

A Different View of the Business Plan



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**Victorious Warriors Win First
And Then Go To War, While
Defeated Warriors Go To War
First And Then Seek To Win.**

Sun Tzu

Business Plan - Think About This Now.

Describe your life. Answer These Questions.

(1) Are you still working or are you retired? (2) Are you worth a lot of money? If so, how is your wealth distributed? Stocks or Equity in your business? (3) Are you an independent consultant or do you have a company? (4) How large is your practice? (5) What is your annual revenue (in today's dollars)? (6) How many hours per week do you work? (7) Do you work on weekends? (8) Do you travel? And (9) And are you happy?

Most Affirmative or Most Negative?

Life is hard get a helmet or re-evaluate your plan every two years -- about as often as you replace a pair of daily-wear shoes.

A Little Planning Goes Along Way.

Review your plan for consistency. Is it coherent? Is it realistic? This is your guide to your business. It will help you get what you want. Keep it updated. Change it as your goals change or as the market changes. Remember, a little planning will take you a long way.

A Business Plan Is/Will/Provides

1. Is as important for starting a business as blueprints are for building your house.
2. Will lay out the direction for the future of your company and establish standards for success.
3. Provides financial projections that assist investors and help to know how much funding is required.

Three Basic Purposes of the Business Plan

1. Communication Tool

2. Management Tool

3. Planning Tool

Basic Purpose 1: As a Communication Tool

1. Used to attract investment capital.
2. Secure Loans.
3. Convince workers to hire on.
4. Attracting strategic business partners.

Basic Purpose 2: As a Management Tool

1. Describing the management team.
2. Formalizing processes and procedures.
3. Begin bringing on new people in greater numbers.
Develop well thought-out job descriptions help you hire the right people for the right jobs.

Basic Purpose 3: As a Planning Tool

1. Establish Timelines.
2. Develop Milestones to Gage Your Progress.
3. Compare Your Projections vs. Accomplishments.
4. Plan for Your Future.

Time Line Sample

Year 1: Start-Up

1. Idea for a product/service that customers will pay for.
2. Next is a plan--written or not--to buy or build the products, or develop the service;
3. locate the facilities, hire the people, develop the systems
4. raise the money to create, market, deliver and service the products.

Years 2-5: Time to Grow

1. Re-read the business plan you started with. To revise your goals or schedules.
2. Begin formalizing the processes and procedures you've developed during your first year.
3. Standardize the messages, images and other marketing materials used to present it. A standardized marketing message is vital for differentiating yourself from your competitors and establishing brand identity.

Years 5-10: Going to the Next Level

1. These middle years are also a good time to turn the focus away from merely increasing sales and start spending more time and energy reducing costs.
2. Consider incremental expansion in the form of extensions, slight changes can allow you to sell to significant numbers of new customers in old markets.
3. As a mature company with a track record, you can negotiate better terms, and may well find financiers competing to do business with your solid, well-established firm.

Years 10 to Retirement: Maturity

1. The primary growth challenge in this era is to keep innovating.
2. Now is the time for entrepreneurs to begin grooming a potential successor and initiate the process of stepping back from day-to-day operations.
3. Identifying and grooming a new successor is the first and most critical step to allowing an entrepreneur to step back from day-to-day company affairs.

Benefits of A Business Plan

Motivation:

Your business plan can help you get back on track with your original business concept giving you wisdom and guidance. It helps you see your original vision.

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