STUDENT ENTERPRISE | UNIVERSITY OF LINCOLN

Writing a Business Plan

Why do you need to write a business plan?

A business plan will create a framework for your idea by structuring your aims, outlining the marketing and defining and strategies or financial planning. You may also need one to gain credibility, obtain funding or manage risk.

What should it include?

Executive Summary
- An overview of the key point of the plan
- Grab the attention of whoevers reading with a quick synopsis, including any mission statements you might have

Business Concept
- Detail the business aims and the value/benefits it will provide to customers.

Business Ownership
- What type of business structure will you use? Consider if you'll register as a sole trader, limited company or partnership.
- Include an introduction to the key people involved in your business and their relevant experience

Market Summary
- Provide evidence that a market exists for your product or services
- Include history, current performance and forecasts.
- Review changes in the market and variations which may affect your business.

Competition
- Outline your competitors and the reasons for their success or failure
- Consider how your business has a competitive advtange or will vary from existing companies

Goals and Objectives
- Define these by conisdering; specific, measurable, achievable, realistic, time-framed
- Include short, medium and long-term goals that describe specific, measurable objective such as market share and revenue/ profitability. Break these down further to highlight how they will be achieved.

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Product
- If possible, inlcude a page or two on detail about your product or service
- This will create a full picture and make your business stand out.

Financial Plan
- Define the relevant financial factors, such as pricing, cash flow, expected sales and profits
- Outline these with reference to your first three to five years of trading, with greater detail in describing the first twelve months.
- Include any financial assistance (loans, grants, director's capital) and demostrate your businesses ability to repay any borrowing required.

Resource Requirements
- Detail what the business needs to start and grow in terms of equipment, machinery, personnel, external resources.
- Also outline consdierations such as marketing, professional memberships and any licences you might require.

Risks
- Identify, understand and plan for any risks your business might encounter.
- Consider competition, advances in technology, legislation, lack of funding, skills shortages etc.
- Describe the risks and their potential effects on your business, then outline how you might mitigate these risks.

Annex
- Include any additional details which you think could add value such as; CV's of your team, promotional materials, market research and results, etc.

Additional Tips
- Make sure your comfortable with any terminology you use
- Have you business plan checked by someone outside of your business who might have a fresh perspective
- It should roughly span five to ten pages
- Consider using a table of contents and page numbers to make it easier to navigate
- Keep it neat and easy to read.