

## What is a business plan?

### ➤ **What is a Business Plan?**

- Business plans are used by businesses of all sizes to state their objectives and describe how they will be achieved over a specific period of time. In particular, your business plan should say:
  - What product or service your business will provide
  - How you will market your product or service to gain customers
  - How it will operate, where it will be located and what geographic regions it will serve
  - What your start-up costs, monthly expenses, sales forecast and expected profits are
  - The risks associated with your business and your plan to manage them.

### ➤ **Why do you need a Business Plan?**

- Your business plan is your first step toward starting your own business. It is also an essential step in applying to the Summer Company program. It is important to describe your business idea fully so that a program provider can evaluate it and see how you plan to use the award money. Program providers can then help you develop your idea further, or, if it meets all program criteria, recommend you for entry in the program.

### ➤ **When should a Business Plan be prepared?**

- The sooner, the better. Sometimes, your first draft of the plan is different from the draft you submit. Starting your plan early helps you fully research and evaluate your idea. And if you need help, you'll have time to get it.

### ➤ **Who should prepare a Business Plan?**

- YOU! Assistance from consultants, accountants, book-keepers and experienced business people is definitely helpful. However, business plans are best prepared by the person launching the business.
- Think through the elements of your business plan thoroughly so you have a good understanding of your market and what you need to do to be successful. Show your plan to others for advice and comments, and modify it if necessary.

### ➤ **What's in it for me?**

- The business plan gets you to think about your products, customers, competition, marketing and financing so you can move on to the next step: putting your ideas into action.



## Points to Remember When Writing Your Business Plan

- **Ensure your plan is written in third person**
  - Use statements like: Allyson will be... The Northwest Business Centre is going to... The owners... the business... Avoid using words like “I”, “we”, etc.
- **Don't worry about the formatting of your plan in the beginning**
  - Get the content of your plan written first
- **Be conscious of what you are writing**
  - Try not to repeat yourself
  - Keep everything clear and concise
- **Write your business plan with the reader in mind**
  - Your reader might not have any idea about the industry that you are in, so provide some background and paint a clear picture of what you want to do with your business. Assume the reader doesn't know anything about the community you are starting your business in
- **Be realistic**
  - Bankers and funders have read enough business plans, worked with enough entrepreneurs and have seen enough to know when someone is being unrealistic about their goals and businesses potential
  - This is particularly important when it comes to your sales projections - don't be overly aggressive
- **Make it your own**
  - At the end of the day what you put into your plan is what you will get out of it
  - You have a template to follow but that doesn't mean you can't include additional information, content, charts, etc.
  - Use our resources here at the Northwest Business Centre to your advantage and create the best plan you can to set yourself up for success!

