

Getting Started On Your Business Plan

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Start-Up Business Plan General Outline

The following list provides a summary of the key sections to be included in a start-up business plan:

- **Executive Summary**
- **Background Information**
 - General description of the business
 - Business concept
- **Description of Products/Services**
 - Features & benefits of proposed products or services
 - Proprietary aspects of products or services
 - Stage of development
 - Future services
- **Management Structure and Organization**
 - Legal form and ownership
 - Management and personnel
 - Outside services/advisors
 - Risk management
- **Marketing Plan**
 - Industry description
 - The market
 - Competition
 - Marketing strategies
- **Financial Plan**
 - Income statement projections
 - Cash flow projections
 - Balance sheet projections
 - Sources and uses of funding

Detailed Start-Up Business Plan Outline

Please note that not all sections in this outline are relevant for all businesses, and some businesses will require more detail than others. The outline must be adapted to suit each individual case and is intended only as a good starting point. Parts of this document have been adopted from the NxLevel Guide for Business Start-Ups.

I. Executive Summary

- *This should be a summary of the key points from each of the sections below. It should be written last.*

II. Background Information

A. General description of the business

- *What are the key products and services of your business?*
- *What kind of growth are you projecting for the business (generally)?*
- *General history of the business and major achievements*

B. Business concept

1) Statement of purpose (Mission Statement)

- *What are the values you want your business to be known for in the future?*
- *What is your vision for the future of your business?*
- *What do you want your company to be known for?*

2) Business goals and objectives

- *List your business goals for the next 3 – 5 years (goals are overall where you want to be)*
- *List your business objections for the next 3 – 5 years (these are steps for getting there)*

III. Description of Products/Services

A. Features of proposed products or services

- *What are the features of the products or services your company provides (these are things that are unique or special about your business that will make you stand apart)?*

B. Benefits to customers

- *What are associated benefits to the customers of those features?*

C. Proprietary aspects of services

- *Do you have any proprietary aspects to your services, such as patents or trademarks?*

D. Stage of development/production plan

- *What stage is the business in? List and discuss major milestones.*

- *Will you, or are you, subcontracting any portion of the business? Will this change?*

E. Future services

- *Are you planning to offer any other services in the future? When? Do they represent a new service line, or expansion of existing lines?*

IV. Management Structure and Organization

A. Legal form and ownership

- *What type of business entity is the business (sole proprietorship, LLC, S corporation, etc.)?*
- *Explain why that structure was chosen.*
- *Who owns the business? What is each person's share?*

B. Management and personnel

- *Who are the key personnel and what specifically are their roles and titles?*
- *Who manages the day-to-day operations of the business?*
- *Why were specific people chosen – list skills, abilities and what they bring to the business.*

C. Organizational chart

- *How many employees do you have now and do you anticipate needed in the future in order to run your business? What will their skills and qualifications need to be?*
- *Include brief job descriptions for each employee*
- *Devise chart showing reporting relationships and titles (current and future, if necessary)*
- *What will compensation be for each employee?*
- *Do you, or will you, offer benefits? What types? Examples: medical insurance, dental, vision, life insurance, disability, pension plan, profit-sharing*
- *What training will be needed for new employees? What training will be required on an ongoing basis?*

D. Outside services/advisors

- *List outside professional service providers, where applicable: accountant, lawyer, insurance broker, financial consultant, consultants, others.*
- *Are other outside services be used? Ad agency? PR firm? Secretarial? Contract manufacturers? Other?*

E. Risk management

- *What kind of insurance do you have to protect yourself? (disability, key person, etc.)*
- *What kind of insurance do you have to protect your business? (general liability, E&O, etc.)*
- *What kind of insurance do you have to protect your employees? (workers comp, life, health)*

- *Does your business require any special licenses, permits or other government approvals? Do you have any government or regulatory concerns?*

V. Marketing Plan

A. Industry description

1) Background of the industry

- *What industry are you in?*
- *How has the industry developed? Do small or large firms dominate the industry? How well do small businesses prosper in the industry?*
- *What is the size of the industry in terms of dollars and unit sales?*

2) Current and future trends

- *What are the current trends in the industry? What is the industry's growth pattern, niche markets, etc.?*
- *What are typical sales, costs and margins?*
- *What future trends do you anticipate? How do you intend to keep up with them?*
- *How (if at all) do international trade, franchises, and government regulations positively or negatively impact the industry?*

B. The market

1) Customer profile/target market

- *Who are your customers? Define in terms of demographics, such as annual sales, # of employees, location, number of locations, type of legal structure, type of business, etc if your market is a business. Define in terms of age, income level, buying preferences, etc. for consumer markets.*
- *When and how do your customers purchase your type of services?*
- *What do your customers value? Price? Service? Reputation? Value? Other?*

2) Trade area description

- *Are there geographic boundaries for your business?*

3) Market size and trends

- *How many businesses or consumers are there who fit your target market?*
- *Is the size of your market growing, stable or declining?*

4) Market potential

- *How much do they spend per year, on average, on the type of services you offer?*
- *So what is the size of your potential market, in terms of dollars?*
- *What is a reasonable share for you to gain? Based on what?*

C. Competition

1) Direct and indirect competition

- *List your key direct competitors (offer the same basic services you do)*

- *List your key indirect competitors (offer some of the same services, or compete in some other way)*
- *Factors on which you compete. Examples: service, price, reputation, location, selection, reliability, expertise, availability, management, quality.*

2) Evaluation of competition & competitive advantage

- *How do you compare on the key factors with each of your competitors?*
- *What is your competitive advantage?*
- *Why do customers come to you over your competitors?*

D. Marketing strategies

1) Market positioning

- *How is your company positioned in the marketplace relative to other choices?*

2) Business location

- *Where is the business physically located? What are your future plans for location?*
- *Is your location an advantage or disadvantage? If a disadvantage, how will this be overcome?*

3) Marketing tactics

a. Packaging

- *How are your products or services “packaged” to help create the image you want? (This applies even if you are selling a service.)*

b. Pricing

- *How are your products or services priced? How was the pricing determined?*
- *How does your pricing compare with the competition?*
- *Do you offer credit? What terms?*

c. Distribution system

- *How will you make your products or services available to your customers?*

d. Promotion

- *What types of advertising do you use (if any)? Trade publications, business journals, direct mail, yellow pages, radio, TV?*
- *Do you participate in any trade shows?*
- *Do you use brochures or other collateral materials?*
- *Do you use the Internet to promote your business?*
- *What is the anticipated cost and impact of each one of these programs?*
- *What public relations activities (if any) do you take part in?*
- *What networking groups do you belong to? Why?*

VI. Financial Plan

- A. Income statement projections (3 years)
 - *At least three years of complete pro forma income statements, including assumptions*

- B. Cash flow projections (3 years)
 - *At least three years of projections*

- C. Balance sheet projections (3 years)
 - *At least three years of projections*

- D. Sources and uses of funding
 - *What one-time start-up expenses do you anticipate?*
 - *How much money will you need to get the business up and running?*
 - *How much working capital will you need?*
 - *What sources will you use for funding?*
 - *How will you pay back your funding sources?*