

GUIDANCE ON COMPLETING A BUSINESS PLAN

What is it for?

You. First and foremost, the plan is *your* guide as to how *your* business is to run and grow.

Contrary to popular myth, you don't need to write 'special plans' for funding or to pitch to potential customers; you can adjust your existing plan to address their specific interest using relevant appendices (outlined further on).

Your business plan shouldn't be selling your idea; nor should it be awarded a Pulitzer prize for creative fiction.

The value of a plan doesn't lie on the written content, but in the research and thought behind it.

Do I have to fill in all of the boxes?

No. See above.

This isn't a piece of homework to be marked on a scale of 1 – 10. Nor will you be graded on your linguistic ability (unless your business requires that!)

If a particular section isn't relevant, then simply leave it.

If something is yet to be decided, then write 'yet to be decided'.

Obviously if it's critical to your business, then it's probably best to decide it before you set out.

SECTIONS

Don't be limited by our layout. Feel free to adapt it to work for you

Mission statement: If you must, but avoid tuning it into a buzzword salad.

Executive summary: A fancy term for 'overview'. Just a brief synopsis of the plan content

About the business: A little about the product/service, the thought behind it and the people.

Also, potentially what need you identified or skills you have that brought this idea out.

Keep it concise & relevant! As a rule, if your product description is more than a sentence, you've probably missed the point. Similarly, your school or hobbies are unlikely to be of interest unless directly linked to the business.

Use appendices for more depth.

Marketing plan: In most cases, a solid marketing plan has the potential make the business

Marketing itself is so much more than placing ads on Facebook or attending exhibitions. A good starting point might be:

Identify who your customer is. In precise detail. Think about their habits, their hang outs, their needs. If you get this right, the rest will be far easier.

Do research. It might be polls done by you, or quality paid-for research by a professional organisation.

Avoid the temptation to go for the answers you want.

It doesn't matter how much you or I love your product – what do your target customers feel about it?

Set a realistic price point – one which customers are prepared to pay, but where you can make money. Sounds obvious but needs thinking through.

Plan your promotion. Promotion is what most people think of when the word 'marketing' is used.

It's about where you place yourself, what language you use and what triggers you set to engage your target audience.

Which is why it's so much easier to know who your audience is first.

Competitor analysis. We all have competition, both direct and indirect.

Direct competition is those offering a directly comparable product or service to a similar target audience, whereas indirect is someone taking a slice of the same budget with a different product.

An everyday example might be the choice between a pizza or a sandwich.

Avoid the temptation to kid yourself that there is no competition, or that you are better at everything – we all have strengths & weaknesses.

Operational plan. The nuts and bolts of running your business.

Do you need staff? Do they need specialist skills?

Do you need premises? What type/size? Is location important?

Do you need a strong supply chain? What have you done about it?

What external resources do you need?

SWOT. Analysis of strengths, weaknesses, opportunities & threats.

Strengths & weaknesses are internal, whilst opportunities and threats are external factors.

The temptation is strong to big up your strengths & opportunities whilst minimising threats and weaknesses.

Recognising / mitigating / adapting to weakness and strengths shows business acumen.

Financials An overview of your business finances

This must be done in conjunction with profit & loss and cashflow projection.

The value in projections lies not in the numbers you put in boxes, but in the thought and research behind those numbers.

If there are holes in your cashflow you need to consider how they will be filled.

You might use this section to consider accounting resource and credit control. Alternatively that could come in the operational plan.

Appendices. This is where you can add depth and detail and tailor your plan to an audience.

Common appendices might include:

Projections.

CVs of key people.

Technical specifications.

Menus / floor plans.

If there are several appendices then an index is useful.