

Your Guide to Business Planning

Why Plan?

Most people write business plans to give them a basis for setting and achieving goals. Business plans have other benefits too. They:

- Help you identify where you are now, where you want to be and how you will get there – from a business and personal perspective
- Help guide your decision making
- Assist with identifying opportunities and understanding the changing needs of your target customers
- Help you identify potential problems or hurdles before you reach them.

Approach to Planning

Planning shouldn't be stressful; it should be useful. Before you start planning:

- Reflect on your business' current situation (including financial position)
- Think about what you want your business to achieve over the short, medium and long term
- Seek feedback – consider the ideas of employees, family, friends, business mentors and advisors
- View the sample business plan for inspiration.

Starting a Plan from Scratch

Let's Get Started

Click on the 'Business Plan Template' on our website and save the file to your computer.

- Start with the sections you find easiest to complete
- Delete the sections that are not relevant to your business
- Keep your plan high level – use bullet points, tables and charts
- Set time aside to plan – but don't feel pressured to write it in one sitting.

To help get you started, see below for more information about each section of a business plan.

Business Overview

Your business overview outlines:

- When and why you started the business
- Where your business is now
- What's changed since your business started
- What your business structure looks like
- Who your key people and advisors are.

Marketing Plan

Your marketing plan sets out how you'll communicate with your existing and potential customers. It will help guide decisions and assist with anticipating trends and developments in the market.

Marketing is not just about advertising. It includes your website, letters, media coverage, calling programs, loyalty programs, events and sponsorship.

Keep in mind the role your brand plays in the identity and success of your business (e.g. consistent representation of logo).

Business Environment

Understanding the short and longer term trends in your industry is essential to planning ahead. Your “SWOT” analysis identifies your business’ strengths, weaknesses, opportunities and threats. Consider:

Strengths

- Competitive advantages
- Personal attributes
- Market and industry strengths

Weaknesses

- Product liabilities and warranties
- Lack of skilled/trained staff
- Poor business systems

Opportunities

- Exporting opportunities
- New market segments
- Technological innovations

Threats

- Changing markets
- New competitors
- New/changed regulations

Operating Plan

Your operating plan outlines how your business runs.

It should contain high level information about your key staff, advisors, products and services, suppliers, customers, premises, stock, infrastructure and equipment your business couldn’t operate without.

When completing your operating plan consider how this influences your succession and business continuity plans.

Financial Analysis

The best product or service, marketing plan and operation plan are worth nothing if you can’t afford to pay the bills.

Using the templates within the business plan, develop a projected cash flow statement, profit and loss statement and balance sheet. (Ask you Accountant to help you with preparing your financial forecasts.)

These will map out exactly how you expect your business to perform and help ensure that your business does not live beyond its means.

Future Goals and Objectives

As your business and personal goals are often interlinked, it’s important to consider both when setting your goals and objectives.

Ask yourself not only where you want the business to be in the future, but also where *you* want to be.

This section will help develop an action plan detailing how you will achieve your goals in the short, medium and long term.

Next Steps

Once you've completed your plan:

- Share your plan with key employees, investors, financial advisors and your bank manager
- Refer to your plan when making decisions
- Set aside time to review your plan regularly (every 6-12 months).

Take your Existing Plan to the Next Stage

If you already have a business plan – when was the last time you review and updated it?

Your business plan is a living document and should be reviewed every 6-12 months, or when there are major changes in your business or business environment.

This section covers:

- What to consider when reviewing your plan, and
- Updating and delivering on your plan.

Things to Consider

When reviewing your business plan consider the following:

- Have your goals and objectives changed (e.g. expanding your business)?
- What has changed in your business since completing your plan (e.g. staff, equipment, product offering, focus, external factors, etc.)?
- Have your marketing activities achieved their goals?
- How are you tracking relative to your competitors and financial forecasts?

Delivering on your Plan

Update your business plan and consider how you will meet your goals and objectives in the short, medium and long term.

Take your plan to the next stage by:

- Sharing it with your employees, bank manager, accountant, etc. and seek their feedback on your ideas
- Networking and discussing your ideas with business owners at local events
- Referring to your business plan when making decisions.