

THE BUSINESS PLAN

The Structure of your venture plan

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What is a business plan?

A business plan is a written document that legitimises a company.

It contains the financial information that underpins a company and shows awareness of the legal and marketing issues that are relevant to the product or service.

The Structure of the business plan

- Executive summary
- Mission statement and objectives
- The management team
- The product or service
- The market
- The marketing strategy
- Operations
- Risk factors and SWOT analysis
- The financial forecasts

1. The Executive Summary

This must capture the essence of your venture/product or service and highlight the main points contained in the plan.

You may be presenting this to a bank, a client or potential financial backer so it should be concise and communicate your USP.

This will be written last.

2. Mission Statement

The mission statement describes in a few sentences why you are in or going into business.

Companies have different objectives and it is vital that teams agree on what you are trying to achieve and the values of the brand, product or service.

3. Objectives

The objectives follow on from your mission statement, and need to be SMART.

Specific

Measurable

Attainable

Relevant

Time bound

4. The Management Team

Here you will need to summarise the expertise of your team in the particular field of the business you are trying to promote.

Describe how your venture is legally organised; are you a sole trader, partnership, limited company?

5. The Product or Service

Describe the product or service you are offering and state the USP.

What makes your business so unique?

Include an image of the product/service?

6. The Market

You need to have an awareness of your competition and how your product or service will fit into the existing market-place.

You'll need to gather research and try to identify trends, the demands of the customer and what your product or service can add to the market place.

Research

1. Questionnaires for focus groups of your target audience
2. Surveys
3. Web-based research
4. Statistical research

Research

What is the size of the market that your product or service will fit into?

Is it a growing or declining market?

Is there evidence of demand?

Who are your customers?

7. The Marketing Strategy

How do you plan to promote and market your venture? Who is your target audience?

Where is the best place to advertise your product in ways where it will be seen by your target audience?

How much time and money will you devote to P&P (press and publicity).

Exactly how will you promote the business?

8. Operations

This area covers all the elements of how your venture will be organised. You need to consider:

Trading status, Equipment and Vehicles
Employment & Banking arrangements
Premises, Health and Safety
Insurances
VAT registration?

Risk Factors, Contingency Plans and SWOT analysis

You need to be mindful of whether or not your project is a low, medium or high risk project.

What is the SWOT of your project?

Strengths

Weaknesses

Opportunities

Threats

10. Financial Objectives

Here you can state the potential sales and profitability of your business.

Start up costs

Running costs and overheads

1 year cashflow forecast

Breakeven analysis?