

## Business Plan

Business Name - Type your information in the areas shaded in gray. When completed, delete text provided in this outline.

You may want to enter a picture or graphic

Address

Date

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## Table of Contents

Section I: Executive Summary Page

Section II: Management Page

Section III: Marketing Page

Section IV: Money Page

Section V: Milestones & Measures Page

Section VI: Appendix Page

## **Section I: Executive Summary**

*The Executive Summary comes first, but can be written last, after the Human Resources, Operations, Marketing, Finance and Strategic Planning & Management sections are completed.*

### **A. Company Overview**

1. *Company Name*
2. *Location (benefits, limitations, zoning)*
3. *Legal Structure & When Formed*
4. *Type (service, retail, manufacturing, construction)*
5. *Size (sales, # of employees, sq. ft.)*
6. *History Highlights*
7. *Mission – Why you exist (values)*
8. *Vision – Where you want to go (nonspecific, directional, motivational)*
9. *Important company features (customers, employees, other Stakeholders value)*

### **B. Nature of the Business**

1. *What product/service you sell?*
2. *For what need/problem/opportunity? (Benefit to buyer?)*
3. *For what market area and target audience (market potential)*
4. *What are the alternatives to your product/service? (competitive advantage)*

### **C. Key Characteristics of the Industry**

*Brief Summary of the Size of the Industry, Types of Businesses, History, Trends, Critical Issues and Your Business “Fit” in the Industry.*

### **D. Brief Financial Highlights**

Sales Forecast, Breakeven Point, Financing if needed – how much & for what/when payback

### **E. Strategic Management**

1. *How you are addressing internal strengths and weaknesses & external opportunities and threats?*
2. *Summary of short range & long range goals.*
3. *Key measurable “drivers” that impact your costs, revenue and business goals? (ratios such as # of clients per year, # of projects per year, average \$ per client, return on investment, # of employees per \$, inventory turns, product rejection rate, quality, capacity, cost of lead/sale, etc.)*

### **F. Compelling, Market-Driven Reason Why This Business Will Succeed Your Identity - 30 Second "Commercial" (elevator statement - Benefits to the customer)**

## **Section II: Management**

### **Human Resources**

#### **A. Owner, Manager/s**

(experience and key skills – skill level)

#### **B. Employees**

HR Policies & Procedures (Job analysis and job descriptions, hiring strategy, compensation, performance evaluation process, employee training, retention, motivation)

#### **C. Consultants & Advisors**

(Attorney, Accountant, Insurance Agent, etc.)

#### **D. Organizational Structure/Communications**

(job descriptions - who does what and reports to whom?)

#### **E. Individual & Organizational Development**

As the business owner, how will you prepare for ongoing continuous improvement for yourself and others throughout the organization?

#### **F. Management Strategies**

How will you make the most of the people involved with your business? What can you delegate or outsource? What help and support do you need? How would you describe your organizational culture?)

### **Operations**

#### **A. Location & Equipment**

Where is the business located & conducted? (why: features? any zoning issues?) What equipment and inventory items are required to start and run your business? What do you currently own? what will you lease? What will you purchase?

#### **B. Hours of Operation**

When does your business operate? (regular business hours, seasonal/special events)

#### **C. How do you Design, Source, Purchase, Produce and Distribute?**

New Product Development/Sourcing, Production & Inventory Procedures/Sales & Distribution/Quality

Section II: Management (continued)

**D. Data Management**

How do you manage data (entry, processing, back-up, contacts, correspondence, bookkeeping, other files)?

**E. Intellectual Property**

How do you protect designs, copyrights and other intellectual property?

**F. Risk Management**

How do you manage risk? (prevent & protect)

- Financial, Liability, Environmental and Safety, Security, Record
- Retention & Security of data – company, employee, customer, supplier
- Political Risks, Legal Risks, Loss, Decline/Growth, Other

**G. Insurance**

What have you learned from an insurance broker about costs/types of insurance you need?

**H. Taxes**

Which local, state and federal regulations and taxes apply to your business?

**I. Licenses & Permits**

What permits and licenses have you determined apply to your business?

**J. Business Cycles**

What do you know about your business cycles? (Production, Delivery, Sales, Inventory, Financials)

**K. Operational Strategies**

How will you make the most of you location, purchasing & production processes?

### **Section III: Marketing**

*This information can be taken from your Marketing Plan Developed from the Marketing Plan Template.*

#### **A. Business, Industry & Situation Overview**

General description of the business.

#### **C. Target Market & Trade Area**

Who is your target market (who & where)?

#### **D. Products/Services**

Product/Service - What need/problem/opportunity?

#### **E. Competitive Advantage**

What is your competitive advantage/positioning?

#### **F. Marketing Strategies**

What are your overall marketing strategies?

#### **G. Sales Forecasts and Assumptions**

How much money will you generate? Include a sales forecast summary and narrative on your assumptions - how you developed projected revenue.

#### **H. Measures of Success**

What are the key factors you will measure and when will you measure them? (\$/customer, number of customers/day or month, expansion of trade area, product return rate, etc.)

## **Section IV: Money**

### **A. Financial Assumptions**

1. Discuss assumptions made to arrive at financial projections – how did you determine your cost of production, pricing, dollars of sales, etc.
2. If seeking funding for your project, discuss how much money you are seeking and what that money will be used for. How will the money be repaid? Do your financial worksheets support this?
3. Discuss your Break Even Analysis.
4. If you are a Start-up, include a Start-up Costs worksheet.
5. Describe where needed fund will be obtained and what all funds will be used for. (i.e., personal contribution of 20% used to acquire equipment, loan for building, etc.)

### **B. Bookkeeping, Record-keeping, Accounting System & Process**

1. Ratio Analysis (liquidity, leverage, activity, profitability, growth)
2. Business Financing (personal savings, equity financing - risk & reward, debt financing - can you pay/debt ratio; will you pay/credit score; what if you don't pay/loan to value, other sources of financing)
3. Discuss Factors such as Character, Capacity, Capital, Collateral, Credit, Cash flow, Conditions of the industry, market & economy, Confidence/Commitment.

### **C. Financial Worksheets**

*Include Your Financial Worksheet located in the Financial Worksheet Section of this CD.*

1. Start-up or Expansion Costs Worksheet
2. Cash Flow Projections
3. Balance Sheet
4. Profit & Loss Statement
5. Personal Financial Statement
6. Break Even Analysis

## **Section V: Milestones & Measures**

### **A. Goals**

1. Where do you want to go? (vision; short & long range strategic objectives/priorities) SMART Goals – Specific Measurable Attainable Rewarding Timed
2. Tactics - How are you are going to get there? (manageable tasks & precise action plans) *“Never confuse motion with action.” – Ben Franklin*
3. Data Gathering & Analysis - Track & adjust to progress.  
How does performance compare to target measures? What are your key milestones and critical success factors? What “benchmark” information do you need for data-based decisions? Who will measure what/when? Measure what is meaningful.

*“Not everything that counts can be measured and not everything that can be counted counts.”  
– Sign hanging in Einstein’s Office at Princeton*

### **B. SCENARIO PLANNING**

1. Long View ... If/Then - Key crossroads, milestones and other factors that prompt you to continue or modify strategic directions?

### **C. AFTER THE PLAN**

1. What do you need to Keep Doing (Preserve), Stop Doing (Destroy/Let Go), Start Doing (Create/Change)?
2. Project Notebook/s, Portfolio, Customer Comments, Recognition & Awards, Mentoring, Continuing Education, Individual & Organizational Development–Time Management, Organizational Skills, Creativity, Communication...

**Section VI: Appendix**

**In appendix, attach any supporting information such as resumes, promotional materials, contracts with customers, etc.**