



## How to Write a Business Plan

### Critical Reasons for Writing a Business Plan

Writing a professional business plan is vital for the foundation of any organisation. Essentially, the structured, strategically planned living document is the roadmap for your business success. The business plan can benefit entrepreneurs who are just starting out, or business owners who need to monitor the progress of the business, or even for the organisation that is requesting supplemental funding. In either circumstance, it is imperative that entrepreneurs or business connoisseurs master how to write a business plan. A business plan will effectively provide a projected forecast for your emerging company.

Ideally, a solid business plan is constructed to project 3- 5 years ahead. The breathing blueprint not only enables you to manage and navigate your company's welfare, it also enables others to identify with your business's marketing plan and opportunities for success. Ironically, your business plan is never quite finalised as it should be consistently revised. In fact, for the ultimate success of your business, you need to undertake, at least, a 30-page documented planning process to implement on a regular basis. Without losing focus of the long-term goals of your business, any information that you can absorb while customising how to write a business plan is essential. So, here is a recap on the critical facts for writing a business plan:

- Gain personal goals for establishing a business
- Establish clear, precise objectives for your business
- Help others understand your business strategy for achievement
- Stay focused and capitalise on your efforts
- Develop and implement a coil-bound planning and revision process

### Starting the Business Plan Process

Even as a well-written business plan may serve several divergent purposes, it is a critical initial step. The most ideal purpose is to help start-up companies to organise ideas for business launching and to stay on track while transitioning into a substantial business owner. Writing a business plan also helps you identify and describe your product or service, itemise your marketing strategy, as well as detail your cash-flow and operational projections.

Business plans are not only for start-ups, it is also necessary for obtaining funding or financing. Investors will be extremely particular about what you have to offer and how you will repay them. Additionally, the solid blueprint is necessary for entrepreneurs who are seeking to do business internationally and to evaluate products or services for success in the foreign marketplace.



A highly successful business is dependent upon your knowledge and perceptions on how to write a business plan. Specifically, you need to properly execute a process for revisiting your plan on a regular basis to implement updates and revisions to ensure that you have initiated a healthy business plan. Bottom line, a business plan is used for any type business-any industry, size, or location.

As previously mentioned, a business blueprint is hardly finalised for the life of your business as it is to be revised according to timely industry demands or current forecast of the company. However, the structuring of your plan usually remains the same. The business plan includes formulating an outline of goals, integrating financial targets, and detailed overview of marketing strategies. Components of a business plan are strategically outlined and each section should be effectively executed internally to accommodate your highlighted goals.

### **The Reality of the Business Plan**

A solid business plan formulates a compilation of business goals, while also outline the operational and financial strategy for accomplishing those goals. A formal business plan is the vital tool required for operating a business; scheduling marketing campaigns, strategic sales forecasts, as well as establishing current cash-flow statements. As an aspiring business owner, it is imperative that you are not only completely aware of how to write a business plan, but to also understand every aspect of the plan. This involves knowing the basic guidelines and structures that most start- ups should follow.

Keep in mind, a business plan does not necessarily ensure your business success. However, it does evaluate all aspects of the economic viability of your business. For this reason, you have the valuable opportunity to calculate its potential and the need for re-evaluation. Understand that when you learn how to write a business plan, you should carefully follow a precise and systematic outline that allows you to modify the plan as your business progresses. Believe it or not, the reality of your company may ultimately alter its identity as it relates to your initial concept.

### **Writing the Business Plan**

Because each business is unique, it is significant that each documented plan is also distinctive and appropriately reflects the business. A customised business plan gives your establishment value on paper, while also indicating potential for success. You would want the document to be transcribed professionally using an easy-to-read font. You may even need to incorporate topic headers, interactive charts, and appendices for monthly projections. Generally, a business plan document is 30- 40 pages in length; starting with a cover sheet and table of contents for quick referencing; ending with an appendix.

Here is an outline for how most business plans are formatted. The document is expected to include:

- **Cover Sheet**



Includes the company logo (if applicable), business name, address, phone number, and any additional appropriate contact information

- **Table of Contents**

Outline of what is covered in the plan- it is also a useful reference or checklist for you when creating the business plan.

- **Executive Summary**

This is s to be written last, but appears first-immediately following the Table of Contents. It is a concise preview of the business plan. Critical that this section provides a thorough snapshot of you, your business, and the plan itself.

- **Company Description**

Consist of Mission Statement, Vision, Objectives, Business History, and list of Company's principles (individuals with major roles in business).

- **Market Overview and Competitive Analysis**

Includes Industry Analysis and Description, Target Market, Client Profile, Market Share, Marketing and Sales Strategy.

- **Products and Services**

Describes all products and services, define the need over those offered by the competition, market value of your product or service, and detailed literature that will market or advertise your product or service.

- **Financial Management**

Estimate start-up costs and financial plans, projected cash-flow-income statements, and risks. Incorporate operational organisation charts.

- **Appendix**

It is the section for additional and concluding information about the business. It may also be used to implement monthly projections and revisions.

When writing a solid, professional business plan, it should entail the “whole story”. Meaning, it is structured to reflect all the details; who, what, when, where, how, and why. The details must be clear and focused to ensure that it demonstrates your business objectives. Fashioning how to write a business plan includes incorporating the goals of the organisation as well as the roadmap to achieve them.

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