

## **A Simple Guide to Writing a Business Plan**

### **Why have a Business Plan?**

Many organisations will write a Business Plan to enable them to apply for funding. However, a good Business Plan helps build a strong foundation for your organisation. It can help to:

1. Clarify your aims and objectives and communicate them to users, staff and funders
2. Predict future issues and address them before they threaten the success of your organisation
3. Set targets and objectives to enable you to monitor your performance

Your Business Plan should be a good description of where you are now and where you want to be in three years time.

Each Business Plan will be as individual as the organisations putting it together, but the headings below are useful stepping stones to include, and will ensure that you cover the most important points.

### **Your aims and objectives**

What does your organisation actually do now?

### **Vision and long term objectives**

What do you want to do in the future (e.g. three years on) and are you sure that no other organisation is offering, or planning to offer, this service?

### **Current users**

Who are your current users? If you want to expand or alter your services, do you have evidence that this is what your users want (through surveys, face to face questioning etc) and have you collated this evidence into an understandable format (statistical evidence)?

### **Future users**

If you plan to expand, have you evidence that there are future users and, if so, is the service you plan to offer what future users want? (Again, you need to find them and ask them, and produce statistical evidence).

## **Targets and objectives**

Make a work plan that shows what you want to do and how long it will take you. In the plan, make specific, achievable, timed targets and ensure that they can be easily measured.

## **Operational requirements**

What do you need to turn your plans into actions?

Information about the resources you need will be required for your projected budget (e.g. equipment, core costs, staffing, volunteer costs etc).

## **Current financial position and projected position**

How much funding do you have now and what will you need in the future?

Include:

1. A breakdown of your present funding
2. How much you will need in the future
3. Sources to which you could apply, or have applied

## **Management process**

Look at your governance board (trustees) outline their skills and experience (potential funders need to be sure there are the skills and experience to manage both the funds and the organisation)

1. Summarise the responsibilities that you are delegating to staff
2. Set out how you plan to monitor performance (against objectives and targets)
3. Set out how you plan to evaluate the service that you are currently offering, and planning to offer in the future

## **Risks**

What could go wrong and how would you deal with it?

Your plan should include an honest awareness of the risks involved to your organisation. Some of them might include:

Lack of skills on governing body (trustees) – address this by a 'skills audit', see where the gaps are and either find training to suit your needs or recruit trustees with the relevant skills.

Reliance on key staff – often when a senior manager is off sick for any length of time, or leaves, the day to day management is passed to the trustees. Ensure that the board know the basics to keep the organisation ticking over until the issue is resolved.

Funding risks – with funders looking at granting perhaps one-year, two-year or three-year funding, make sure that an exit strategy is in place to enable the continuation of a service.