



Picus Enterprises

Ten Key Success Factors in Developing a Business Plan Or Business Presentation

FIRST UNDERSTAND WHERE YOUR COMPANY IS TODAY

Whether or not you are a new business, make sure you understand your business's Strengths, Weaknesses, Opportunities, and Threats. Know who your competition is. Be able to express what makes or will make your company unique.

UNDERSTAND WHO IS YOUR TARGET AUDIENCE

Make sure your business plan is designed to meet the needs of the expected reader. Business plans for internal purposes may look quite different than those developed for banks and potential investors.

There are two types of readers of business plans: (1) The Analyst, who will want to make sure that all your detailed information is provided and consistent, (2) The Visionary, who will be interested more in your vision and your ability to implement your vision. Make sure you provide information appropriate for both.

SPEND TIME UP FRONT DEVELOPING YOUR STRATEGY AND BUSINESS ASSUMPTIONS

The most important phase of creating a business plan is the upfront research, analysis and creative process that defines the business strategy and implementation approach. Find time to be thoughtful and creative. Only begin to put your plan in writing, once you have clarified your creative business genius.

CONDUCT AS MUCH RESEARCH AS POSSIBLE

The more market, competitive and customer research you can provide the better. This builds your business plan on solid ground and makes the reader more comfortable that you have done the proper research.

SPEND MORE TIME PRESENTING YOUR VISION THAN YOUR FINANCIALS

It is more important to present your vision and your plan on how to implement your vision than it is to present your financial forecasts. Do include financials, but only as summary tables and graphs. Put detailed schedules in your plan appendix.

USE CONCISE LANGUAGE TO COMMUNICATE YOUR VISION AND FINANCIAL PLAN

Be brief and use concise language. Go through your plan at least twice to reduce the verbiage in your plan. A well constructed sentence is much more powerful than a rambling paragraph.

BE CONSERVATIVE IN YOUR FORECASTS AND EXPECTATIONS

Showing aggressive growth forecasts or unusually large profits will turn off potential investors or lenders. Use conservative growth factors and plan for costs and expenses to be more than you expect. Most sales plans are not met and most expenses exceed expectation.

CHALLENGE EACH ASSUMPTION USED IN YOUR PLAN

Challenge every statement you make in your plan and every assumption on which your plan is based to make sure you can support your statements. The reader of your plan will. Where you have supportive research, include these documents in your appendix.

INCLUDE AN EXECUTIVE SUMMARY

Even a 12 page business plan is too long to gain someone's initial interest. Include your vision and your expected outcomes upfront in a one page executive summary.

INCLUDE AN APPENDIX FOR SUPPLEMENTAL INFORMATION

Keep the body of your business plan/presentation focused on presenting your vision, your implementation approach and your expected outcomes. Detailed schedules, detailed assumptions, and background research should be included in an appendix.