

Position White Paper

The Quintessential Business Plan

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There is nothing more essential to a business than a well-developed business plan. A business plan is a comprehensive, written description of why, how, and when a business will achieve its selected goals. It is a living document which will show the needed steps to starting and developing a business. As a living document, it will be forever subject to scrutiny and change upon careful study. The detail in the plan will provide guidelines which will lead to steady progress and ultimate success for the business.

The length of the business plan, of course, will be different with each prospective type of business venture. The complexity will vary as does the complexity of the business. Drafting the plan presents an excellent opportunity to place ideas about the business on paper in a well organized and concise manner. It will be the basic document used in obtaining any type of financing and equity funding.

The business plan will include an Executive Summary, a Business Description, a Marketing and Sales Plan, Management and Organization Information, an Operations Plan, Legal and Administrative Considerations, and a Finance Plan. Each of these sections should be detailed as the author deems appropriate. There is no rule about the length of each of the sections.

The plan, however, should begin with a well-worded section describing the business at its best. If the summary of the plan is not presented concisely and effectively, it may serve as a deterrent to future investment. Bankers and other investors have no patience for poorly worded business plan summaries.

You will find that most business plans will include the recipe for economic success. Products, services, markets, methods, and sources of capital should all be identified. A sound narrative of how the business will succeed should be accompanied by the description of how the products will be produced and sold. A summary of the marketing and financial plans become part of the business plan.

Subsequent to the successful drafting of the business plan, steps should be taken to ensure an actionable implementation plan. This step requires extreme attention and discipline. When an aggressive implementation plan is created, it should be routinely discussed and reviewed. Each goal of the business plan should be championed by an appropriate leader. Estimated or expected completion dates should be clearly coordinated, tracked and reported.

As you may expect, many experts believe that the most important cause of failure for businesses is, in fact, due to a lack of planning. The implementation planning exercise should never be ignored. If the plan of action is not continually attended to, the muscle of the business plan can atrophy in a very short amount of time. A realistic assessment of the progress with respect to the plan is, ultimately, needed.

To summarize then, the quintessential ingredient for success in any business is a well-founded business plan. It is the foundation on which to grow the business. The absence of a solid foundation will only prove catastrophic in the most adverse situations. Take time to create and revisit your business plan. Coordinate an action plan which is conscientiously and realistically attended to. Your extra effort will lead you to realize your ultimate goals for your business!

