

**CSI ACCOUNTING & PAYROLL**

**THE EFFORTLESS  
GUIDE TO  
MAKING  
OR UPDATING  
YOUR  
BUSINESS PLAN**

**GUIDE YOUR BUSINESS AS IT GROWS,  
WHETHER YOU'VE BEEN AROUND FOR A  
WHILE OR ARE JUST GETTING STARTED**

# The Effortless Guide to Making (or Updating) Your Business Plan

## CSI Accounting & Payroll

Whether you're just getting your business started or you've been in operation for a while, creating or reworking your business plan is vital. There are some circumstances where a traditional business plan is required, and there are also times when a more modern, simplified version will suffice.

Regardless, any good business plan is intended to guide your business as it grows. This guide will cover both the **standard business plan structure** and the **lean startup business plan structure** to help you decide which is best for you.

A traditional business plan uses a **standard structure** to allow you to write detailed descriptions of each segment. This type of plan takes a while to write, but it can often be required for lenders and investors in your business. You really only need to go for a traditional business plan if you're looking for funding.

## Standard Business Plan Structure

### Executive Summary

Get the reader excited! This section alone should be a couple of pages and will be expanded upon throughout the rest of the business plan. Due to this, it's best to **write the rest of your plan first** and then come back to the executive summary to condense it.



You may want a confidentiality agreement with any readers of your business plan, as well as a statement that any projections – while researched and backed up by data – are not guaranteed.

- Briefly describe your company and its products or services.
  - Mention the basics – who, what, when, where, and why?

- What makes you unique? How will you succeed?
- What are your objectives and strategies?
- Include analysis of your industry, your market, your competition, and what it will take for you to break even.
  - Briefly summarize your financial needs.
- Include ideas for your marketing plan.
- How will your business be vested?
- This is also where your mission statement and growth plans should be.

## Company Description

Go more in detail about your company. Mention any details from the executive summary that can be expanded on.

- Who are your customers?
  - This will be covered more in-depth in the marketing plan later on.
- What separates you from your competition?
  - What are your challenges, and how do your opportunities outweigh them?
- What is your industry like, and how is it performing?
- What is your vision, or long-term outlook? How about your short-term goals?
  - Make sure your goals are measurable.

## Market Analysis

- Do you have a large enough target market to have a viable business?
  - Describe your target market in more detail.
- Do a more thorough look into your competition.
  - Analyze what your competition is doing to bring in their target market, especially if it's similar to yours.
  - Do successful competitors miss something different that you can bring to the table?

## Organization and Management

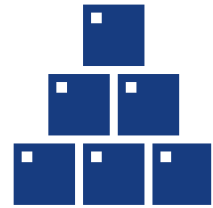
- Lay out the structure of your company.
  - Are there different departments? If so, make a chart showing the different levels of management – ones that you've hired and ones that you plan to hire in the future.



- You can include certain skills that upper management brings to the team here. If there are any gaps in your structure or employees' experience, how will you fill those?
- Mention different advisors to your business, such as legal help, financial help, consultants, mentors, or a board of directors.
- Don't forget to mention your business's legal structure.

## Service or Product Line

- Go more into detail about your goods or services – who, what, when, where, and why?
- Why do you have the customers that you do?
  - How does your product or service benefit the customer?
- This is where you mention any existing legal claims on your brand, such as patents.
- Describe the research and development that went into your final product.
- What partnerships do you have in the process of getting and supplying your products or services?
  - Include suppliers, manufacturers, and other partners involved in this process.
- How do you price your product?
  - What is your pricing structure? Do you have a fee, subscription, or lease?
- You can include an operational plan here, with information about your production, quality control, restrictions based on your location, the inventory you'll need to keep and details about how you'll order it, your key suppliers (by name – and their fine details), and the details of potential credit plans offered to customers.



## Marketing and Sales

This is a critical piece of your business plan – in fact, many businesses go on to create (and revise) an entirely separate marketing plan.

- Your marketing plan should go over the market research for your industry and target market, barriers to entry, SWOT analysis (strengths, weaknesses, opportunities, and threats), an in-depth look at your customers and competition, your positioning, marketing your product or service, budgeting for advertising and promotions, a more in-depth look at your pricing, your

physical location, your different distribution channels and methods, and your forecast of sales for your first year in business.

- How do you plan to sell your products?
  - How do you get repeat customers or referrals? What is the sales process?
- How to you plan to evolve your strategy as certain changes come about?



## Funding Request

- How much support do you need? Debt or equity?
  - Back up all estimates with the data you can estimate.
- Discuss your terms of agreement and what you'll use the funding for.
  - You should also include details about paying off any debt.
- This section should have a financial growth plan for the first several years (typically five) of your business's operation.

## Financial Projections

- Refer back to your marketing and sales processes – what are your expectations for these numbers as far as expenses and sales?
- Explain how you will be successful.
- Mention your collateral that you could put against any loans as well.
- If you're updating your business plan now but your business has been running for a few years, look back on your financial statements for the last 3-5 years (if possible.) Afterwards, you'll do a projection of what the next 3-5 years look like with mock financial statements. You might even choose to break it down on a monthly basis at first.



## Appendix

- Include important documents here if they were requested by the intended reader of your business plan. These can include:
  - Financial documents and histories
    - Charts of financial projections
  - Licenses and permits
  - Resumes and references
  - Legal documents and contracts
  - Advertising materials

- In-depth market research studies
- List of equipment and machinery
- Additional information about your products or services

A **lean startup business plan** uses a summarized approach. It is typically only about one page long, so it is quick to write and easy to explain. While this type of business plan is still accepted, some lenders and investors may be looking for more details about your vision for your business.

## Lean Startup Business Plan Structure

### Key Partnerships

- Who do you work with or want to work with? These include businesses that are part of your supply chain, ones that are subcontractors, and more outside partners.



### Key Activities

- Do you have an advantage over the competition? If not, how will you get one? What is your strategy?
- What is your sales process? How will you offer your product or service? How will you advertise?

### Key Resources

- How will you create value in your goods and services through your employees, assets, and intellectual property?

### Value Proposition

- Write a statement about your value that is unique amongst your competition.

### Customer Relationships

- How will customers interact with your business? This can include automated messaging, face to face conversations, and more.



## Customer Segments

- Who is your specific target market? This needs to be narrow enough that it's realistic and allows you to focus your efforts, but it can't be so narrow that it purposely excludes a good portion of potential customers.

## Channels

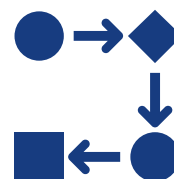
- How will you interact with your customers? This can be through your website, email, phone calls, texts, social media, and more. You can and should use more than one.

## Cost Structure

- What will your strategy focus on – minimizing costs or maximizing your value? What kinds of costs will you incur while implementing that strategy?

## Revenue Streams

- Which methods will you use to make profits? Mention details like direct sales, membership fees, and selling advertising spaces.



Now that you've been able to take a look at both the standard and lean startup business plan structures, you should have a deeper understanding of which is better for your business's needs, no matter how long you've been in operation.

Have more questions about your business plan or getting your finances in place as a startup business? Contact us at [info@csiaccounting.com](mailto:info@csiaccounting.com)

