

# 10 Painless Steps to Starting and Finishing a Business Plan



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Abstract: Preparing a business plan can be a time-consuming and daunting task. However, the importance of a business plan to achieve funding and growth goals cannot be ignored. So how do you prepare a business plan that clearly, concisely and compellingly convinces investors to fund your venture? Check out these 10 steps to painlessly develop a business plan that will impress readers and help you achieve your goals.

Article: You need to prepare a business plan for your company. Anxious to start, you immediately open your favorite word processing program. But now you're staring at a blank screen and a blinking cursor that appears to be mocking you. Not sure where to start or what to write first, you flip the computer off and decide that tomorrow is a much better day to work on your plan. After all, the weather is much too nice to be sitting inside on a day like today.

Many entrepreneurs and business owners have faced this situation before, but what to do when waiting until tomorrow to start your plan is unacceptable? Follow these 10 tried and true tips to help you complete outstanding business plan.

## **1. Decide why you're writing your plan.**

Are you raising money? Clarifying your future? Launching a new venture? Searching for strategic partners? Game-planning to destroy your competition? Whatever the reason - it's important to get committed to the business plan writing process. Prepare for yourself a short paragraph that outlines "why you are writing a business plan and why it will be great." Call it your business plan mission - it will keep you motivated and help you clarify the message you send your readers.

## **2. Get the big picture.**

Before accumulating mountains of research and information, take a look at your business plan through a wide-angle lens to get the big picture. Visit your local library or bookstore and bring home a few business plan books. Take a look at Internet resources, consider business plan software programs and review the SBA's business planning outline. Your goal is to get a feel for what a business plan is, what it isn't and what to expect from your business plan. With this new insight, prepare an outline that includes the major sections and subsections that you believe should appear in your business plan.

## **3. Grab everything that's already handy.**

Dig through every computer file, box and file cabinet you have to unearth the information that's already available to you. You'll surprise yourself with what you find and with how nicely this step will move you forward. Consider marketing pieces you've prepared, press releases, related articles, industry journals, historical financials, important web sites and notes or ideas you've accumulated over time. Don't rate the quality of this information - just gather it. At this point quantity is the name of the game, and the more you can find the better.

## **4. Just type!**

Start typing thoughts, ideas, words, questions and to-dos into each section of your business plan outline. Put rough thoughts on paper and empty your brain. Don't worry about complete sentences or proper grammar - just type. Approach this step like a brainstorming session, the more powerful the storm, the more potent your business plan. Jot down any ideas that demand further consideration, areas that present a challenge and topics that require the input of others. Strive to place your thoughts in the most appropriate section of your business plan outline and rearrange the outline if it will be more logical for your readers.

## **5. Prepare your rough draft.**

Now it's time to take your outline, the information you've got handy and your brainstormed ideas and shape them into a useable rough draft. Move through your entire outline, section by section and begin

writing complete sentences and paragraphs. As you work, start a Biz Plan To-Do List to keep track of topics that require in-depth research, statistics or back-up information. When you're done, print out a copy and read it a few times, revising lightly as you go. Your plan should be rather sparse, but when you've completed this step, you've truly made business planning progress.

#### **6. It's research time.**

Now is the time to think like a lawyer and build a case for your business plan. Your goal is to compile information and research to support the claims and assertions you make in your plan. Drop by the library and ask the librarian if they know of any sources of information that can help your cause. Schedule a meeting with a local SCORE representative or a Small Business Development Center counselor. Call your local and national industry associations and track down annual reports for companies in your industry. Request product and service information from your competitors. In short, talk to anyone and everyone that might be able to help you collect information for your business plan.

#### **7. Start thinking about the numbers.**

It is advisable to begin developing your pro-forma financial statements at this point. If you start any sooner, one of two things is likely to occur: 1) Your numbers will be based on pure fantasy and you'll have to change them anyway, or 2) You'll attempt to write your plan, do the research, revise your plan and complete your financial statements all at once - and none of it will get done. If you prepare your financial statements at this stage, your numbers have a much better chance of matching and supporting the text in the body of your business plan. For example, if you mention a specific marketing medium in your marketing section, you'll need to include the corresponding costs somewhere in your financials.

#### **8. Write a final draft and finish the numbers.**

Sometimes finishing is the hardest part of completing large projects like a business plan. But if you follow the steps leading up to this one, success is just around the corner. Avoid the mistake many business planners make at this stage - it is important to check, double-check and triple-check your writing for grammatical and spelling errors. Think of it this way - bankers and investors will assume that you will manage your business and protect their money with the same level of care and attention that you demonstrate in your business plan. Go all out and create a document that sends a powerful message about the quality of your work.

#### **9. Set a deadline.**

To ensure that you complete your plan, set a deadline for yourself that you can't ignore. We suggest calling SCORE to ask if they would be willing to read your plan and offer suggestions. Make this arrangement with someone whom you are not particularly close with, possibly a professional acquaintance, so it's more difficult and uncomfortable to call and delay. Ask for feedback and make it clear that honesty is what you are after. If you don't explain this up-front, you may hear "looks good to me" - essentially a waste of time for both of you. If you feel tears coming on as they serve up their advice - things are going well. Take detailed notes and refrain from crying until after the phone is back on the receiver.

#### **10. Polish your plan to perfection.**

The comments you receive from your readers will help you to beef-up the sections of your plan that need attention. Track down any additional information you may need, incorporate the ideas that your readers offered and clarify sections or points that were not clearly conveyed. Put together an appendix if necessary, create a clean cover page and table of contents and include a "Confidential" notation on the cover of the document and a non-disclosure form. Lastly, prepare a one-page executive summary that encapsulates the highlights of your entire business plan and place it up front. Walk into your local print shop like you own the place and professionally print and bind as many copies of your plan as you need. Congratulations - you're the proud owner of an excellent business plan.

#### **11. Hug your business plan - it loves you!**

If these tips help you get your business plan on track, we will have assisted in wiping the smirk off the

face of one more emotionless and spiteful cursor.

#### Byline

Founded in 1997, BizPlanIt ([www.bizplanit.com](http://www.bizplanit.com)) is a professional consulting firm that assists companies in the development of clear, concise and compelling business plans, selling memorandums and other planning documents that assist them in starting businesses, raising capital, acquiring or merging with another company and in completing many other financial transactions. BizPlanIt works with companies worldwide, representing nearly every industry, stage of development and size. BizPlanIt's website offers hundreds of pages of free business planning information and resources. For more information visit BizPlanIt at [www.bizplanit.com](http://www.bizplanit.com).