area. Has knowledge of a variety of concepts, practices, and procedures within a particular field (i.e., SQL, C++, HTML, CGI and JavaScript). Relies on experience and judgment to plan and accomplish goals. Performs a variety of complicated tasks. May lead and direct the work of others. Typically reports to a project leader or manager. A wide degree of creativity and latitude is expected.

Base median salary \$93,828

Total median salary \$132,300

7. Business Project Book: General Overview **(Prepared by M. B. Popovic, September 29, 2008)**

Business Project Book (BPB) is envisioned as business enhancement internet-based platform, i.e. online financial institution that is intermediary among traditional financial institutions (banks, building societies, credit unions, stock brokerages, asset management firms etc).

BPB will provide an unified on-line service for business development, including but not limited to: business projects web hosting (with template forms), data storage (time stamped electronic agreements/contracts etc), secure financial transactions in cooperation with partner financial institutions, network visualizations, search engines, track record of members' business performance under various metrics (*this needs to be specified, very important point!!!*), basic legal and business consulting, templates of business forms/agreements/contracts, content and copyrights supervision.

This business model has several characteristic features including:

- the online business project (with corresponding account with one or more of the partner financial institutions) representing the fundamental building unit of the **BPB** network (*see more below*)
- active and passive member status (*see more below*)
- global relationship with/among the partner financial institutions: a) transaction scheme (Figure 1), b) **BPB** management structure and duties, c) back up scheme (Figure 2) (*see more below*)
- (prospective) commission model with fees per visited project sites and marketing services (*see more below*)
- (prospective) public track record model defining member/project "standing" under different metrics (basic data/statistics on variables yet to be defined!!!)
- privacy implementation (*see more below*)

BPB will cooperate with one or, preferably, many partner financial institutions.

BPB may be the Media Lab – Bank of America (and any other bank that join) assisted startup that will potentially utilize smart technologies developed at Media Lab and MIT and be an attractive hiring place for its students/employees in the future.

BPB active members/parties are by definition fully identifiable members/customers of one or more partner financial institutions, i.e. individuals or organizations (for-profit, non-for-profit, government etc) in "good *BPB* standing". While special cases may apply, the general terms and conditions defining "good standing" of a given member and the principles governing member exclusion will be set forth in advance. (And some of those terms and conditions might be specified here). **BPB** active members/parties may own one or more projects involving financial transactions and therefore engage in various financial transactions among the **BPB** units.

BPB passive members/parties are either parties who are not in "good *BPB* standing" or whose primary financial institution lost that status. While special cases may apply, the

general terms and conditions defining “good standing” of a given financial institution and the principles of admittance/exclusion will be set forth in advance. (And some of those terms and conditions might be specified here, see more below) **BPB** passive members/parties can only observe **BPB** network activities, sell their **BPB** related assets or make donations to the **BPB** units (defined by the business projects).

One or more parties owning a project and its accompanying internet-based presentation may choose which other parties in the **BPB** network can have access to various segments of it. While a number of presentation templates will be provided, project owner(s) will also be allowed to self-customize their project presentation.

Project presentations will generally consist of a main project description (a textual description plus various types of media files, blog services, and links to other sites in the **BPB** network), project offerings (buying, selling, investing, lending, depositing, partnering, vesting etc not limited to financial goods) and electronic agreement/contract forms, etc.

The **BPB** project owners may choose not to publicly disclose their identities in their project presentation; however, in the case of legal action, participating financial institutions will be responsible for releasing the owners’ full identity to all involved parties including law enforcing agencies. Each project may have one or more bank accounts freely chosen by the project owners.

Each financial transaction will be electronically processed and confirmation will be sent to all the parties involved in a given financial transaction. The figures below illustrate the transfer of funds with only one financial institution involved (figure **1B**) and the transfer of funds with two and more financial institutions involved (figure **1A**).

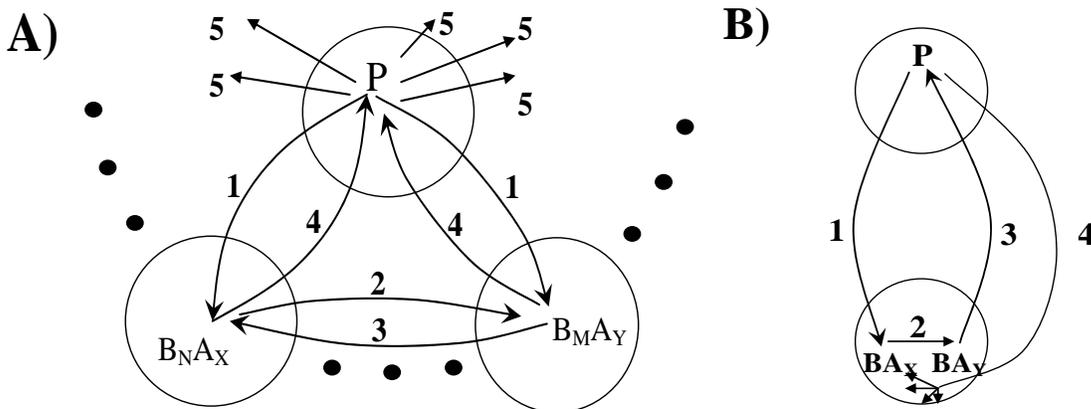


Figure 1 Financial transaction loops.

A) Multiple banks case financial transaction: 1) transaction request sent from **BPB** project P to Bank N account X and Bank M account Y, 2) funds transferred from Bank N account X to Bank M account Y, 3) confirmation receipt sent back from account Y to X, 4) confirmation receipt sent back to **BPB** project P from the accounts X and Y, 5) confirmation receipt sent from **BPB** to all parties (from various banks) owning Business Project P.

B) Single bank case financial transaction: 1) transaction request sent from **BPB** project P to bank account X, 2) funds transferred from account X to Y, 3) confirmation receipt sent back to **BPB** project P, 4) confirmation receipt sent to all parties (bank customers) owning project P.

In case **B**, funds are transferred inside a single bank. In case **A** funds may be transferred among several banks.

The **BPB** Management Board will oversee **BPB** activities. The **BPB**'s Management Board will consist of representatives from participating financial institutions as well as independent outside representatives. The **BPB** Management Board will allocate majority of earned commissions to improve **BPB** services and positively enhance the **BPB** users' business. **BPB** will offer various services, including but not limited to: the **BPB** representatives' assistance, secure data storage, software tools that provide intelligent network search, aesthetically pleasing network visualizations, financial advisors, etc.

The **BPB** Management Board will decide on the admission of new financial institutions and the exclusion of those already under its umbrella. While special cases may apply, the general terms and conditions defining "good standing" of a given financial institution and the principles of admittance/exclusion will be set forth in advance. (And some of those terms and conditions might be specified here).

In case of a financial institution becoming insolvent or excluded from the **BPB** umbrella, other financial institutions will secure and back up all its financial services/contracts related to the **BPB** customers. In other words, under a mutually binding agreement, **BPB** related contracts of each financial institution under the **BPB** umbrella will be covered by all other financial institutions. Detailed terms and conditions of that agreement will be specified by the participating financial institutions.

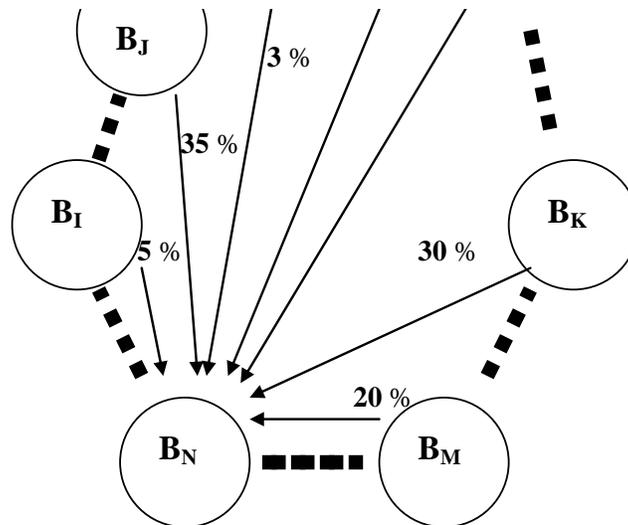


Figure 2 Backing up scheme. In case that any financial institution becomes insolvent other **BPB** financial institutions are responsible for its **BPB** related financial contracts/services/funds as specified by their mutual agreement. Simplified backing up scheme for the financial institution **B_n** is shown above.

Customers of an insolvent or excluded financial institution will be invited to either join other financial institutions in the **BPB** network or loose their active role. (This needs more work.)

BPB will financially depend on:

- Commission paid by the project owners to the **BPB** Management Board to cover the cost of computer storage, accompanying software, etc. necessitated by the project presentation. (This fee will vary depending on type of service; e.g. basic service below assumes \$10/month /project for web hosting)
- Commission from each financial transaction that involves **BPB** (e.g. 10 cents per \$100 transaction)
- Commission (e.g. 0.1 cents) paid by users for each visited site. These funds may be shared between the **BPB** Board and parties owning the project.
- Commission from the accompanying *basic* marketing services (banners etc). These funds may be shared between the **BPB** Management Board, parties owning the project and **BANK** providing trustworthy firm being marketed.

All types of financial deals, in agreement with the **BPB** laws and approved by the partner financial institution (banks) will be allowed and will be stored in the **BPB** database as legal binding documents. Templates of business agreements will be provided. The **BPB** representatives will assist the **BPB** users whenever needed.

The **BPB** Management Board will have the right to restrict some deals, restrict inappropriate content, issue advisory warnings, and take legal actions based on the activities on the **BPB** network.

BPB is thought of as self-organized (within its predetermined principles/rules) on-line business workplace and financial market that may grow to a large global enterprise encompassing many banks and billions of users across continents. Hopefully, the **BPB** network will provide an inspiring, structurally novel business enhancement tool that could help to remedy the currently handicapped world economy.

The following list presents some of the existing on-line financial services that demonstrate some of **BPB**'s rudimentary concepts, but are substantially different and/or much narrower in their scope than **BPB** envisions:

- BoA Small Business (<https://www.bankofamerica.com/smallbusiness/index.jsp>)
- Small Business Online community (<https://www.bankofamerica.com/smallbusiness/index.jsp>)
- GoBig Network (<http://www.gobignetwork.com/funding/>)
- Smarty pig (<http://www.smartypig.com/>)
- Prosper (<http://www.prosper.com/>), 850,000 members, \$178 millions funded loans
- Business.com (<http://www.business.com/>)
- Kiva loans (<http://www.kiva.org>)
- etc

The following list presents some of the existing on-line professional and social services that demonstrate some of **BPB**'s rudimentary concepts, but are substantially different and/or much narrower in their scope than **BPB** envisions:

LinkedIn (<http://www.linkedin.com>)

Face Book (<http://www.facebook.com/>)

etc