

## BUSINESS PLANNING

Why do you need a business plan? Some entrepreneurs think a business plan is only used to get financing. In reality, there are many more uses for a business plan. A well-written business plan:

- Gives you an objective view of your business idea so you can enhance its strengths and shore up its weaknesses
- Communicates your ideas to the rest of the team
- Becomes the foundation for future planning as your business grows

What's in a Business Plan? Here are four major components of the plan:

### SECTION ONE: THE BUSINESS

- A description of the business
- A description of the product or service

### SECTION TWO: MARKETING PLAN

- An assessment of the market need for what you're selling
- Your location and why you selected it
- An assessment of the competition and how you will beat them
- A capital equipment list

### SECTION THREE: MANAGEMENT PLAN

- A description of key management and personnel
- Their experience and backgrounds

### SECTION FOUR: FINANCIAL PLAN

- How you will use new funds (if you're seeking financing)
- Projected income and expenses
- Assets, liabilities and equity
- Sources and uses of funds (cash flow)

### Write a vision statement for your business:

A vision statement describes where the company aspires to be upon achieving its mission. It describes where the company wants a community, or the world, to be as a result of the company's services.

