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Golden Nuggets of Networking Wisdom



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Business Plans – Part A of our series

COMMITTING TO THE BUSINESS PLANNING PROCESS

With a thousand issues clamoring for the precious hours in your day, committing time to plan your company's future isn't easy. But operating without a plan is even harder and even more time-consuming in the long run. There are dozens of good reasons to have a plan.

Just two steps can help you get started. First, define your business situation and how a business plan can help you move your business from where it is to where you want it to be. Second, list the ways that a business plan can heighten your company's odds of success.

The next two sections lead the way.

DEFINING YOUR BUSINESS-PLANNING SITUATION

To get your business to where you want it, you need a map to follow - this is what your business plan is all about. It starts with a description of your current situation, describes your future plans, defines your opportunities, and details the financial, operational, marketing, and organizational strategies you'll follow to achieve success.

TIP:

Imagine that your company is a ship about to set sail on an ocean voyage. Your business plan defines your destination and the route that you'll follow. It details the supplies and crew you have on board as well as what you still need to acquire. It forecasts the cost of the voyage, describes the weather and sea conditions you're likely to encounter along the way, and anticipates the potential dangers that may lurk over the horizon. Finally, your business plan identifies other ships that may be attempting to beat you to your destination.

The same kind of planning is necessary back on dry land. To navigate a new course for your company you need to start with an assessment of where your business is right now. You may be putting together a new business, or your business may be up and running but facing new challenges. Perhaps your business is doing well and about to launch a new product or service. Once you assess your current situation, you need to define where you want to arrive and what strategies you'll follow to get there.

BUYING INTO THE VALUE OF BUSINESS PLANNING

The time you invest in your business plan will pay off many times over. Some of the most obvious benefits you'll gain from business planning include:

- ✓ A clear statement of your business mission and vision
- ✓ A set of values that can help you steer your business through times of trouble
- ✓ A blueprint you can use to focus your energy and keep your company on track
- ✓ Benchmarks you can use to track your performance and make midcourse corrections
- ✓ A clear-eyed analysis of your industry, including opportunities and threats
- ✓ A portrait of your potential customers and their buying behaviors
- ✓ A rundown of your major competitors and your strategies for facing them
- ✓ An honest assessment of your company's strengths and weaknesses
- ✓ A road map and timetable for achieving your goals and objectives
- ✓ A description of the products and services you offer
- ✓ An explanation of your marketing strategies
- ✓ An analysis of your marketing strategies
- ✓ An analysis of your revenues, costs and projected profits
- ✓ A description of your business model, or how you plan to make money and stay in business
- ✓ An action plan that anticipates potential detours or hurdles you may encounter
- ✓ A hand book for new employees describing who you are and what your company is all about
- ✓ An up to date Press Kit.
- ✓

MAKING A WISH LIST FOR YOUR BUSINESS PLAN

Setting out your priorities in the form of a business-planning wish list can help you focus your efforts. With a completed plan in hand, you can return to this list to make sure that it achieves everything on your list of priorities.

PART I - BUILDING A STRONG FOUNDATION FOR YOUR PLAN

BUSINESS-PLANNING WISH LIST*

	<u>At the End of the Planning Process, We hope to Have...</u>	<u>PRIORITY</u>
<input type="checkbox"/>	A Strategic plan for a new product or service launch	Low Medium High
<input type="checkbox"/>	A compelling description of our business model	Low Medium High
<input type="checkbox"/>	A financial forecast for the upcoming year	Low Medium High
<input type="checkbox"/>	A strong marketing plan to address new competition	Low Medium High
<input type="checkbox"/>	A description of our operations	Low Medium High
<input type="checkbox"/>	A detailed assessment of the competitive environment	Low Medium High
<input type="checkbox"/>	An analysis of our strengths and weaknesses	Low Medium High
<input type="checkbox"/>	A detailed set of goals and objectives aligned with our strategy	Low Medium High
<input type="checkbox"/>	A detailed analysis of our customers and what makes them buy	Low Medium High
<input type="checkbox"/>	A clear sense of our vision and mission	Low Medium High
<input type="checkbox"/>	A Strategic plan to return to our core business	Low Medium High
<input type="checkbox"/>	Other:	Low Medium High
<input type="checkbox"/>	Other:	Low Medium High

*Use this form to establish your specific objectives for creative a business plan.

IDENTIFYING TARGET AUDIENCES AND KEY MESSAGES

Your business plan is the blue print for how you plan to build a successful enterprise - a comprehensive document that covers a lot of territory and addresses all sorts of issues. To help focus your efforts, consider which groups of people will have the greatest impact on your success. Those groups will be the primary audiences for your business plan.

After you know who you want to reach with your business plan you can focus on what those readers will want to know, and what message you want them to receive. This section helps you define your audience and your message before you begin to assemble your plan.

YOUR AUDIENCE

All the people who have an interest in your business venture—from investors and lenders to your employees, customers, and suppliers – represent different audiences for your business plan. Depending on the situation you face and what you want your company to achieve, certain audiences will be more important than others.

YOUR MESSAGE

After you target the audiences for your plan, the next step is to focus on the key messages you want each group to receive. People with different stakes in your business will read your business plan with different interests and values.

Jot down key points you need to make to each target audience.

Writing down your key points doesn't require fancy prose; just get your ideas down on paper so you can refer to them when you begin writing your business plan.

BUSINESS PLANNING AS A TEST DRIVE

Business planning sets the course that you plan to follow, but a good business plan also functions as a kind of test drive. It allows you to think about all the parts you need to have in place to make your company run at peak performance.

A good business plan is also your chance to anticipate bumps or sharp turns that may lay ahead – including economic uncertainties, competitors on the same racetrack, and your particular strengths and weaknesses. Many companies discover that business planning allows them to conduct a virtual test of a new product or service idea, or a proposed strategy for a turnaround. Along the way they get to work out the kinks, and avoid problems that, in the real world, may have left them broken down on the shoulder of the road. Many companies end up retooling their product, service, or strategy as a result of the business planning process.

STARTING YOUR PLANNING ENGINE

CHECKLIST OF COMMON BUSINESS PLAN AUDIENCES*

<input type="checkbox"/> Yourself
<input type="checkbox"/> Your Board of Directors
<input type="checkbox"/> Investors and Lenders
<input type="checkbox"/> Senior Management Team
<input type="checkbox"/> Current Employees
<input type="checkbox"/> New Hires
<input type="checkbox"/> Independent Contractors
<input type="checkbox"/> Vendors and Suppliers
<input type="checkbox"/> Customers or Clients
<input type="checkbox"/> Donors (for nonprofits)
<input type="checkbox"/> Distributors
<input type="checkbox"/> Regulators
<input type="checkbox"/> Advocacy Groups
<input type="checkbox"/> Others _____

*Use this checklist to identify the primary audiences for your business plan.

NEXT MONTH “The Anatomy of Your Business Plan

Bruce is the author of various books including *Total Networking Success A – Z*, all of which can be purchased from the [CFL/TNC website](http://www.cfl/tnc.com):

<http://www.totalnetworkingandconsulting.com/online-store>