

Business Plan Checklist

What is a Business Plan and Why do I Need One?

A business plan is a written document that describes your business, its objectives and strategies, the market you are targeting and your financial forecast. It is important to have a business plan because it helps you set realistic goals, secure external funding, measure your success, clarify operational requirements, and establish reasonable financial forecasts. Preparing a business plan will also help you focus on how to operate your new business and give it the best chance for success.

Financing

Securing financial assistance to start your new business will be directly related to the strength of your business plan. To be considered a viable candidate to receive funds from a financial institution or investors, you must demonstrate that you understand every aspect of your business, and its ability to generate profit.

A business plan is more than just something to show lenders and investors; it is also necessary to help you plan for the growth and progress of your business. Your business's success can depend on your plans for the future. A business plan is a working document and should be updated regularly to represent the business's views and strategies as they change over time.

Who Should Prepare a Business Plan?

The business plan should be prepared by the people who will be implementing it. Outside assistance from consultants, accountants, bookkeepers, and experienced entrepreneurs can definitely help, but you must draft the initial plan. After all, you are the one that is going to run the business once it is open. Think through each element of your business plan thoroughly so you have a good understanding of the overall picture and all of the details. Present your plan to others for constructive criticism and advice and try to benefit from their experience. Modify your plan if necessary.

What's in This for Me?

Your goal is to put the plan into action. Considering that you are about to invest thousands of dollars and hours into a business, writing a business plan also serves as part of the due diligence for the risks that you are about to take. Please use the checklist to monitor your success in completing a full, comprehensive business plan.

Business Plan Reviews with a Business Advisor at the London Small Business Centre

Our Advisors are experienced in reviewing business plans and are eager to help new clients throughout the business planning process. Appointments can be made for business plan reviews with a Business Advisor or Business Information Advisor, who can help clients prepare their content and presentation skills before using their business plan as a primary means of obtaining financing.

Introduction

Studies have found positive correlations between the presence of a formal business plan and the success of a business. Every successful business requires continuous business planning. The plan allows your company to stay on course and have a yardstick against which to measure its progress.

Whether seeking funding or simply seeking to grow a company, a business plan is a key tool that may provide a significant competitive advantage. In some cases, it's not required, however, neither is answering the phone properly, treating your employees well, and a number of other functions that aren't required, but are critical if the task at hand is to build a highly successful company.

This guide has been prepared as a tool to assist y in developing a business plan. A well-written business plan may be utilized to obtain financing as well as achieve company goals. Careful planning is helpful in identifying and avoiding costly mistakes and problems that may arise in the future.

***Remember to write in the third person (eg. “owner intends to...”) and not in first person (eg. “I intend to”).**

Here are some key motives for writing a business plan:

1. Organize thoughts and ideas committing them to writing
2. Assess assumptions
3. Set goals and objectives for the business
4. Assist as a sales document in convincing others of potential success (obtaining financing).
5. Provide a measure for evaluating results.
6. Help uncover potential weaknesses.
7. Help identify overlooked opportunities.
 - o to stay current in an ever-changing market landscape
8. Tests the commitment of the owners and team members.
9. Provide a greater understanding of the competition.
10. Provide a greater understanding of the business financial position.

AND MOST IMPORTANTLY

11. It allows management to make **informed decisions** regarding the business idea and to **take responsibility** for the actions stemming from those decisions.

Each business plan will vary depending on the business idea, and one should use their best judgment on what information should be included. Utilize the “Focus Questions” in each section to help structure your thoughts around important aspects of your business.

Finally, you should take a cautious and well-reasoned approach with your business plan aiming for conservative financial projections while including a list of assumptions that factor into the business.

Cover Page

You can change the layout of the cover page to suit your preferences, but keep it simple and professional. Add a logo if you have one, as well as your up-to-date contact information.

Your Company Name

<< *Logo* >>

Business Plan

Owner: Your Name
Address: Your Business Address
Phone: Your Business Phone Number
Email: Your Business Email

Current Date

Table of Contents

A table of contents will enable your reader to quickly locate specific information. It also helps ensure that all the necessary information is included in your business plan. Be sure to check that each topic listed is numbered and corresponds with the correct page number within the body of the plan.

1.0 Executive Summary (done last: one-page synopsis of your plan including your short-term goals and objectives as well as your financing requirements).

2.0 Business Profile

Owner Profile: Short biographies of all principals and key personnel and what each one brings to the table

Overview of Product or Service: offering description and its compelling value

History: (how did the idea come about – the history behind the concept)

Vision and Mission

Legal Structure & Business Synopsis

Professional Advisors, Management Team & Support Network

3.0 Market Research

Industry Analysis: how is it evolving; what does the future look like – (P.E.S.T.)

Customers (Market Profile): Details of your market; initial geographical service area; number of competitors; gap identified

Competitor Analysis: create a list of the most relevant Direct & Indirect Competitors

SWOT Analysis: STRENGTHS; WEAKNESSES; OPPORTUNITIES; THREATS (include self analysis)

Conclusions

4.0 Marketing & Sales

Target Market (Customer Analysis): who; what; where; why; how many; how often.

List 8-10 common traits of your best customer

- Demographics – age; gender; occupation; income; education; nationality
- Lifestyle – what do they value most
- Behavior – what will trigger them to buy
- Scope – where do your customers live and work

Positioning Statement

- in correlation with the 4P's

Marketing Mix Strategy (The Four P's)

- Product or Service Presentation
- Pricing (how did you arrive to this pricepoint)
- Place (Distribution Channel)
- Promotional Plan (Marketing)

Features, Advantage, Benefits

Marketing Campaigns

- Include any technology requirements & Social Media Plan
- 12 month over month chart with costs of each campaign
- Campaign action plan (who; what; where; how; when; how much; how often)

Business Branding

- Logo; signage; vehicle wrap; colors and other artwork etc....

Sales Process

- from promotion to prospecting to closing the deal to follow-up

5.0 Operations & Startup Costs

Location

- map it; location strategy

- related costs; provide copy of lease; copy of insurance
- hours of operation; floor plan

Human Resources

- Staffing needs or plans to hire Employees or Contractors
- Job descriptions for each position
- Scheduling & Orientation

Legal

- All or any contracts drafted
- Licenses and permits required
- Insurance; liability; business, WSIB; E & O

Process/Production/Systems

- How will you fulfill the order; describe the process
- POS system – if applicable
- Inventory Controls
- Customer Relationship Management
- Discuss capacity issues
 - ✓ Supplier analysis
 - ✓ Contact list
 - ✓ Price lists
 - ✓ Lead times
 - ✓ What will happen if you don't use them

Risk Assessment

- Business risk
- Employee risk
- Third party risk

Startup Costs & Financing Requirements & Risk Assessment

6.0 Financials & Wrap Up

Projected Sales Forecast & Assumptions
 Projected Cash Flow
 Projected Income Statement (if necessary)
 Break Even Analysis
 Contingency Plan

7.0 Appendix

Supporting Documents

- Business resume
- Location diagram
- Sample business cards and other promotional materials
- Supplier list; Price list (if applicable)
- Lease agreement and Insurance if applicable
- Legal structure; Licenses and permitting documents if applicable
- Survey results