

Business Plan Checklist

Executive Summary - ONE page maximum.

This is an overview of your proposed business idea. The key points from each section of your business plan will be outlined. The information in the Executive Summary comes from the body of the business plan and summarises the main points in the business plan sections. It should be written after the business plan is completed.

1 Introduction and Business Goals (including values and priorities)

This section contains important information that will explain why your business activity will succeed, demonstrating innovation and sustainability.

- Explain the product/service and its features
- Company innovation
- Company sustainability
- Company vision (future focus)
- Company mission
- SMART objectives and measurable innovative and sustainable outcomes

2 Marketing

- Describe how you will carry out market research (secondary and primary)
- Conduct, present and analyse market research results
- Identify and describe your target market, and how your product/service meets the needs of this market
- Competitor analysis (PMI)
- Marketing mix based on market research results (4 P's)
- Sales forecast
- Prepare a SWOT analysis

3 Human Resources

This section describes the roles of internal and external stakeholders and how they communicate – a crucial element of your business success. Innovation may be covered by your management of the following points:

- Organisational chart for company
- Skills, roles and responsibilities of company directors
- Communicating with internal stakeholders
- Communicating with external stakeholders

4 Finance

In this section a detailed description of all figures used will need to be provided. Some of the data you have collected in other sections of the business plan will help you with this section. Some financial data may not be easy to obtain and you may need to estimate some income and expenses. Cover the following points:

- Sources of finance
- Cash flow forecast
- Breakeven analysis
- Budgeted Income Statement
- Budgeted Gross Profit and Net Profit percentages
- Internal controls

5 Operations

Resource requirements, procedures and work flow plans are included in this section. Cover the following points:

- Business activity timeline (weekly planner)
- Production processes (e.g. workflow diagram, flowchart, supply chain)
- Resource requirements (suppliers, equipment and staffing)
- Quality Control
- Health and Safety

6 Publishing Your Report

Once all the sections have been completed by individual directors, put the plan together and edit to ensure there are no errors; headings and formats are consistent and that the document looks professional.

Business Plan Guidelines - How to write the Business Plan

A business plan can be thought of as a road map providing the business directors with a way forward and investors with an understanding of what your business hopes to achieve and how you intend to achieve it.

A Business Plan covers the following areas (see below). The level of detail will differ for each business as some areas may be more relevant than others depending on your business concept. Using concise sentences and bullet points is fine – the content is more important than the length of the plan. The business plan is a snapshot of your business at that point in time. You may not have all the information so sometimes you have to make projections. A projection is what you think will happen based on what you do know and what seems sensible.

Executive Summary

While appearing first, this section of the business plan is written last. It summarises the key elements of the entire business plan. It is a brief introduction to the company and the product or service and how it can be defined as an “on-going” business activity. You are trying to grab the attention of the reader and convince them to take time to read the rest of your plan. The Executive Summary should convey the passion you have for your business and is designed to capture the interest of external parties. It should portray your business in a positive way, emphasising the highlights of the business and give readers a clear understanding of your business.

Introduction and business goal

In this section you introduce your company to the readers. Include your company name and logo.

Name and description of product

Clearly outline your business proposal, including a clear description of your product or service. You can describe in greater detail the technical specifications of your product/service. You can include drawings, photos etc. to present the product or service idea to the reader.

An explanation of how your product will be produced OR how your service will be delivered

Your product/service advantages - for example,

Is it cheaper?

Is it better quality?

What unique features does it have?

Increased benefits to customers?

Does it have any disadvantages?

What is the current status of the product/service?

Is it still in the research and development stage or is it already established on the market?

It should be clear from reading this section what the Unique Selling Point (USP) of your product or company is.

Once you have written this section, get someone not involved in your business to read it to see if they can explain your business back to you. If they can't, this section needs further work.

Company innovation

You need to identify and fully explain how your product/service is innovative. This means identifying if it is a completely new product/service, or if it is an existing product/service going into a completely new market.

You should focus on ensuring you are adding value in an innovative way at all stages of the production process.

The way you organise and manage the running of your business, and the practices you intend to use, can also demonstrate innovation.

Company sustainability

By now you should have learned about sustainability from your teacher.

In this section you should highlight how you intend to implement sustainability practices in both your product/service and business practices.

Company vision (future focus)

Your vision defines the way you would like your business to look in the future; i.e. what you would like to achieve or accomplish in the mid to long term.

e.g. *The Warehouse* "We make the desirable affordable"

McDonalds "To be the world's best quick service restaurant experience. Being the best means providing outstanding quality, service, cleanliness, and value, so that we make every customer in every restaurant smile".

Company mission (what you have to do to achieve vision)

A mission statement defines what a business is, why it exists and its reason for being.

The Warehouse "The Warehouse will make a difference to people's lives by making the desirable affordable and supporting New Zealand's communities and the environment. By putting the customer first, we will succeed. Everything we do flows from this principle. We enjoy success through working together as one team. People choose to work for us because we care about and recognise individuals".

You can include in the vision and mission the company values that you intend to operate within your business. These values could simply be key words that will underpin your business activity, and demonstrate what your company stands for e.g. honesty, reliability, customer service.

SMART objectives with measureable innovative and sustainable outcomes

A good way to think about sustainable objectives is to think of these areas - economic, social, cultural, environmental

- Specific: you know what you want to accomplish
- Measurable: you can assess your progress and know when you have met your objective
- Achievable: your goal must be within your reach in your current situation
- Relevant: your goal must be related to the purpose of your company
- Timely: your goal needs to have a deadline so it can be monitored

e.g. A YES company is set up to sell face paint to support an upcoming international sporting event. A SMART goal for the company could be:

To sell 1000 units of our face paint in our local community within three months.

what your company stands for e.g. honesty, reliability, customer service.

Marketing

Describe how you will carry out market research (secondary and primary)

Detail the secondary research you intend to complete, ensure you consider a range of sources.

Identify the primary research tools you intend to use that are best suited to the needs of your company (e.g. focus groups, face-to-face questionnaires, online surveys, observation, experiment)

You need to ensure that you have planned to collect sufficient, valid data that will enable you to identify your target market and their needs. The outcomes of your market research will enable you to write your SWOT, consider your market size, niche market characteristics, and all elements of the marketing mix.

Conduct, present and analyse market research results

Physically conduct the market research from the plan you detailed above. Collate and present in the most appropriate manner for your data to convey to the reader how your product will be successful in the market.

Identify and describe your target market and how your product meets the needs of this market

From your market research identify, describe and provide evidence of your target market. Draw conclusions from your research to provide evidence of how your product meets the needs of your identified target market.

Competitor analysis (PMI)

What are your 'pluses' in the market over your competitors?

What are your 'minuses' in the market over your competitors? (These are areas where your competitors are better than you).

What interesting 'opportunities' do you have in comparison to your competitors in the market?

Marketing Mix based on market research results (4P's)

From the conclusions drawn from the results above, develop an innovative marketing mix to allow your product to enter the market successfully.

Monthly sales forecast

Estimate monthly sales forecast based on your all market research. This information will also be required for your cash flow forecast in the financial section of the business plan.

Prepare a SWOT analysis