



Basic Business Plan Outline

1. **Executive Summary** – *this is short summation of the business plan concisely stating the high points and which provide an outsider an overview of your business. This must be written last. The Executive Summary is proportional to the whole business plan. Do not consider this a hard and fast rule but if the entire plan narrative is ten pages, the Executive Summary might be one page. Suggested inclusions:*
 - A. What the organization is and does.
 - B. Who is the customer and why they will buy your good or service
 - C. Why the entrepreneur is qualified to operate this business.
 - D. Capital resources needed to be successful where/how they will be obtained.
 - E. Given all of the above, what are the financial results expected.

2. **Business Concept** – *Describe the core characteristics of your business. Some say this explains the niche you expect to fill. This section is often over hyped. More effective plans avoid that.*
 - A. What special qualities and values you bring to the customer such as and or several of these:
Totally new product or service in the target market, lower cost, higher quality, additional value in some form, underserved market, more convenient location, better service, etc., etc.
 - B. What will define success?

3. **Products and Services** – *in this portion of the business plan the goods or services to offer are described.*
 - A. Define the product or service
 - B. List examples of your offerings and refer the reader to the appendix for a more complete list including pricing.
 - C. If this is an invention or an item which will take a substantial time to bring to market that process needs to be explained.

4. **Market Analysis** – *In this area the entrepreneur demonstrates the research that supports the business opportunity.*
 - A. Industry analysis that proves up trends relevant for the business
 - B. Identify target market as to age, other demographics, growth of market, other specific and relevant issues.
 - C. Who are the competitors and their strengths and weaknesses?
 - D. Are there specific licensing or regulatory hurdles to solve?

5. **Marketing** – *the greatest product can fail without the correct marketing and promotional support.*
 - A. How will this product or service be sold?
 - B. Is there a key attribute that must be promoted (e.g. new lower price, superior quality, a new service for the market)?
 - C. Advertising media and approach including costs
 - D. Role for social media

6. **Operations**—*Describe the location of the business, special equipment needed and personnel to accomplish success*
 - A. If a physical location is required describe it and why it is good (cheap rent, well sited, etc.)
 - B. Identify vendors for key imputes
 - C. Identify key employees
 - D. Any specific permits needed?
 - E. Key managers or skills required?

7. **Ownership and form or organization**—*In this part of the business plan, describe the organization of the business and key owners. If the owners are to be active in the business, it is useful to have a resume or description of their work history.*

8. **Projections and financial information**—*All business plans must prove up that the company can achieve positive cash flow and profits. The more complex the business or the larger the amount of outside funding needed, the more complete this section must be.*
 - A. Cash flow projections by month for two years and quarterly for the third year.
 - B. Assumptions about the cash flow such as why sales would increase by X% from year one to year two. Costs outside of normal industry standard should be identified.
 - C. Projected income statements
 - D. Opening balance sheet
 - E. Breakdown of outside funds needed (on equipment a quote or catalog page should be placed in the appendix.)
 - F. Construction funding should have a quote by an outside contractor on their form
 - G. Other information as needed.

9. **Exhibits**—*The appendix should contain reference material and supporting documents. If the entrepreneur has a supportive research article about the business, quote the key passages in the appropriate section of the plan and inform the reader that the full article is in the appendix.*

The length of the business plan is determined only by the amount of information which needs to be communicated. Some effective plans can be written in a few pages, others might be ten to fifteen pages. The important purpose is to demonstrate the writer has considered all issues necessary to start a successful business.