

Business Planning 101

Business Planning

Introduction

- Your Business Plan is your roadmap for your Vision of WHO you want your company to be.
- Creating a plan can be intimidating. Keep it simple to start.
- Planning helps you to focus on what is important and evaluate your activities.

Business Planning

The business plan tells us WHO you are as a business:

- Who is running the business? What makes them qualified? What do they bring to the table that adds value?
- Who is the competition? What do they offer and what makes you different?
- Who is your customer? How big is the market? Where are they? What do they want and how will you give it to them? Also, how will you connect with your market?

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Who will want to see your plan?

- Bankers or investors that may provide capital
- Surety Underwriters
- Key employees
- You! You should revisit your plan regularly to make sure you are staying on track, and revising it as your vision changes.

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Getting Started

- Buy a notebook to write down your ideas
- Read through a template or sample business plan to get an idea of what you should be writing
- Don't feel that your plan needs to be perfect – that stops many people before they get started
- Try to have some fun with the planning – this is your life's work you will be writing about!

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Components of a Basic Plan

- Executive Summary
- Business Profile
- Market Analysis
- SWOT Analysis
- Marketing Plan
- Budget
- Resumes; photos; references

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Executive Summary

- Write this Last!
- Once you have fully evaluated your company and your vision with the plan, then you will be prepared to summarize!

Company Profile

- What does your firm do? What are your specialties? What makes you different?
- This can become your 20 second “elevator speech”

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Market Analysis:

- What is the landscape of the market you are working in?
- Who is your competition
- How does your business profile differentiate you in a way that makes you marketable?
- MWBE/DBE/SBE status is a corporate asset – goals for more diverse participation on public procurement are on the rise and are being better enforced!

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SWOT Analysis

- **Strengths** – what is your sweet spot – what you do really well?
- **Weaknesses** – what needs work? Where should you focus your energy for improving yourself and your business
- **Opportunities** – what can you leverage for growth? SBS programs “bidding opportunities”, contracting opportunities, MWBE status,
- **Threats** – what must you protect against?

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SWOT Analysis

- Real Purpose: fine tune your mission
- Does this evaluation make you realize that you need make changes?
- Are you spread too thin?
- Are you focused on areas that are profitable?
- What changes will facilitate making more \$\$\$?

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Marketing Plan

How will you bring in new business?

- Social Media
- MWBE Events and shaking hands
- Word of Mouth
- Advertising
- Bid Services
- Meeting with Primes and Owners
- Other?

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Budget -- MUST HAVE! (but most small firms don't!)

- Annual budgets allow you to monitor your progress as the year unfolds
- Create a budget, track variances and make changes where needed
- Think through strategy and allocate resources
- Understand when to pull back with expenses before they derail your goals
- Understand where your money goes

Budgeting for Construction Firms – How To:

<http://www.constructionbusinessowner.com/topics/accounting/accounting-finance/how-establish-and-stay-budget>

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Resumes, references, photos of work

- *Present yourself as a successful CEO*
- This is the fun part – time to show off!
- Ask happy clients for testimonials about your work
- Photos of you, your team and your work draw readers in
- Resumes and biographies show your team's depth

Business Planning

- Business and Strategic Planning helps you to make more efficient use of your time by planning and retooling methodically
- Don't seek perfection – this takes time you don't have; organize your ideas so that **you** understand them
- BUT: If you need to share your plan with outsiders: follow a template, be neat, concise and accurate (no typos, spelling or grammar errors), have a trusted adviser review if possible

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Business Plan Template

<https://www.score.org/resources/business-planning-financial-statements-template-gallery>

Construction Business Plan – How To:

<http://smallbusiness.chron.com/write-construction-business-plan-2746.html>

THANK YOU

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