

# How to write a business plan

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One of the best parts of my job at the Town of Caledon is working with entrepreneurs who come to the Caledon Business Innovation Zone (CBIZ) at Town Hall seeking help or information.

It's exciting to see their energy and enthusiasm and gratifying to help them work towards making their dreams a reality.

Often a first step is creating a business plan.

The challenge is that, if you haven't done it before, it's easy to feel isolated or lost.

Every business needs a plan. Of course, the complexity and strategy of the plan will vary by business type, but having it is essential to realize a vision. A business plan is not an application for bank funding. Rather, it is a guide to your corporate values, the nature of your market (competition and competitive advantages), and a strategy for how you are going to sell your product or service ? and be profitable doing so.

Without a plan it is easy to lose direction. Developing a business plan can take time, yes. But it is a worthwhile investment. It can guide you, help you stay you organized and focused -- and yet still evolve and change with time.

There is no one-size-fits-all plan. Here are a few of the basics you need to get started:

## 1. **Description**

? Name of your business and why you chose that name

? A short history of your business (including registration date, address and contact information)

? The purpose of your business

? The products and/or service you offer

? The legal structure of your business (sole proprietorship, partnership, corporation or co-operative)

## 2. **Market Analysis** (competitive analysis)

You need to show who your customers are and what your competition (direct and indirect) is. As this landscape is constantly changing you will need to check your analysis regularly ? indeed for as long as your business is in operation. To get the information you need there are several sources: the internet, the library, CBIZ, etc. And don't forget to talk to people. Customers, competitors, suppliers?these are some of the best sources of information about your market.

## 3. **Operations**

This section will discuss the current and projected (for the next 3 to 5 years) operational requirements of your business, such as:

? Facilities

? Information technology

? Human resources (including organizational structure)

? Environmental and/or social responsibility

? Online business resources

? Growth plan

#### **4. Marketing**

This is how you plan to find and keep customers. This section evolves in parallel with the Market Analysis section which will provide you with information on your customers and competition as it evolves over time. The Marketing plan will:

? Define your brand

? Identify your customers

? Understand your competitors

? Identify your company's strengths, weaknesses, opportunities and threats

? Define what makes your business different

? Map your customers' purchase journey

? Create your marketing action plan

? Monitor, measure and improve your marketing tactics

#### **5. Financial Analysis**

This section can make or break your business, yet it is often the most overlooked. No matter how good your offering or how creatively marketed it is, if it doesn't make a profit the business will eventually close. Understanding your revenue, expenses, assets, liabilities, debts, balance sheet, cash flow, and income statement can be overwhelming but to be successful it is necessary to have a good grasp of the financials to start, establish or expand your business.

For more information, visit [caledon.ca/cbiz](http://caledon.ca/cbiz), email [business@caledon.ca](mailto:business@caledon.ca) or call 905.584.2272 x. 5131.

**Courtesy of the Town of Caledon**