



# The Business Plan



In business, planning ahead is extremely important, and for those of you starting out, modifying or diversifying your business – a business plan is an essential tool of the trade.

However, how do you write one and when should you start?

## Making a start

Make a point of clearing your schedule for a few hours in order to get your initial business ideas down on paper.

This is a particularly important exercise; as it is how you will ultimately sell your business to lenders, partners or potential investors.

As with anything, the first draft is always the most difficult to write – now look at what you have written and shorten it. Repeat this exercise until you can summarise your business idea in one short and clear sentence. You'll find removing flowery and unnecessary language will strip bare the description of your business, leaving only what is needed.

## Executive Summary

Now that you have a direct and clear pitch down to perfection, it's time to re-expand your vision into one fluid, structured paragraph.

This is your opportunity to explain exactly what your objectives are and just what is needed for you to achieve this. Is your plan to set up an office or unit with staff, customers, clients and suppliers? Then what do you need to fulfil this? What is your industry sector and where is your target market?

The more you know about the sector you are in, the better your chances for success! Make sure to include your business purpose, the key players, your main targets and how you can achieve what you're proposing.



## The Promoter

From here you'll need to introduce yourself and your background with particular relevance to your chosen field. Think of this section like filling in the summary of a CV: you need to be able to sell yourself as a candidate worthy of the role of being at the helm of your business.

In a business plan, it won't be enough for you to say you are qualified for this position, you need to explain who you are.

Those reading the document will want to ascertain your previous experience in the field, as well as consider how passionate you are when it comes to driving your business forward.

If you are to create and sustain a healthy business, you will need plenty of drive commitment and energy, so don't be afraid to shine a bright light on these credentials.

## The Plan

When it comes to a winning business plan, bigger is not always better. Aim for a short and clear plan that spans no more than four to six pages (even less can suffice).

By sticking this rule, you are less likely to wander off on a tangent about your business idea and how it might work. Instead, you are offering a short, concise explanation of the business and why it will work.

## Success is in the detail

A good business plan will include sections on the following topics: marketing and sales; competitive analysis; business structure; financial forecasting; and yearly goals.

Make sure you can demonstrate your understanding of your industry, trade, market place, customer base and competition. Outline the benefits and features of your pitch with a USP (unique selling point) and have confidence in all your declarations.



## Honesty is the best policy

A business plan is no place for inflated ideas and exaggerations. If you have undertaken sufficient R&D (research and development) for your plan, you will know where you stand in relation to competitors, customer potential and sales expectations.

If you are seeking investment or finance, explain why you need this and how you will use it. If your idea is something you've nurtured for years, why are you taking the plunge now? Have you had any mishaps with a previous business idea – what did you learn? There is no shame in trying and failing and the important point is that you are presenting an idea shaped by life experience.

## Slow and steady wins the race

All business plans should be easy to read. Ensure the layout is clutter free and free from typos and spelling mistakes. Get an colleague, friend or family member to review and proof-read the content for ways to tighten up your plan's wording or catch any errors.

A polished plan will stand apart from the rest, so don't scrimp on perfecting your content and tone even if that means several drafts before you are done.

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