



DEVELOPING YOUR BUSINESS PLAN

PREPARATION

When PREPARING your business plan there is an order to follow that will make it easier to complete your business plan because you need the information from one section to complete the next section. This is not the order in which you will present the information, but the order in which you will do the work. Follow this order:

1. Marketing Plan
2. Business Operations
3. Financial Plan
4. Business Description
5. Management
6. Executive Summary

BUSINESS PLAN OUTLINE

A good business plan gives the business owner a pathway to profit. To profit in business, you need to consider the following questions under each section of the business plan.

I. Executive Summary or Statement of Purpose - A one – two page synopsis of what will follow in the business plan covering key points.

- Who is asking for money?(brief description of company)
- What is the business structure? (S Corp., Sole Proprietorship)
- How much money is needed and for what?
- How will the funds benefit the business?
- How will the funds be repaid?

II. Business Description

- What are the existing and/or proposed products or services?
- What is the status of the business? (start-up, expansion, etc.)
- If an existing business, what is the history of the business?
- What are some future goals and objectives?
- Why will the business be successful?

III. Management – Establishment of expertise of the management team and organization that will carry out the activities described in the plan.

- Who are the people managing the business and what are their qualifications and functions?
- Is there an Advisory Board and/or consultants assisting the business?
- Is the management team qualified to take the business to the next level?



IV. Business Operation

- How are your products/services to be produced and sold?
- What steps are involved in the process?
- What sources of supplies are needed?
- What are the total facility, equipment, and personnel needs?

V. Marketing Plan

A. Industry Analysis:

- Describe your industry to include brief background, trends and prospective growth, and known factors for success.

B. Market analysis

- What are the characteristics of your target market?
- Why is your product/service unique?/what is your niche in the market?
- What are the benefits to the customers?
- What is the strategic advantage of your business?
- What about future demand for your products/services?

C. Competition

- Who is your competition and what are their strengths and weaknesses?

D. Location

- Describe the location particularly in reference to target market.
- Why did you pick this particular location?
- Renovation/construction required?

E. Marketing strategy

- How did you determine the pricing for your products/services?
- What specific advertising, promotional, networking, and sale techniques that you are/will use.
- When will these be implemented throughout the year and what is the cost of these various marketing efforts?

VI. Financial Plan

- What are your total financial needs and how will the funds be used?
- What is your start-up costs, on-going operating costs.
- What are your funding sources or financial resource mix?
- Pro-forma or projected financial documents including a Projected Statement of Cashflows, Projected Balance Sheet, and Projected Income Statement.