

Guide to Writing a Business Plan

How to use this business plan

A business plan should be a living and breathing document. As your business environment changes, the plan's actions and strategies should evolve and adapt on a periodic basis.

The purpose of this guide is to be the first step to either developing or refining a plan for a business, division or person. You will be guided in using a set of business tools to help you clarify your vision and competitive advantage. The guide will also help focus on your key issues/strategies and finish with a One Page Plan so that you can start implementing your strategies.

Throughout this plan, we are using the setup of a café as an example of how to use these tools. Replace this text with your own business as you go along.

1. Set your vision for the business. Draw up a vision statement of where you want your business to be.
2. Your vision will then help guide you in mindmapping what you need to achieve this vision. In mindmapping you will be drawing connections between your business idea, and the practicalities of what you need when you start your business. This is the time for you to 'brain dump' all the ideas, possibilities and potential problems that you can have when you start your business.
3. Flesh out these ideas more by developing a Strengths, Weaknesses, Opportunities & Threats (SWOT) analysis. Look at your mindmap and critically highlight what are the SWOT in your business
4. Flesh out 3 top strategies that you can practically implement that would help you meet your business vision
5. For each of these strategies complete a Force Field Analysis to examine what are the factors that will make or break the success of these strategies. Draw up 3 action points that you can do.

Fill out our one page business plan template. Set strategies, assign tasks and set timelines to get going in starting your business. The one page business plan summaries your vision, strategies and tasks to be done in a handy page.

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Set Your Vision

Where do you want your business to be?

Visioning helps you to see where you want your business to be in the future. It is based on your goals and aspirations.

Visioning helps you to:

- capture in writing the essence of where you want to take your business
- communicate your long-term business goals
- reflect your view of the world and the 'higher purpose' of your business in this world
- inspire you and your staff to reach these goals.

Visioning can be captured and formalised by writing a vision statement.

Generally, your vision statement consists of:

- finances
- reputation (e.g. amongst staff, customers, competitors)
- service quality standards (e.g. making customers a priority)
- growth (e.g. innovation, attracting new customers, introducing new products)
- passion (e.g. that you and your staff enjoy what you do)
- sustainability (e.g. becoming financially and environmentally sustainable)

For a good example of how having a vision sets directions and motivates staff, [read about The Physio Co's Tristan White on how having a strong vision statement can motivate staff.](#)

Visioning map

Where are you now?

1. Researching customer preferences
2. Able to lease suitable premises
3. Good barista accepted employment offer
4. Passionate about coffee and serving good coffee

Where do you want to be?

1. Café trading strongly
2. Good and growing reputation
3. Be regarded as good employer

What does a good vision statement look like?

A good vision statement:

- is written in plain language
- is passionate, powerful and memorable
- is realistic
- describes the best outcome for your business
- helps build a picture in people's minds.

My vision statement is: 'The best coffee at the best prices with friendly service to all coffee lovers'.

Mindmapping

Bearing in mind your vision statement, you now need to organise and draw linkages between your business ideas and the practicalities in starting and running your business (e.g. hiring staff, equipment, finances, skill sets etc)

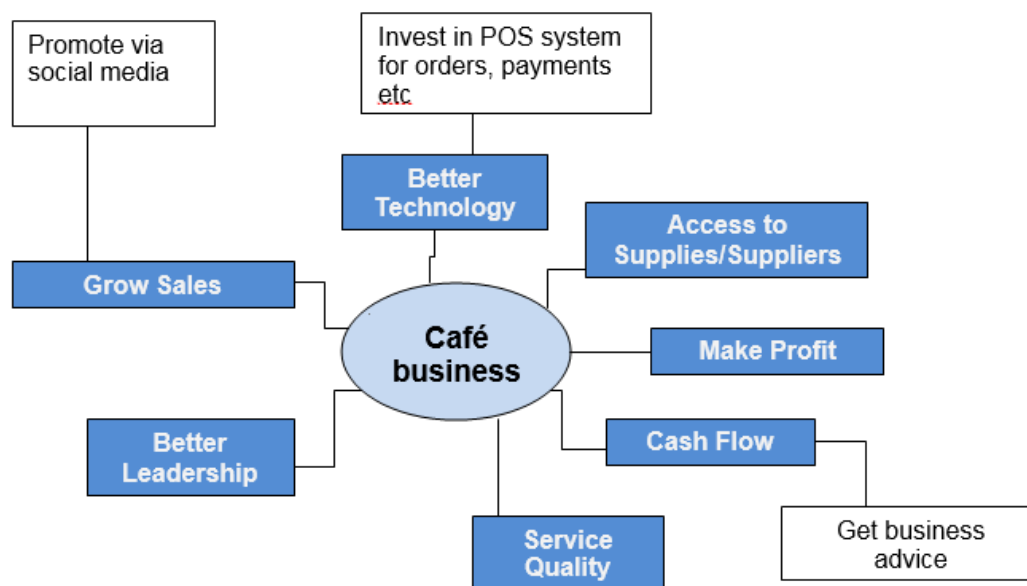
Mindmapping is a powerful problem-solving tool to help you organise ideas. It is a simple brain dumping process that helps stimulate new ideas and connections between ideas. It starts in the centre of the page with the main idea or issue that needs to be addressed and works outward in all directions, producing a growing organised structure composed of key words and key images as shown in the example below.

Mindmapping is practical and powerful because:

- it offers you a holistic picture of your business on one page
- it enables you to have lots of detail on the same page without losing the big picture
- you can add details to your business plan as they come to mind.

We suggest in the context you use a Mindmapping tool to flesh out your vision in more detail. You can use online cloud-based mind mapping tools such as [Xmind](#) or [Bubble.us](#). However, you could also draw your Mindmap on a piece of paper.

An Example of Mindmap



SWOT Analysis

A SWOT Analysis is a structured and detailed way to develop strategies.

- a. Spend some time working through the strategic SWOT analysis model. Start with identifying what strengths, weaknesses, opportunities and threats are present in the business?

STRENGTHS	WEAKNESSES
Chief Barista with over 10 years' experience Good location, attractive premises Access to good quality coffee beans	Insufficient product knowledge e.g. pastries Insufficient funds for modern POS system Not on social media
OPPORTUNITIES	THREATS
Target customers tend to use social media to make recommendations Café offerings appeal to yuppies	Neighbouring competitors have stronger reputation of good food & coffee Loss of regular suppliers through price hikes, closures etc Selling contaminated food

Once you have entered three or four items under each heading in the SWOT move onto asking the specific questions below to then come up with the strategies for each quadrant.

Question 1 – How can I use these strengths to commercialise these opportunities?

Question 2 – How can I use these strengths to overcome these threats?

Question 3 – What do I do to make sure that these weaknesses don't spoil these opportunities?

Question 4 – What if these weaknesses combine with these threats, what corrective action will I need to take?

Possible strategies

- promote on social media daily
- establish strong reputation of café
- offer free wi-fi to attract and retain customers
- research suitable POS
- conduct market research on customers

- cultivate backup suppliers for food and beverage.
- b. What are your top 3 strategies from your strategic SWOT you feel will have the biggest impact on achieving your vision?
1. Establish strong reputation of cafe
 2. Staff training on safe food handling
 3. Do market research on POS

Force Field Analysis

Force Field Analysis enables you to identify the action plans you need to put in place to remove any of your barriers. On the left hand side of the Force Field, list all the factors likely to make the issue successful. These are the factors impacting positively on your issue.

On the right hand side, list all the forces opposing the successful issue. These are the negative influences on the issue. Then, go back to the left hand side of the Force Field and say 'What would I need to do to make all the positive forces twice as strong and double the impact?' Then write the actions underneath each line item. .

Now go to the right hand side of the Force Field and ask yourself 'What would I need to do to halve the impact of these negative forces, reduce their strength or even remove them completely?' Then write the actions underneath each arrow as shown above.

You will now see that you have doubled your positive forces and halved your negative forces.

- a) Complete a Force Field Analysis on each line item from your SWOT process.
- b) First list one line item from your SWOT process in the middle of the Force Field Analysis. In the example below it's 'Reputation: what can I do to establish a strong reputation in an area of competition?'
- c) Aim to have three actions that can address this issue at the end of the process. Ensure these actions can be implemented.

Example Force Field Analysis

Positive	Issue	Negative
<p>1. Consistently serve good coffee</p> <ul style="list-style-type: none"> • trained baristas • always buy quality coffee • employ a 'secret shopper' to taste and review coffee <p>2. Attractive food</p> <ul style="list-style-type: none"> • provide a good variety of food that reflects the taste of customers • shop at Queen Vic market daily • have a monthly special based on trendy items e.g. ancient grains can be made permanent if a strong seller <p>3. Cheerful staff</p> <ul style="list-style-type: none"> • recruit staff with positive attitude • have awards for outstanding customer service <p>4. Good location</p> <ul style="list-style-type: none"> • ensure location is close to an office, school or 	<p>e.g. Reputation: what can I do to establish a strong reputation in an area of competition?</p>	<p>1. Difficulty in maintaining cleanliness of cafe during busy periods</p> <ul style="list-style-type: none"> • draw up cleaning roster for café & toilets <p>2. Limited food & drinks range</p> <ul style="list-style-type: none"> • -expand range • -serve tap water <p>3. Inconsistent dress code</p> <ul style="list-style-type: none"> • -draw up staff guidelines on dress code • -ensure compliance <p>4. Old POS system</p> <ul style="list-style-type: none"> • -investigate appropriate POS system • -train staff on POS use <p>5. Dated interior</p> <ul style="list-style-type: none"> • refurbish using upcycled furnishings e.g. milk crates • grow and display herbs for use in the café

<p>public transport to ensure regular traffic</p>		
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Top three actions to implement

My top three actions that I can implement are:

1. Coffees to be made only by a trained barista
2. Ensure I recruit staff who displays a positive attitude to work & customers

3. Refurbish using upcycled furnishings e.g. milk crates

One Page Plan

The One Page Plan allows you to prepare a summarised overview of the current situation and assists you to implement the right solutions at the right time to achieve your vision / targets. It's also a practical way to record the outcomes of the planning process.

Elements of your One Page Plan

Now Analysis

In this section summarise your current situation. You should be able to fit up to five points. Which four or five accurately describe your issue right now?

Where Analysis

What is your vision? What is your competitive advantage? What are your key objectives? Summarise these elements in this section.

Strategies

What are the three or four key strategies you need to work on over the next twelve months? These can be drawn from your SWOT analysis that you have done earlier.

Action Plans

In this section, list what is to be done. Normally you have about three or four actions. There is no need to put every step into the action plan. Only list the strategically important ones. These actions can be drawn from the outcomes of your Force Field you did on your key issues / strategy.

Timing

Lists when you aim to achieve the result and who is responsible for it. These should be in priority order and are critical for accountability.

How to use the One Page Plan

- a. Use the template below to complete a One Page Plan for your business.
- b. Once completed discuss with your advisor or a peer and get them to challenge you on how achievable and realistic the plan is.

Template: Action Plan for Proposed Café

Date revised: 10 February 2019

Action Now

- Applied for relevant permits & café licences
- Recruited 4 staff
- Began premises design
- Opened account with good pastry supplier

Goals - in 12 months

- Trade consistently profitably
- Growing reputation
- Happy staff
- Increasing sales

How to achieve the plan

Strategies	Action plans	Responsible team member/timing
Attractive food range	Set up poll on Facebook on 'what you want to see on our shelves' Negotiate with suppliers	JS 10/3/19
Active social media presence	Link up with Bean Hunter app Instagram, Facebook & Tweet regularly to build audience Build website featuring our Twitter handle, Instagram & Facebook pages	AB 01/4/19
Investigate POS systems	Best 3 POS systems to submit proposals	JS 20/7/19

Expand Your Plan – Where more detail is required

If you're a first time business owner then you might need help working out how to action some of the steps you want to take. We've put together a handy list of resources we have to help you figure it out.

Planning

[Do your market research](#)

[Set up your succession plan](#)

Finances

[Master your financial basics](#)

[Have a good debt recovery policy](#)

Staffing

[Assess the need to hire staff](#)

[Write a job description](#)

Get help in person

There's plenty of support available in Victoria to help you upskill and make sure you're on the right track. Try one of the following Victorian Government services:

Speak to a mentor for free advice

[Small business bus](#)

Small Business Mentoring Service

[Book a mentoring session with Small Business Mentoring Service](#)

Attend a business planning course

[Find out when is the next business planning course](#)