Checklist: Map out a business plan to lead to your goals
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A good business plan provides a strong foundation for your growth and success. Whether you are starting up, looking for financing, or need a road map for your business, a business plan will help you reach your target. Established companies with a business plan report greater financial gains than those without one, a 2014 Palo Alto Software survey found.

Preparation and gathering information are the starting actions for updating an existing plan or creating a new one. Use this checklist as a prompt to assemble the right data and make important decisions that will shape your plan.

- **Decide how you will use your plan.** A business plan can serve many purposes, such as supporting a pitch to lenders or investors, testing the viability of an idea, or guiding a business through a transition.
Determine your objectives for your plan and craft your document accordingly. If you will use it to seek financing, for example, you’ll need to focus closely on your ability to repay. If you’re considering a shift in your product line, you may need to devote more time to market research to explain how your new offering will better meet customer needs.

☐ **Take advantage of helpful resources.** Seek out nearby services that can help you develop your plan. SCORE, a business mentoring nonprofit, offers free and low-cost business plan workshops and access to seasoned entrepreneurs who can provide valuable input. SBA-supported small business development centers can also help you prepare to write a plan and coach you through the process. SBDCNet, a small business research website, provides sample business plans for a wide range of companies, which can help frame your thinking. These resources can also help business owners looking to improve an existing plan.

☐ **Research your industry and competitors.** Your business plan must demonstrate a firm understanding of the landscape in which you will operate. Tap industry trade associations for market statistics, trends, and other helpful insights they can provide. The Encyclopedia of Associations, available at most libraries, can help you find these groups. Also explore the industry and market research reports on SBDCNet, which
are searchable from the home page. Research your competitors by visiting their businesses and reviewing their websites, marketing materials, and online mentions. Note their pricing and strengths and weaknesses, and use this information to find opportunities to differentiate your business.

- **Talk with target customers.** Among the most critical steps in your preparation is to interview would-be customers. Use your business and personal networks to connect with people who match your target customer profile. Demonstrate your product or describe your service to interviewees. Ask how they currently meet the needs that it addresses and how your offering compares to competitors. Even if you already have a business plan, conducting customer research can provide valuable feedback to improve your offering and every aspect of how it will be created, distributed, and marketed.

- **Plan your marketing strategy.** Once you’ve researched your industry and target market, think about how you will reach new customers. Some options include signage, brochures, product samples, a website, and social media. Consider what types of messages you will use—for example, will you appeal based on price, quality, or filling a previously unoccupied niche? Give thought to how your offerings will be priced, such as individually, bundled, or by subscription, and
whether you will work with retailers, resellers, or distributors to help promote them. This step is also crucial for established businesses considering a change in focus.

- **Build financial projections.** Financial projections are key to confirming the soundness of your business idea. The SBA recommends including forecasted income statements, balance sheets, cash flow statements, and capital expenditure budgets in a startup plan. Forecast your sales and operating expenses as a first step, as this will form the core of your projections. If you are unsure how to do this, seek advice from an accountant who works with businesses in your industry or a SCORE mentor who’s run a business similar to yours. A colleague in your industry or a small business development center may be able to recommend an accountant.