

PLANNING FOR SUCCESS

Business plans are an essential tool for small businesses in Australia in the 1990's. Whether to enable a business operator to effectively guide his organisation or to raise finance from a bank or investors, a comprehensive business plan is the key.

Most small businesses lack direction as do their owners, and as we all know, failing to plan is planning to fail.

New business operators will find that writing a business plan, rather than keeping it all in their head, is a great way to work out whether a business is viable prospect before commencing. In this manner they can share their ideas with others, friends and colleagues and discuss the tangible aspects of the new business, rather than just the emotive aspects.

Here are a few ideas that can help you write your first business plan.

- **Set a time frame for your new business plan.**

An existing business may seek to plan up to three years in advance, but for a new business set a shorter time horizon until you get a feel for how the business will operate.

- **Ensure that your plan contains details of where you have come from, what you are doing now, and where you intend to get to.**
- **Write a plan for your audience.**

Your plan should be tailored according to whether you wish to use it as an internal document for yourself and your family, or it may need to be more detailed if you are planning to present it to investors and/or to a financial institution to seek backing. The amount of background knowledge and information disclosed in regard to your actual business idea, as well as your planning may need to be expanded if the plan is to be submitted to external parties like banks. If you have staff in your organisation, why not involve them in both the preparation of the plan and ensure that they get a copy of it once the initial draft is completed.

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- **Don't forget to try and convey your ideas, and the excitement behind them. Your plan is an opportunity to put your ideas down on paper in an organised format not only so that you can look back on your plan later to gauge how your business is progressing but day to day us it to aim to keep the business direction focussed and on track. It is also an opportunity for others, eg. staff, family and banks to see what ideas you have in mind and how you are putting them into practice. Never assume that what is obvious to you will be obvious to the reader, so provide plenty of detail.**
- **How does it look?**

Today most business owners have computers and word processors, if you consider that you have a great business and a great business idea, make your plan's appearance reflect your ideas. Make sure it is not cramped and that it is easy to read. Use a word processor, as your plan will never be finished. The business world of the 1990's and beyond is a dynamic one. A business which stands still is going backwards and your plan should move with your business. You will need to revise it every 6 months at least. Make sure the type style is an easy to read or understand one, eg. 'courier' or 'times roman', and be sure to use definitive statements such as this is our aim, rather than we might do this.

- **Make sure you keep a copy of the finished plan on hand to use in your business on an ongoing basis.**