

## **WRITING YOUR BUSINESS PLAN**

A business plan is your guide to communicate to potential investors things like your business's market, strategy, current funding, etc. Many lending institutions will require you to submit to them a business plan before they will provide financing for your business. But preparing a business plan is more than a mere formality; it's a business owner's opportunity to sit down and draw a road map for success.

Studies have shown that a key reason so many businesses fail is the fact that they don't do enough planning. Always remember the "5 P's": Proper Planning Prevents Poor Performance.

In order to compete for this grant we ask that you prepare a rough business plan. We'll save a copy and ask that you update it from time to time during your stay here as you gain new tools and knowledge. At the end of your time at the Center you will see that it has improved substantially.

At the bottom you'll find an outline of a very basic business plan. If you want to do something more elaborate, you can click [\*here\*](#) for a sample and more detailed business plan. In the end, the plan you develop will be a key factor in helping us to allocate our limited space.

Running a business is never easy. But it can be highly rewarding and we appreciate your interest in considering such a bold endeavor.

### **BUSINESS PLANNING: The Key to Your Success**

- Why write a business plan?
  - Most lenders and investors will require a plan
  - A plan will help you operate more profitably
  - It will serve as a guide during the life of your business

### **BUSINESS PLAN OUTLINE:**

#### **THE COVER SHEET**

- The title page of your plan

#### **THE EXECUTIVE SUMMARY**

- Summarizes your plan and states your objectives

#### **TABLE OF CONTENTS**

- Lists the contents of your plan with page numbers. This will help the reader move smoothly from one section to another

### **THE ORGANIZATIONAL PLAN or *PART I***

- What will your business look like administratively and who will be responsible

### **THE MARKETING PLAN or *PART II***

- Will answer questions related to promotion, pricing, location and positioning

### **FINAICIAL DOCUMENTS or *PART III***

- You will need pro forma (projected) and actual (historical) statements such as:
  - Cash flow
  - Income projection
  - Financial statement
  - Balance sheet

### **SUPPORTING DOCUMENTS or *PART IV***

- Resumes
- Articles of Incorporation
- Copyrights
- Patents
- Letters of Reference
- Demographics
- Contracts
- Leases
- Personal financial statements or credit history