

Business Plans

There is no magic formula for Business Plans as they have to be individual to your organisation and its activities. However, there are guidelines you can follow and people who can help you develop your plan. Take your time. A good business plan evolves and you need to review it at least annually.

➤ **This is an example format for a business plan.**

- 1) Executive Summary – this outlines the most important features of your project.
- 2) Organisation Overview – includes a brief history, your purpose and aims, your main achievements, your clients and services etc.
- 3) Organisation Description – this differs from above as it looks at your capabilities and resources. You may find it beneficial to complete a SWOT analysis for your organisation (Strengths. Weaknesses. Opportunities. Threats. *Refer over page.*). Try to look at your organisation through your clients' eyes.
- 4) Project Details – make sure that this relates to how the project fits into your overall aims and priorities. Also include a timetable of key dates and performance indicators.
- 5) Sector Environment – this is your risk analysis and considers aspects of your organisation's situation beyond its immediate control. Another analysis tool to use is PEST. (Political. Economic. Social. Technological. *Refer over page.*).
- 6) Financial Review – where the organisation's finances stand today and where it is expected to be in the future. Include an income statement, balance sheet and a cash flow statement. Explain any assumptions that have been made.
- 7) Action Plan – do not go into great detail but give an overview of your organisation's main proposed actions. Include how you will alleviate any risks and weaknesses and how you will build on strengths. You may like to include how the business plan will be communicated and to whom.

➤ **Questions to ask yourself....**

- Are the aims tied to your mission?
- Are major opportunities identified?
- Have you prepared for threats?
- Have you identified your customers?
- Do you know what others working in your service area are doing?
- Do you know your organisation's strengths and weaknesses?
- Does the strategy make sense and does the business plan point to the strategy at all times?
- Are the numbers OK? Does the budget allow you to fulfil the plan?
- Can you change where necessary? Are you ready to change?
- Is the plan clear, concise and up to date?

➤ **Top Tips**

- Allow plenty of time to prepare your business plan. It will probably take longer than you think.
- Never assume that other people know about your organisation and its purpose. If in doubt, spell it out.
- Use technical terms and jargon sparingly, and explain these terms in your business plan.
- Appoint one person to co-ordinate the business plan and set up a small working group to support them.
- Ask someone who is not part of your organisation to read drafts of your business plan. Take account of their comments and be prepared to make changes.
- Don't panic or get stressed! There is help available.

➤ **SWOT Analysis**

A SWOT analysis examines **S**trengths, **W**eaknesses, **O**pportunities and **T**hreats. You need to develop a response to each weakness and threat and plan how to make the most of each strength and opportunity. A SWOT analysis is best when created by a group of people with different views.

Strengths	Weaknesses
Opportunities	Threats

➤ **PEST Analysis**

This helps you look at the wider environment in which you operate:

Political – what is the political environment for your activity? Is it likely to change and if so how will this affect your organisation? What would happen to your project and organisation if there was a change in local or national government?

Economic – what is the state of the local and national economy? Are there plans for any new organisations or initiatives that would affect you locally?

Social – is the population changing and, if so, how? Are people's attitudes changing?

Technological – how will your activity change with technological developments?

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