

BUSINESS PLAN

[Word Count: 676 | SEO Key Phrase Count: 12]

Every entrepreneur needs to create a business plan. Consider yourself a brave explorer setting sail to claim fertile territory in a foreign, faraway land. Well, you're no Marco Polo, no Lewis and Clark. You need a business plan: a map!

In the modern world, they're used to chart a course to profitability. A business plan plots out the guidelines that you'll follow to establish, grow and mature your venture. In essence, it's your at-a-glance roadmap for success. Developing a comprehensive business plan is also essential if you'd like to pursue a business loan with a bank, or if you're looking for investors.

The basic components of most business plans include:

- ☑ Company Name
- ☑ Table of Contents
- ☑ Executive Summary
- ☑ Mission Statement
- ☑ Product or Service Description
- ☑ Marketing Plan
- ☑ Business Operations
- ☑ Management Team
- ☑ Financial Plan

That said, the truth is there's no one and only way to write a business plan. However, a business plan that's thorough might at least include these essential sections:

- ☑ **Executive Summary:** A synopsis or snapshot of your business. This should include basics such as the history of your venture, your business objectives, and a description of your services or products. Make this section interesting to read, as it's sometimes the only portion that others will read (e.g., your busy potential investors).

- ☑ **Mission Statement:** Create a mission statement that reflects your company's philosophy and expectations. This statement should spell out your company's values and how they'll relate to the business relationships you'll form with customers, employees, and vendors.

- ☑ **Services or Products:** Write complete details about your service or product. This section explains why there's a need for what you're embarking, and what makes your service or product distinctive. This should also reflect your pricing strategy and the unique competitive advantage you're likely bringing to the venture.

- ☑ **About the Market:** Here's where you'll need to have done your homework. In this section, describe your potential customers and the demand for your services or products. Provide as much support data as possible about the market's size and consumer spending habits. Include the percentage of market share you envision attaining. If your venture is sizable, you might need to hire a market research consultant to handle this section of the business plan.

- ☑ **Marketing Plan:** Here's where you detail the many ways you're planning to promote your business. First, identify your marketing objective(s). Your object, for example, might be to fill a certain void in the marketplace, or tap an underserved segment of the marketplace. Next, flesh out your strategies for meeting the objective(s). Under the/each strategy, list specific tactics and tools you'll use to accomplish this (e.g., TV ads, a website, mailings, telemarketing,

etc.). Now, show your costs for implementing this, and the metrics you'll use to measure success.

- ☑ **Competition:** Assess your main competition and their revenue. Also indicate how your business is different and how you'll improve upon what your competitors are doing. This is another section that a marketing research consultant might best handle.

- ☑ **Business Operations:** In this section, outline how your company will function. Cover areas such as your plan for any manufacturing, research/development, employees, and facilities. Include a list of job roles the business will require, your plan for hiring them, and a budget for their pay and benefits.

- ☑ **Management:** Provide a bio on each member of your management team. Consider this section akin to a resume, except some business plans also indicate management members' salaries. You'll mention outside resources here, too, such as your accountant, lawyer, or marketing consultant.

- ☑ **Financial Information:** Create a budget summary, and if you're already in business a balance sheet, income statement and any financial analysis you've done. If you're planning to submit the business plan for bank funding, it's important to have an accountant prepare what you'll need in the financial section.

Going forward, frequently review your business plan and continually update it. As your venture grows, revise the plan as necessary so you'll always have a current version to follow.

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