

BUSINESS PLANNING

A BASIC OUTLINE FOR YOUR BUSINESS IDEA

This guide has been compiled as a brief introduction on business planning and not a complete manual. Actions taken as a result of this document are at the discretion of the reader and not the Hawkes Bay Chamber of Commerce.

Reasons for writing a business plan

Developing a business plan is like a roadmap for your business to achieve your objectives and vision and should include:

- A statement of where you are now (a situation analysis)
- Where you want to go (your goals and objectives)
- How you are going to get there (the strategies)
- When you intend to get there (the time frames)
- Key performance indicators (KPI's)

It is important to keep your goals and objectives:

SPECIFIC

MEASURABLE

ATTAINABLE

REALISTIC

TIME FRAMED

There would be little point in having an objective in place stating:

'Sales must be increased

This is not specific enough. No time limit for achieving this goal was set, and there was no indication of either the increase in sales or the type of sales expected. A better goal would be: 'Coffee sales must increase by \$8,000 by the end of July'

A business plan is not concrete. Business performance may vary, so the plan must be constantly reviewed to compare the expectations with the realities. This will enable you to ensure that your objectives are workable and up to date with the current market conditions.

Business plan contents

1. Executive summary

Contains the major objectives and how they will be achieved. It is a concise overview of the whole business plan including a description of your products and services, marketing strategy, management structure, and financial projections. This should be not more than one page.

2. The Industry

A market overview—an analysis of the industry you are or wish to operate in as it presently stands and its future prospects.

3. The Business

Define the purpose of the business. Give details of its main activities, relationships, owners, location, and facilities. Clearly state your vision, mission, goals and objectives. If you are taking over an existing business describe previous business history and details of how you intend to improve the business.

4. The Product or Service

Define precisely what you intend to make, develop, or sell. Emphasise what makes the product or service 'different' to what is already available on the market. Give details, including costs, of any work that needs to be carried out to enhance or continue the development (e.g. legal protection or design work), and details of production and delivery.

If you have any questions, please call 0800 CHAMBER (0800 242 623).

DATE: NOVEMBER 2014 The Hawkes Bay Chamber of Commerce and the provider of this resource make all reasonable efforts to ensure that the information published in this resource is accurate and up-to-date. However the matters covered are subject to regular review and no warranty or representation can be provided regarding the accuracy of such information. The Hawkes Bay Chamber of Commerce and the provider do not accept liability for any losses or damage arising directly or indirectly from reliance on the information. www.hawkesbaychamber.co.nz