

Business Plan

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1 Statement of objectives

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- what do we want to do (one sentence) 14
- how much money we want (one sentence) 15
- what we want it for (one sentence) 16

2 The market

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- What do we know about the market we want to enter? 18
- Who will be our customers? 19
- How many will there be? 20

3 The Products and Services

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(aim: try to persuade the reader that the product has the edge exploit the opportunities stated before) 22
23

- Brief description of the product: 24
 - How it works 25
 - Why it is better / innovative than its rivals 26
 - Why it is beneficial 27
 - How it will contribute human life (be sober but stick firmly to hard fact) 28

4 Skills, experience and personal financial involvement of the proposers

- Full account of our business career
- Achievements and technical qualifications (academic history is less qualificant)
- Level of our financial investments

5 Organization & Management

- How we will set up the business:
 - what our own sales force will be
 - what we want to do about publicity and advertising
 - under what terms we will sell
 - when we will start this
 - who will be responsible for what
 - how do we manage the sections (responsibles) to be in touch each other (e.g., management meeting once a week, etc.)
 - how do we start the “production” (planning of how much workforce should be employed and how)
 - how we plan to manage the office (who will answer the phone / emails, process the orders, invoices, who will chase up debtors. Assess also the amount of work which will need to be done in this department)
 - how will control and monitor our business financially
- The longer-term view:
 - brief and factual summary of the least three years’ major changes in the market – any important happening that has affected the business over the past few years
 - how you see the market over two years, over five years, and in the long terms
 - what we propose to do about potential competition
 - developments of new products or new markets in which we hope to involve the company in the future

6 Marketing and Sales Strategies

- How will we contact our customers?
- How will we get our services to them?

7 Financial Management

- how much money we are personally investing
- how we plan to use the money we are asking for:
 - patents
 - land and buildings (give some details)
 - plant and equipment (specify major items)

- cost of publicity for the initial launch 1
- working capital (reference to cash flow forecasts) 2
- reserve for contingencies 3
- what we expect for: 4
 - the turnover for the first year 5
 - the net profit for the first year 6
 - how much of the loan will be paid off in one year 7
 - when we will pay off the loan entirely 8
 - what we hope for in the second year (see the longer-term view) 9
 - the rate at which the profits grow 10
- what our dividend policy will be 11

8 Appendices 12

Contains: 13

- accurate summaries of any market research 14
- photocopies of local newspaper articles describing a need for the service we propose to provide 15
- results of any testing of the product 16

9 General hints – not to be inserted in the actual business plan 17

- Ensure the reader that: 19
 - a sufficient market exists 20
 - the management will be capable and efficient 21
 - the product or service is good 22
 - the finance will be adequate to meet requirements and reasonable contingencies 23
- Demonstrate all-round strength and competence 24
- Give a sufficient space to the problems of management and administration, show that there will be a good management structure and financial controls 25
- Do not exceed with jargon, must be comprehensible English 26
- Make clear what kind of business we want to be in 27
- be clear, brief, logical, truthful and back up words with figures wherever possible 28