

# WRITING AND IMPLEMENTING YOUR BUSINESS PLAN



# WHAT IS A BUSINESS PLAN?

- **A good business plan is about:**
  - content & result oriented language
- **Your plan tells a complete story:**
  - the past & present,
  - where the business is going
  - how it is going to get there.

# YOU ARE ALREADY DOING IT

- **You're doing a majority of the activities**
- **Writing this down is where the magic occurs.**
- **It takes some work but it doesn't have to be difficult or time-consuming.**
- **A written, dynamic and communicated Plan is critical.**

# THE BASIC PHILOSOPHY OF THE PLAN!

## **Define your strategy** - requires focus

- What you're really selling
- Who wants it
- Why they want it
- Provides something different

# Control your destiny

DETERMINE WHERE YOU WANT TO GO

○ BREAK THAT DOWN INTO  
SPECIFIC, CONCRETE STEPS

- With dates
- Deadlines
- Budgets

Don't merely react to events; be proactive.

# The Basics - continued

## ■ Plan your cash.

- make a good, educated guess
- then manage your planned vs. actual cash flow.
- Growth costs money-CASH
- Profits don't necessarily mean cash

# THE BASICS - CONTINUED

## **Allocate resources realistically**

- Not just about cash flow
- It is about know-how and responsibility
- The questions are:
  - Who
  - What
  - When

# ELEMENTS OF THE PLAN

## Section One: The Business

- ✓ Executive Summary (1-2 pages)
- ✓ Description of Business (historical & present)
- ✓ Products/Services
- ✓ The Market and Industry



# Section One: The Business (Continued)

- ✓ Location(s) of Business
- ✓ The Competition
- ✓ Management & Personnel
- ✓ Capital infusion needed (source and use)
- ✓ Assumptions for financial forecasts

## **Section Two: Historical Financial Data**

- ✓ (1-3 years - income and balance sheets)

## **Section Three: Forecast Financials**

- ✓ (3-5 years – income, cash flow and balance sheet)

## Section Four: Addendums

- ✓ Contracts and Agreements
- ✓ Resumes
- ✓ Supporting Documents

**Most plans range for 10-15 pages** in length depending on the complexity of the business and uses for the Plan.

## **KEEP FOCUSED ON WHAT IS IMPORTANT:**

- **Don't continually get bogged down in day-to-day problems and forget the bigger picture.**
- **Remember to Work on not just in the Business.**

# Managing the Plan and the Business

- Should address 3-5 years.
- Have a monthly forecast for the 12 months.
- You should only be wrong once a month:
  - You will gain new insights into your business
  - Then adjust your plan accordingly
- This results in your grasp on reality getting better each and every month.

# The Benefits

- ❖ Planning creates a focus and specific and measurable targets.
- ❖ A “mountain top” view gives you the opportunity to:
  - ✓ Review your performance and the factors affecting your business
  - ✓ Be pro-active in making changes

# THE RESULTS

- Greater ability to make continual improvements, anticipate problems and understand viable solutions.
- You get sound financial information,
- Greater confidence in your decision making.



To get business plan outlines go to:

<http://wsbdc.org/services/grow/resources/business-plans/>