

Factsheet 21: Business Planning

A business plan helps you think through all aspects of your organisation and plan for the future. It helps you get an overview of your organisation, and is a useful tool for presenting yourself to funders and supporters. A business plan may be for the whole of your organisation, or for a particular project. It is important that more than one person is involved in writing your business plan to ensure that it is a collective vision of the organisation.

A plan can help motivate and make clear how staff and work fits in with an organisation's aims. It is also essential for funding applications.

Below are the main areas that are usually covered by a business plan.

1: A Summary of the Business Plan

This should be a short introduction, summing up the main points of the plan and introducing the project in an appealing way. You may find it easier to write this section of the business plan after the other sections are completed.

2: The Background/History of your Organisation

In this section you should outline:

- details of your legal status
- your aims and objectives
- how long you have been established
- how you are managed
- past achievements

3: The Need for the Services Offered

You need to provide a brief outline of the activities of your organisation or project. You could include evidence of this need, such as research, reports or client feedback.

4: Aims and Objectives of the Project

In this section of the business plan you should cover in more detail what your organisation or project sets out to achieve. These will be your aims.

Aims

It is probably not a good idea to have more than 6 aims. An example of an aim might be:

- *To provide a variety of ways for people to understand the lives of disabled people through the media of art, drama, training and education.*

Aims lead to outcomes – the benefits that will be achieved. For the above aim an outcome might be:

- *Local people will gain a greater insight into the lives and experiences of disabled people.*

Objectives

You should then develop the aims by outlining a series of objectives relating to each aim.

Objectives are the pieces of work or the tasks needed to achieve the aims. Each aim will have several objectives. An example for the above aim might be:

- *To produce performances based on the lives and experiences of disabled people.*

5: Budget and Cashflow Forecast

From the planning you have already done, you are now in a position to decide what resources you will need to carry out the work. You need to give details about all the implications of the resources required. The best way of doing this is by creating a budget and cashflow forecast, including accurate costings.

Resources implications might include:

Staff

How many staff hours will this work need? What staff will you need to deliver this work? On what salary or wage?

Work space and equipment

Think about where you will carry out all your activities. Do you need to buy a building or rent space? What equipment do you need to run an office and your activities? Is the space accessible to everyone?

Office costs

Bills like telephone and mailing costs, heating and lighting. Also remember to include the costs of consumables such as paper and envelopes.

For more information see *Factsheet 22: Cashflows and Budgets*.

6: Promotion and publicity plan

How will you advertise what you do to everyone who could use your services? How will you make sure no one is excluded? How will you promote yourself to supporters, partners and potential funders?

7: Management

It is always a good idea to include a diagram of your staffing structure. Make sure people are clear what their roles are. Who will have responsibility for what? Who will people report to and get supervision from?

If the business plan is for a specific project you may want to include job descriptions for the new roles.

8: Monitoring and Evaluation

How will you measure the success of the organisation or project? How will you make sure you reach the targets you have set? How will you collect information about the work that you are doing? Who will do this and when? How will this information feed into ongoing improvement of the project?

Before you start you need to have a clear framework outlining the targets relating to what you want to achieve, both quantitative and qualitative. Think about what you are measuring and why. Only collect necessary information. You should consider:

- What information you need to collect, to measure whether or not you are meeting your targets
- How you will collect that information
- Who will collect it
- When it will be collected
- How it will be collected

9: Further Help