



My Business Plan

Irrespective of whether you are applying for a bank loan to fund the start of your business, creating a Business Plan is a very important step.

In your Mission Statement you will have defined your business idea, and if you have not done this you should complete this first before going on to producing a plan. This document is a long-term projection of how your business will develop. It is essentially a map guiding how your idea will develop for you to see, and as it will specifically detail your business progression, others such as bank managers or possible other individuals becoming partners in your business will also have a clear understanding.

A plan normally focusses on up to the initial five years. However, my advice is to begin with the first twelve months for two reasons. Firstly, when you are starting up a business, a year must seem overwhelming enough, so five years would feel terrifying! Secondly, considerable changes could happen during the first year meaning it is difficult to guarantee the plan will remain the same. Therefore, you should clearly state that a review of the plan will take place after nine months in preparation for year two. This will also provide you flexibility and further opportunities.

You already made some objectives in your Mission Statement. This Exercise will take these, clarify and simplify them ensuring they are more specific. The plan will consider who your customer will be, sales, marketing and financial details. You will consider any obstacles that may arise and ways to overcome them. There will also be holes in your plan that will need filling in and as you re-draft your plan will become detailed. This, therefore, means you should not believe your first draft is the final version. It is difficult to be entirely sure as to when your plan is ready for implementation, but when you feel it is ready, ask a friend or family member to look over it. If they understand it as well as you do, you're ready to go!

You may not see the necessity of writing a formal report if you are financially funding your business yourself. My advice to you is to write it formally so that if you change your mind, the plan is there. It also is an important resource when you have your more difficult days where direction appears fruitless. That is why I have included two meditation sessions in your To-Do-List (see the Going It Alone Toolkit part of the website for this.)

The sections of your Business Plan should be: -

- 1. Executive Summary***(This is a summary of your entire business plan. Its objective is for any reader to get acquainted with the significant points of the Plan without having to read the entire document. It is also important as part of your daily routine that you need to ensure you understand what you are doing

and cover all aspects of your business objectives (see 'My To Do List For Today' in the Going It Alone Toolkit part of the website) and because you will not have time to read the entire document this section will be important for you.)

2. **Company Description** (basically what you intend the business to provide).
3. **Market Analysis** **
4. **Organization and Management** (If you are a soul trader you should consider how you will manage yourself and your time. Check out Rule For Action 16 'Be Organised' for a time plan).
5. **Services** (what are you offering? How much will it be? How do you know the product's monetary value is correct? What are the costs to set-up the business and what are these? Can you offer complimentary services to encourage interest? Are there possibilities for making people feel positive, i.e. emotional income, to draw custom to you?)
6. **Marketing and Sales** (how will you market your business? Consider free marketing strategies here also such as Facebook, Twitter, LinkedIn, advertorials in associated publications and/or local papers.
7. **Financial Projections:** (your Revenue Plan goes in here. See the resource in Going It Alone Toolkit part of the website for this.) ***
8. **Appendix:** include your CV here as it will show you are experienced/qualified in this area. This is important as being an expert in your field is extremely marketable; you are going to impress any parties supporting your business. It will also clarify for you why you are good at the service you are offering when it comes to online marketing such as a website or social media. Yes, you may have the qualifications but the skills you also have are applying these. Moreover, you do not have to have qualifications to be an expert. Think about your specific interests and what you can bring to this business. Ensure that is in your CV and detail how you are experienced in this area. Being an expert means there is less time catching up meaning you can get on with the Now. Also, you want a business venture you enjoy doing so using your experiences or qualifications allows you to do this. Take the Plan and setting up your business seriously but have fun too.

*Do this section last as you will not be able to write this part until you have understood how you intend the business to develop.

**Do this section first as you need to know whether your business will succeed in relation to the other businesses in your field/your local area.

*** This overlaps with my free resource 'Devise A Revenue Plan.' You will find it in the Going It Alone Toolkit part of the website for this.

Before you start writing, take a personal consideration as to what you want to get out of your venture. Your plan needs to have a succinct framework, but for a second consider what *You Personally Want*. For instance: -

- What would I love to have?
- Where would I love to be?
- What would I love to create?
- How much money do I want to make to ensure these wishes come true?

Once you have answered these questions, put that aside and remind yourself you are constructing your Business Plan. So, to meet these requirements ask yourself the following questions: -

- Where is there a need for my business venture?
- What can I offer others?
- What aspects of my business will people pay for?

The objective may seem a long way off. Remind yourself of other things you have done in your life that you have succeeded at. List these and place this note near your desk to remind you have succeeded in the past. So, if you can do that, you can do this.

Now decide how much you would like to earn in your first year of business. Be realistic here, you are not going to earn a million pounds sadly. State this figure in the first column of the Revenue Plan document (see the Going It Alone Toolkit part of the website for this.) Obviously, you may not reach this goal, but it will give you a guide and something to personally try to reach. This is why your amount should not be ridiculously high.

Surprisingly, most of your time preparing your Plan will be carrying out research into whether there is a market for your business within the field you are wanting to work in and/or your local area. You have already considered this in your Mission Statement, and because of this, will have initial research but this needs to be more thorough.

For instance: -

1. Where do you intend your business revenue to come from? Why is this? What makes your venture different from those other businesses in your field/locality? How would you describe your product? How is your product different from other products out there? What do you intend to charge? If it involves time, for instance a session, how long will this be? To answer or understand your business more, write your responses to these questions. Then look online – first of all visit yell.com to see how many businesses there are in your geographical area. Look at what they are selling. Is your idea any different? How much are other businesses charging for your product? If it involves a consultation, how long are they offering? How does this compare to your product? Secondly, go on Google and search for your type of business and your town district city etc. What do the search results tell you? How many listings are there? How do other companies describe their product? How does it differ from yours? What information do they provide on their website? Do they offer complimentary services? Do they use positivity, i.e. emotional income, in increasing their custom?
2. Try out other people's products or if you plan to open a shop, café or restaurant visit other venues near to you. Make notes on the prices offered; the aspects of the product or venue you like. Think outside the box, try to scrutinise it from as many different angles as possible. Can you find something unique about the item or venue that has been missed? Could this be a unique selling point for you?
3. Talk to your family and friends about your idea. Inform them about your reasoning as to why your venture (this was discussed in your Mission Statement) and your research findings. See what they think and take onboard their thoughts. After all, they know you and their insight is important, but it is your plan so you should still make your own judgments about how to progress.
4. Consider who your customer will be; if you get this part of your research wrong it will directly influence how successful you are. Who do you believe will want to purchase your product? Describe your perfect customer in several sentences. Could this definition be too specific? Are there other people who would be interested in your idea? Thinking about this further as you are now familiar with the market, list as many revenue sources as possible. Is it only individuals that will be interested in your product? Could other businesses be interested? Why is this? In what way could you help them? Could it be a two-way process, i.e. could they help you also?
5. What will you need to set-up your business? If you need premises, where will they be located? Did your online research direct a specific geographical location? Why is this? Don't forget these expenses, whilst required, are your gross income, and this will affect your net income, the amount you will make once these costs are removed. Therefore, try to be careful here not to over-spend as it could reduce your net income in the first year.

Therefore, doing your research is important and validate the requirement of these costs in your Plan. Remind yourself as you do your research; try to get the best deals on items such as office furniture, computers, IT software. It is good to be excited, it would say there is something wrong with your idea if you were not, but be careful. Have caution with liabilities, for instance rent on premises or utility bills as these ongoing debts that your Account Payable will be paying out regularly. How does this affect your service charges to intend to charge customers? If so, what will your fees be? This will confirm service charges. Detail all estimated set-up costs daily expenses and monthly debts in your report. List these separately: expenses, are regular costs once the business is setup such as paying for advertising, stationary or fuel costs to get to, for instance, getting to a client. Debts are payments for utility bills, i.e. telephone, internet, heating, water. It could also include the use of a domain. Researching these costs is important to identifying a good deal.

6. If you are hoping to get investors to financially back your plan you need to know who they are; what they would be interested in and what would discourage them to invest in your idea. Try to do as much as possible research on this and reference your findings in your document. It would also be beneficial to get this in as early on as possible. I like to compare it to a pyramid and put the most important details in first, less relevant details later. It will instigate interest from your investor as well as making it clear to you what you intend to do.

When considering your Revenue Plan, you must consider how much it will cost to set-up your business as well as the daily expenditure to keep the business running. This includes paying any employees you have, insurance, heating, publicity costs i.e. website costs and equipment. Your Plan should also project when you will make a profit, and this can be altered whenever you feel necessary. This is important to do as your main objective is to make an income for yourself. Further guidance can be found in my document 'Devise A Revenue Plan', which is available from the 'Going It Alone' part of my website.

Consider where your location will be as well as marketing arrangements and the timing of these. Consider free marketing, for instance, LinkedIn, Twitter and Facebook. Where paid-for advertising is used, consider whether it is necessary as you do not want to waste funds in promotions which may not be required. Remember it is difficult with flyers or some forms of advertising, i.e. in newspapers to determine if it has been noticed as there is a difference between people contacting you directly and them noticing your campaign. You will also need to validate the requirement for paid for promotion in your Revenue Plan. Also consider: -

- If you are selling products, will you bring in new lines during the first year?

When will you review which items/services are selling and which ones are not successful? Are you going to boost sales in one product or service as a marketing strategy? Could you bundle one product or service with another to boost sales and marketing.

- Which geographical areas are you going to promote your business in? Will that ever change?

- Could you offer a free weekly newsletter to keep customers up-to-date with complimentary offers or discounted items during specific marketing periods? Such a method is known as Emotional Income, whereby potential customers are uplifted, and this will lead to more business. Remind yourself to be a service to others in your field; this mantra is important as if you create positivity and a feeling of being valued, they will likely remain clients. Also, a regular email shows you really care about what you do, and this will have a positive effect. One reason for this is your potential customers may not know what they want, and through receiving regular emails will remind them that you are there. Learning what the customer wants will happen when you keep in touch and vice-versa as you continue your email campaign. This won't happen overnight, but as it is a free method of communicating, it is worthwhile. Make the email short as longer emails will risk the customer deleting it as they will get bored. Use eye-catching titles: for instance, if you are a travel agent promoting holiday deals use a title such as 'Glad Your Holidays Booked!' which will make the potential customer to be intrigued or puzzled and open the email. Avoid overuse of fonts and colours and be simple. You should detail all of this in your Plan.

Your company description should detail what services you are going to offer, how you are going to offer this, your target customer and what makes your business unique and different from other businesses in your field/locality.

Try to be adaptable in your plan: remember, your document will be read by many different people and you need to consider this in what you write. This begins with your frame-of-mind: when you are setting up a business you need to be adaptable to all unforeseen circumstances and you cannot be fearful of what could happen, may happen or of any risks. Ensure you pivot yourself through uncertainty and avoid over thinking negativity. This can be done through programming yourself to consider any obstacle you will face in a positive way through asking yourself how you will overcome it. Don't panic as it will be blown out of proportion and you won't find a solution. This is a skill central to writing your plan as you will have uncertainties and risks to consider throughout. Being adaptable to others wishes is one of these: for instance, anybody considering offering you a loan will want to see revenue projection whereas if you plan to have an acting partner they will want to understand your initial concept and how it relates to the entire business.

Finally, you need to detail why this is important to you and why you care about your potential customers. This must be detailed in the first sentences of your Executive Summary. Don't rush this point: really consider why you want to set-up this business. Also, you should discuss what you have learned already and the obstacles you have already overcome. You will find your Progression Diary helpful with this, as you will have already started this, and you will have outlined the positive and negative aspects of the journey so far. Be honest but don't over-do this: use one example and ensure you relate it to why you are so passionate about your business. Write this on a post-it note, stick this close to your laptop as a reminder as to its relevance to your proposal. With every point you make ask yourself 'is this related to why I want to set-up this business?' Through making a brief emotional response you will connect with the reader and they will be interested in your venture.

Good luck!