

# Writing a Business Plan



Crafting a Business Plan is a process: you will learn and adjust things as you research and write, so you should plan on revising as you move through the process.

Most business plans will include the following sections. You might not need all of them: take a look at each section and think about who will be reading your business plan and what will be important for your business to consider throughout its startup process. Take each section one at a time.

## Sections of a Business Plan:

- |   |  |
|---|--|
| I. <b>Table of Contents</b>             | VII. <b>Management and Organization</b>        |
| II. <b>Executive Summary</b>            | VIII. <b>Personal Financial Statement</b>      |
| III. <b>General Company Description</b> | IX. <b>Startup Expenses and Capitalization</b> |
| IV. <b>Products and Services</b>        | X. <b>Financial Plan</b>                       |
| V. <b>Marketing Plan</b>                | XI. <b>Appendices</b>                          |
| VI. <b>Operational Plan</b>             |  |

## Contents of Each Section:

The template at this link will give you more detailed information about what needs to be included in each section: <https://www.score.org/resource/business-plan-template-startup-business>

## 6 Tips for writing a Business Plan:

### 1. Narrow the Target Market

Even though you might have come up with the best product/service in the world, not everyone will see it that way, so do your research to define a specific person who would want what you are offering. Then research how many people like them are in a specific area.

### 2. Look at similar companies' business plans to help with market research ([www.bplans.com](http://www.bplans.com))

By doing this you can take advantage of research that someone else has already done! Market research is hard and expensive, especially at first, so refer to other companies' plans to help get an idea of where you stand.

### 3. Do your research - one section at a time

- Each section is going to require a different type of research. Attack them one at a time so that the task is not as intimidating.

### 4. Go out and ask people about your product

- This can be a stressful task, but it is extremely important! Describe what your product/service is or show people an MVP (Minimum Viable Product, i.e., mock-up or sample) and get feedback from your target market. Hit the streets or create a video to present for an audience.
  - Don't ask too many people you know because their feedback can sometimes be skewed.

### 5. Think about your audience

- If you are writing your business plan for an investor, make sure to emphasize information that an investor might need to know.
  - Financial reports, return on investment, break-even point, etc.
- If you're writing it for yourself, use the planning process to determine a timeline for yourself, when you want to achieve specific goals, and how you plan to achieve them.

### 6. Have fun and be creative

- Writing a business plan doesn't have to be stressful. You are creating a business, and that is exciting! Doing the research and getting it on paper is just one step to making your vision a reality.
- As you research and learn from the process, new information will lead you to change things. This is good, so don't be discouraged; it's all part of the process.

# Business Plans Continued



## Specific Tips for Some of the Important Sections:

### II. Executive Summary

- Keep it to a page or less.
- Don't go into too much detail (you will be doing that later in your plan).
- This section will be the first thing an audience will see, but the last thing you will write.

### III. General Company Description

- This section will discuss what your company will do and what you want to accomplish.
- Focus on your Mission Statement and company goals while you write this section.

### IV. Products and Services

- Describe your product or service in detail. Think about everything you and your audience will need to know: size, color, materials, etc.

### V. Marketing Plan

- Show all of your market research and explain how you will reach that target market.
- Think about the interests of your customer and where they are active (online or physical spaces), i.e., where you can reach them.
- You will have described your product in the previous section (IV. Products and Services). But here you will describe how the customer *sees* your product or service:
  - How the customers will *feel* about the product
  - How the customers will *discover* your product

### VI. Operational Plan

- Explain the daily operations of your business: its location, equipment, people, processes, and the surrounding environment.
- Think about how you're going to source your materials and why.

### VII. Management and Organization

- Besides describing the staff positions, try to include personal bios and photos; these will help your audience have a better understanding of the staff of the company they might be investing in.

### X. Financial Plan

- Create or find a financial plan Excel sheet that will help you create consistent projections.
- When doing your expenses, do not forget to pay yourself: investors will look at this – plus you need to be paid for all your hard work!
- Think of everything that will and might cost money to prevent future surprises.

### XI. Appendices

- Try not to clutter your plan with graphs and charts, instead put them in an Appendix. Whoever is looking at your business plan will thank you for not distracting them while they are reading.