



## **Business Plan Outline**

### **1. Cover Sheet or Title Page**

Keep it to a single page. Include the following information:

- Name of the company
- Company address
- Company phone number
- Company website
- Logo (if you have one)
- Owners' names & titles
- Month and year in which plan is issued

### **2. Executive Summary or Mission Statement**

Keep it to 1-2 pages. Written last, after the plan is completed. Provides an overview of the company and a summary of each of the major sections of the plan. This should include enough information so that potential lenders, investors, suppliers, or managers who read it will know the name, nature, and purpose of the business.

### **3. Business Description**

Include the following information about the business:

- Mission (statement) & history (why was this business started?)
- Legal structure & date established (sole proprietor, LLC, Corporation, partnership, etc.)
- Location
- Description of products or services offered

### **4. Market Analysis & Business Model**

Provides an overview of how the company will do business, make money, and operate within an industry, including:

- Industry trends overview
- Competition
- Target Market (Who are your customers? Include demographic characteristics)
- Value Proposition
- Competitive Advantage

## 5. Marketing Plan

**Provides specific information about the Four P's of Marketing:**

- Pricing
- Product: positioning and packaging (how will you package/present your products/services? Branding, websites, materials, logos, etc.)
- Placement & sales plan (how will you sell the product/service? Internal v. sales representatives)
- Promotion: Advertising, public relations, social media, web marketing.

## 6. Operations Plan

Describe how you will handle:

- Design and product development/manufacture process
- Billing and collections process; recordkeeping systems: accounting and bookkeeping
- Distribution/delivery of your product or service
- Inventory control, warehousing
- Insurance
- Security
- Facilities

## 7. Human Resources Plan

Explain your plan, as developed in Guide 7: Basic Human Resources for the Entrepreneur.

- Management structure
- Personnel strategy
- Personnel requirements

## 8. Financial Plan

Review the three plans you organized in Guide 4: Financial Management Essentials for the Entrepreneur in addition to any other detailed charts prepared or reviewed by your accountant.

- Income (Profit and Loss) Statement
- Guide 8: Creating a New Business Plan page
- Cash flow is how funds flow in and out of your business. It is a critical measure.
- Cash Flow Statement (budget)\*
  - Balance Sheet
  - 3-year income projection
  - Breakeven Analysis graph^
  - Actual performance statements, if available
  - Summary of financial performance

- A summary of financial needs
- Assumptions, business ratios
- Sources and uses of funds statement

## **9. Future Directions**

This should include a general description of how you expect the business to grow and what the likely next steps are for it.

- Expansion
- Purchase of, or partnership with another company
- IPO (Initial Public Offering – taking your company public)

Clearly, it's a challenge to predict what will happen five years or more into the future, before your new business is even launched. Still, the effort is worthwhile. It shows potential backers that you have thought through the progress of the company.

This section can be one page or a bit more. Regardless of size, it should reflect your understanding of how the investors will eventually profit from the success of your business

## **10. Supporting Documents**

- Resumes of key management executives
- Personal financial statement
- Credit reports
- Copies of leases
- Copies of other contracts
- Legal documents (establishment of business, partnership agreements)
- Miscellaneous information resources including research reports, articles, and other documents that support assumptions or statistics in the business plan

Information borrowed largely from:

**Citibank Comprehensive Resource Guide for Planning and Starting a Small Business**, Section 8

<http://www.citigroup.com/citi/citizen/community/sbg.html>