
Writing and Implementing Your Business Plan



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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 are 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 flowcash
 - 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

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- **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.
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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.

www.wsbdc.org



To get business plan outlines go to:
<http://www.wsbdc.org/business-plans>

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