

# How to Prepare a Proper Business Plan

---

John Sheehan, Certified Mentor, SCORE Bucks County

October 26, 2021



FOR THE LIFE OF YOUR BUSINESS

# Topics

- Why have a Business Plan?
- Purposes of a Business Plan
- Objectives and Discussions Points
- Question and Answer

# Why have a Business Plan?

- A well thought out business plan can help you avoid pitfalls by planning for the future
  - Create an effective strategy for growth
  - Determine your future financial needs
  - Attract investors and lenders

60% of businesses fail within 3 years often due to lack of planning

# Why have a Business Plan?

- Biggest Pitfalls
  - Not insuring that you have sufficient start-up capital to launch the business.
  - Not being specific as to what the purpose of the business is and what your goals are.
  - Neglecting to do preliminary market research to determine if there is a need for your product or service.
  - Not identifying existing competitors in your trading or market area.

# Why have a Business Plan?

- Biggest Pitfalls
  - Not seeking advice and counsel from someone experienced in starting and running a business (e.g. SCORE)
  - Not establishing a relationship with a bank or other funding source prior to your need for capital.
  - Not meticulously reviewing your plan with someone else to determine if any weaknesses exist in your business idea.

# Purposes of a Business Plan

- Acts as a roadmap to guide the entrepreneur through the steps necessary to conduct a business



- It is a necessary document for acquiring funding



- Allows you to discover any weaknesses in your business idea

**WEAKNESS**

# Objectives and Discussions Points

- Mission statement
  - What are your goals, where do you want to be and how will you get there.



# Objectives and Discussions Points

- Marketing
  - Identify your target market and available potential customers.



# Objectives and Discussions Points

- Pricing
  - Determine pricing of your product(s) or service based on your costs, market conditions and competitor pricing.



# Objectives and Discussions Points

- Competition
  - Know who your key competitors are, their marketing strategy and pricing policy and how you plan to differentiate yourself from them.



# Objectives and Discussions Points

- Financial
  - Analyze your start-up costs and ongoing cash requirements and funding sources available to you.





# Thank you for your Time and Attention

**John Sheehan, SCORE Certified Mentor**

**SCORE**  | Bucks County

11 Welden Drive, Suite 100

Doylestown, PA 18901

M: (215) 378-0416

E: [john.sheehan@scorevolunteer.org](mailto:john.sheehan@scorevolunteer.org)

