

General Business Plan

A general business plan is a management tool that helps you describe your business objectives, develop a plan to achieve them, and assess how well your business is performing. A business plan can be customized for start-up or expanding businesses. It can analyze the current situation facing your business and identify important factors for success. If you have a number of revenue-generating activities on your farm, we recommend that you develop a separate business plan for each one.

a) What information is required in the general business plan?

Your Advisor must prepare a written business plan to meet the program's reporting requirements. The minimum requirements for the business plan are shown below. Each section should be included unless you (the farm business) and the Advisor agree that a specific component does not apply. In that case, please include a brief explanation of why that component is not relevant.

- Executive Summary
 - Give a summary of the entire plan including an overview of goals, strategies and implementation plans.
 - Describe key competitive advantages and value proposition.
 - Include a strategy for how the product will reach the buyer/ consumer and the promotional plan to create demand within target market(s).
- Business Overview
 - Provide the following information to help the reader understand the plan:
 - Background of the current operation.
 - Business description.
 - Management description.
 - Purpose of the business plan and the critical areas to be addressed.
 - Operations / Production
 - Describe the capacity of current production including all assets of the farmland, buildings and machinery.
 - Itemize new requirements as a result of the business plan.
- Strategic Plan
 - Describe the short and long-term goals of the farm business and the strategies that will be used to meet these goals.
 - Explain in a clear statement the desired outcome of the project. This statement will serve as a measure of success or a performance indicator.
- Financial
 - Include an income statement, balance sheet, cash flow projection, anticipated capital sales, and purchases and financing schedule/needs.
 - Describe the business plan in dollars – what is the overall cost to carry out the plan?
 - Provide an analysis of the business's financial viability and return on investment.
- Industry and Market Analysis
 - Provide information on the current market conditions and status of the industry.
 - Outline the impact of economic, social or political change that could affect the commodity, or have an influence on the business within the industry.
- Action Plan and Timetable
 - Itemize the next steps to carry out the business plan. Include costs if possible (some costs may be eligible for cost share).
 - Provide details of the activities required and a timeframe to carry them out.
- Marketing
 - Provide an analysis of market trends and opportunities, a description of the target market(s), and a comparison of this business to its competitors for products and pricing.
- Supporting Documents
 - Include all documents that contain supporting information to help a reader understand the contents of the plan.

b) What information is optional in the general business plan? (to be decided with your Advisor)

You and your Advisor may decide to include additional information in the business plan. Some examples are listed below.

If you decide to include optional reporting sections, it is up to you to ensure they are included in the written report. OSCIA will not decline a written report that is missing optional reporting elements.

Regulatory Requirements

- Provide an overview of regulations/required permits that apply to the business and product being sold.
- Identify policies and procedures that may need to be developed or updated.

Risk Management

- Identify risk factors affecting the business and a plan to manage or mitigate those risks (such as production risk, marketing risk, export issues, insurance considerations).

Human Resources

- Provide an analysis of present and future needs in the area of human resources (family and/or employees).
- Assess the business's ability to attract, keep, and motivate employees.

Environment

- Provide an outline of environmental concerns, how they will be addressed, and the cost for each action.
- Describe the environmental approvals that are required for the business and when they will be obtained.