



How to write a Simple yet effective Business Plan

The first step to becoming a business owner

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Dear Business Owner-

We hope this handout will help guide you to write an excellent business plan that will not overwhelm you. There are fourteen sections of this business plan. Many can take under an hour to finish. Do the sections that come easiest for you first and then spend the time on the ones that take more effort. At least try to do one section a day and in as little as two weeks you will have a complete business plan.

This is a crucial step to creating a solid business and this document will be your road map to success. This document is not set in stone; it is a working document that grows with your business.

Most website content will come from sections of this plan along with your business strategy.

APA Business Consulting, Inc. offers a business plan writing service if you don't have the time or need assistance in writing your business plan. Please email for more info and pricing.

Enjoy writing this and congratulations on taking the first step to becoming a business owner.

Best,
Allison P. Andrews
President
APA Business Consulting, Inc.

Ps. If you need additional support or have a question please email:
info@apaconsulting.biz

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Section I - Cover Page

Every business plan needs a cover page. The cover page should include the following:

- Plan name (Business Plan for _____ Company)
- Company name
- Company address
- Company phone and fax
- E-mail address
- Name of person submitting the business plan

The cover page is essential, because those who refer to your business plan expect your contact information to be located here. Whether you submit your plan to a Small Business Advisor for review, or to a lender for financing, you want these people to be able to get a hold of you for comments and questions!

Section II - Executive Summary

The executive summary is a synopsis of your business idea and business plan. It should include the following in one or two concise, succinct paragraphs.

1. Describe your business idea and why it is a good idea.
2. Describe the need for the products/services
3. Describe your target market
4. Describe how you intend to sell your products/services
5. Describe why the business will succeed

Note: It is easiest to write the executive summary LAST. Insert the executive summary after the cover page, even though it will be the last part of the business plan you write.

Section III – Objectives

Your objectives should include *specific goals that can be measured*. Keep the list to three to five objectives: a longer list will make it harder to focus when you begin operations. This section of the plan can be written with bullet points. An example will look like this:

The objectives of _____ business are the following:

1. To have a profit of _____ after one year.
2. To provide the highest quality _____ blank for a reasonable price.
3. To be the first business to appear in an internet search for my products category.

Please note these are just examples. You need to make up your own objectives as they relate to your overall business and business plan.

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Section IV - Mission Statement

Your mission statement is used to establish the fundamental goals for the quality of your business offering, and customer satisfaction. A good mission statement defines your business and communicates that definition to other people. Your mission statement should be a series of short sentences. Below is a sample mission statement:

“It is the mission of APA Consulting is to empower entrepreneurs with the business, sales and marketing strategies they need to succeed.”

Section V - Keys To Success

Virtually every business has keys to their success that make the difference doing well and failure. Core values and management philosophies are great to add here. For example:

- In a restaurant business, location and parking might be keys to success.
- For accountants and attorneys, the keys might include professionalism, reliability, and participation in community organizations.
- In many professional services, one of the keys is to never lose existing clients, because it is more expensive to find a new client than to keep an existing one.

In this section of your business plan, write 3 – 5 keys to success that are specific to your business and number them.

Section VI - Start Up Expenses Summary

In the “start-up expenses summary” section of the business plan, you need to generate an estimate of the amount of money that you will need for start-up costs. This section should be straightforward to complete. Use an Excel spreadsheet to create a file called “Start-Up Expenses.” Include only the start-up expenses that are specific to *your* business. You need to create this in Excel. Then, export the file into the Microsoft Word document you are using for your business plan. It should look something like this.

Start Up Costs

Business Cards \$500.00
Invoices \$200.00
Legal Fees \$100.00
Advertising \$200.00
Web Development \$100.00
Business Licenses \$150.00

Total \$1,250.00

If you are unsure of how to do this, please have someone familiar with Excel help you. After you’ve provided the raw numbers, you should also justify your start-up expenses with a narrative statement. For further questions you can always email info@apaconsulting.biz

Section VII – Legal Structure

In the “legal structure” part of the business plan, describe the ownership and legal structure of the company. Specify whether your company will be a corporation, partnership, sole proprietorship... or some other kind of legal entity, such as an LLC. You should also explain who owns the company, and what their qualifications are—as they relate to the company. For example, if you have a skateboard manufacturing business and one of the owners of the business has been building skateboards for years, then you need to list this qualification. It is also useful to include the expectations of the business partners in this section of the business plan. Describe the division of labor and investments amongst the partners.

For this section if you are unaware of the different tax and corporation laws APA Business Consulting, Inc. as affiliates we can refer to you on this decision. It is recommended that you speak with a CPA on this.

Section VIII – Product/Service Sector

In the “product/service sector” section, you need to describe the exact product or services that you will offer. You need to include the following elements in paragraph form:

1. What product/service will you offer?
2. How are these products/services provided?
3. Who provides these products/services?
4. Any future products/services that will be added.
If so, when and how will they be added?

Section IX - The Market Analysis

Use the “market analysis” section of your business plan to describe the different groups of target customers or people to which you intend to sell your product. Explain why you are selecting these groups as a source of potential customers. We want you to come up with at least two or three groups of target customers. Please label these groups and tell us about them.

Section X - Competitive Edge

You’re not *required* to have a competitive edge to run a successful business. Oftentimes hard work, integrity, and customer satisfaction can substitute for it. But a competitive edge will certainly help. In this section you need to address two topics in paragraph form:

1. What is your competitive edge?
2. How is your company different from other companies offering similar products/services?

Section XI - Marketing Strategy

Within your marketing strategy, you need to explain how you intend to position your product or service in the marketplace.

Sales strategy comes later. Don't confuse the two. *Marketing strategy* might affect image and awareness and a customer's tendency to buy your product. A *sales strategy* involves closing deals and getting orders.

Your marketing strategy depends a great deal on which market segments you've chosen as target market groups. Be sure and mention how you plan to approach your target markets from Section IX.

Section XII - Sales Strategy

As mentioned in the previous section, a sales strategy is different from a marketing strategy. A strong sales strategy will include the following in paragraph form:

1. How will you close sales prospects?
2. How will you take someone interested in buying your product and transition them into someone who actually buys your product?
3. How will you process orders?
4. How will you provide customer service?

Section XIII - Management Summary

To complete the "management summary," explain how many employees will work at the company. Write brief job descriptions with specific responsibilities for all employees. It should be a specific resume for this new job.

Section XIV - Profit/Loss Statement

In this section, profit and loss is a statement for year one of your business. This breaks down the money in and the money out to show what your actual net profit is. Use the Excel file to fulfill the requirements for this section. If you are unsure of how to do this, please have someone familiar with Excel help you. Then insert this file into your business plan Microsoft Word document.

There are formulas to get the needed numbers and if you are unfamiliar ask someone who knows excel or you can always email info@apaconsulting.biz

Example Performa/Cash Flow on the next page, but note you need to show a full year (12 months).

**Proforma Cash Flow Safe
1st year
ABC Business**

\$40,000.00

Months	January	February	March
(A) Beginning Cash Balance (Cash on Hand)	\$40,000.00	\$35,604.46	\$33,964.05
Cash Receipts			
Cash Sales (Retail)	\$23,818.00	\$25,647.00	\$25,000.00
Collections from Receivables*	\$0.00	\$0.00	\$0.00
(B)Total Cash Receipts	\$63,818.00	\$61,251.46	\$58,964.05
Cash Disbursements			
Cost of Goods Sold	\$11,909.00	\$10,928.00	\$12,500.00
Rent	\$6,800.00	\$6,800.00	\$6,800.00
Salaries & Benefits	\$5,840.00	\$5,840.00	\$5,840.00
Utilities/Telephone	\$300.00	\$300.00	\$300.00
Advertising	\$2,000.00	\$2,000.00	\$2,000.00
Insurance	\$200.00	\$200.00	\$200.00
Office Supplies	\$150.00	\$150.00	\$150.00
Misc. Expenses	\$100.00	\$100.00	\$100.00
Legal & Professional Fees	\$200.00	\$200.00	\$200.00
Credit Card Fees	\$714.54	\$769.41	\$750.00
<i>Loan Repayment</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$0.00</i>
(C)Total Cash Disbursements	\$28,213.54	\$27,287.41	\$28,840.00
Net Cash Flow (B-C)	\$35,604.46	\$33,964.05	\$30,124.05

Assumptions:
you can list any reasons for the numbers here.

List cash infusions in row 2 and add to Pre-Startup Cash

*Collections from Receivables - Only if you offer your customers credit or terms

Hip, Hip Hooray! You've completed your business plan. For any assistance please email
APA Business Consulting, Inc. at info@apaconsulting.biz
We hope you found this to be a helpful handbook and will come back to us for other
handbooks and support.

Remember to follow our facebook fan page, twitter tips and RSS feed to stay up to date on
tools to use in your business.