

# ORGANISING A ROBUST PLAN FOR YOUR NEW BUSINESS

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CLA

PLANS ARE WORTHLESS,  
BUT PLANNING IS ESSENTIAL

US President Dwight D Eisenhower Nov '57

# THE OBJECTIVE OF A BUSINESS PLAN

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- Sets out what the business is trying to achieve and how to achieve it



- Every business that wants to be viable and profitable has a business plan

# THE BASIC ELEMENTS OF A BUSINESS PLAN

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- A document that describes the business
- Sets out
  - The detail of a business proposal
  - An overview of the aims of the business
  - The products or services on offer
  - Assesses the market and projects sales
  - How the business is to be managed
  - Financial forecasts for the short, medium and long term

# WHY HAVE A BUSINESS PLAN?

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- A business plan to suit different audiences
- A tool in the art of persuasion
- Planning is vital to growth
- Helps focus and meet targets
- An aid to decision making and renewing impetus

# THE MOST COMMON MISTAKES

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- A business plan is only needed to secure investment
- A plan in a vacuum – regulation, tax, rates, services, family
- Short termism attitude – waiting for certainty
- Misses two vital questions:
  - Why will people buy the product?
  - Why does it matter that the business exists at all?

# THE MARKET PLACE

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- Knowing your market
- Segmenting the market
- Measuring the market
- Targeting
- Size (or targeting the right market)

# AIMS AND OBJECTIVES

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- The vision
- Realistic objectives
- Answer these questions:
  - How determined is the business to succeed?
  - What are the revenues in years 1, 5 and 10?
  - What will be the market share in these years?
  - What are the plans for the short, medium and long term?



# THE EXECUTIVE SUMMARY

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- Will be the first part of the business plan to be read
- So it has to be short, to the point, simple and to the point about what the business is and what it does
- Highlights one important statement from each part of the plan
- It must be able to catch the eye of the reader
- Target the Executive Summary to the intended audience and make it stand out

# MARKET RESEARCH

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- Knowing the market is fundamental otherwise you will not be able to sell
- Quantitative market research
- Qualitative market research
- Analyse the market
- How to exploit the market

# MANAGEMENT AND OPERATIONS

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- Who is running the business and what is the management structure?
- The management summary
- The business structure
- The management team
- How the business team works together

# FINANCIAL ELEMENTS

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- Financial information needed:
  - Balance sheet
  - Cash flow analysis/projections
  - Profit and loss
  - Break even analysis
  - Personal expense account
- Forecasting assumptions and risk

# PRESENTING THE PLAN

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- Who are you presenting the plan to?
- Different audiences need different approaches
- Sell yourself and the business
- Keep presentations short and simple
- Avoid jargon: You may understand it but does your audience?

# THE ESSENTIALS OF BUSINESS PLANNING

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- There must be a business plan that deals with the short, medium and long term
- Any business plan must have a series of objectives
- It must be adaptable and flexible
- The business has to be able to act quickly in order to exploit openings in the market as well as seek to create new opportunities

# THANK YOU

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The logo for CLA, featuring the letters 'CLA' in a bold, white, sans-serif font. A yellow swoosh underline is positioned beneath the 'A'. The logo is set against a teal square background.