

Business Plan Outline

Format for Owner/Operator Start-up

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Executive Summary

There are many different opinions about exactly what should go into an Executive Summary. The Executive Summary is preferably about 2 pages long. It is usually meant to be a motivational piece - transfer the "sizzle" of your business plan into a few concise paragraphs. It should review the current status of the company, and where it may be headed. You can use narrative or bullet points (usually best if it is a combination of both). Remember that this may be the only section of your business plan that a potential investor may read.

1) *Cover Page*

On the cover page, simply put the name of the business and the desired funding level/investment

2) *Description of business*

- a) **Business Name** - Indicate the company name and vital contact information
- b) **Primary Product or Service** - Here you should ADD SIZZLE. Make your business sound exciting, as an opportunity! Back in the first section of this plan, you were asked to identify what it is that you really sell - this might be a good time to use that description. You may not have a unique product or service, but you can sure make "we sell widgets" to sound more exciting.
- c) **Customer segments & how you'll meet their needs** - Here you want to define the total market size for your products or services. This is where that number which represents the total market size comes in handy - you can define your market potential. You might also wish to state your projections for growth. It is also important here to indicate briefly how you will fill their unmet needs. Identify how your business is unique from your competitors. In the Product/Service Plan you identified the unique aspects of your product or service - this might be a good time to use that description.
- d) **Status** - (new or existing business - if existing brief history) It is beneficial in establishing credibility if you mention that your company has been in existence, and profitable for five years. This section should be a brief sentence or two about how long you have been in business and if you are profitable.

- e) **Legal form** - Here you would want to state whether your business is a sole proprietorship, partnership, limited liability company, or corporation.

3) *Mission and Goals*

- a) **Mission statement** - Please limit the length of your mission statement here to a sentence or two, with, perhaps, a few bullet points.
- b) **Key objectives quantitatively stated** - (sales, market share, growth rate) You may wish to indicate annual objectives for sales, market share and growth rate, or you may wish to state your objectives for only one or two of the items.

4) *Key financial projections*

- a) **Investment/ loans required and what used for (matching)** - When stating how much money we need, we need to also state how much the owners have infused into the company as well. A chart here, perhaps using a stacked bar chart, may clearly communicate where investments and monies will go, and how much owners have contributed. Government loan programs may not want to see their moneys going into working capital, but putting those funds to work in securing machinery might appear to be a more prudent use of the funds.
- b) **Sales projections (figure for the first year)** - Here it is important to note that lenders and investors might compare your projections to industry standards, such as those obtained from publications such as Robert Morris Associates (R.M.A.) Annual Statement Studies. Your local SBDC will have this publication in their resource library. This publication is organized by business type based on a four-digit SIC code, and presents profit/loss, balance sheet, and ratio information. Those data are presented relative to the size of the firm in sales volume, and also relative to the year of operation. These data provide a general yardstick for comparison - if our projections indicate a certain sales volume and certain level of profitability that are contrary to the industry norm, it might become apparent that our numbers are overly optimistic.
- c) **Profit and loss projections (figure for the first year)** - Indicate your annual projection, but, as above, compare your figures against the industry standard to establish reasonableness.

The Company - Outline

- 1) **Name and location**
- 2) **Company objectives**

- a) Purpose of the plan
- b) Mission statement
- c) Advertising slogan
- d) Goals
- e) Objectives

Goal:				
Who responsible	Activity	Time Frame	Measurement	Sign-off
Objective 1:				
Objective 2:				

3) Industry Trends

- a) Industry background/ trends
- b) Nature of your business - what you really sell
- c) Brief description of product or service

4) Company history and Legal Form

- a) Existing business or new business?
- b) If an existing business - Company
- c) Legal Form

Account Itemizations - Financial Plan

The purpose of this section is to work out the details of how you will categorize and itemize your financial expenses, and to get you to begin the process of obtaining quotes/bids. These exercises are meant to stimulate thought regarding the extent that expense itemizations exist for your business opportunity.

At this point in time we are not attaching dollar amounts to each of the itemizations - we are instead looking for the full range of expense itemizations. This will give us a strong feeling regarding the potential cost structure of our business opportunity. Please bear in mind that marketing expenses are not included in this section.

1) *Business Insurance*

There are many types of insurance coverage available to assist your business to mitigate risks. Insurance needs will vary with the types of business you are in because different types of businesses have different types of risks associated with them. The following are the most common types of insurance.

- a) **Auto** - Vehicle types usually include automobiles, trucks, or trailers
- b) **Crime** – This covers loss due to burglary, theft, computer theft, fraud, or other crimes.
- c) **General Liability** - You really must have this type of coverage if you are in business because it covers your customers for potential injury in case of accident. The most common type of coverage includes protection for: customer bodily injury or property damage, claims from use of premises, medical payments, off-premises liability, and contractual liabilities.
- d) **Inland Marine** – This covers the movement of goods from one location to another.
- e) **Machinery** – Protects with expenses associated with direct damage caused by sudden or accidental breakdown of a wide variety of electrical or mechanical equipment.
- f) **Medical Malpractice** – This covers medical and dental professionals of all kinds.
- g) **Professional Liability** – This covers professionals such as accountants, insurance adjusters and appraisers, architects and engineers, insurance agents, lawyers, real estate agents and non-profit associations.

- h) **Product Liability** – This is a specialized type of coverage which most of the time must be purchased separately, and covers against claims arising from the use of a product.
- i) **Property** - This type usually includes coverage for signage, newly-acquired buildings, outdoor property, and off-premises property. Additional coverage for spoilage or sewer backup will allow you to protect against industry-specific risks.
- j) **Umbrella Policy** - These types of coverage usually provides for protection for unusual risks, catastrophes, and additional coverage above and beyond underlying insurance coverage.

2) *Contracted Services*

What types of independent contractors might you need to utilize? Independent contractors are not employees - typically they are companies that we use to conduct specialized services.

- a) **Accounting** - What types of accounting services might you need to use? The most common types are bookkeeping services, CPA services, payroll services, or tax services.
- b) **Consulting** - The most commonly used type of consulting services include management consulting and organizational consulting services.
- c) **Legal** - Will you need to contract with attorneys? For what purpose? Legal firms can be retained for a set annual fee - allowing up to a certain number of hours service, with a set hourly rate for each additional hour. This may allow your firm to tap into various legal experts depending upon which need arises.
- d) **Maintenance** - These types of contracts will vary depending upon the types of industrial machinery, office equipment or facilities. These might include anticipated repair services, copier maintenance, machinery maintenance, vehicle maintenance, security system engineering, or janitorial services. Trash or garbage services are not to be included here, as they are considered to be an occupancy expense.
- e) **Marketing** - Various types of marketing services maybe contracted. These might include graphic art, advertising agencies, marketing research services, or data analysis services.
- f) **Personnel** - Companies may contract for personnel services. One popular option is to lease back your "own" employees from an employee leasing firm. This process might allow the firm to drastically lower its burdened employee cost rate - workers compensation and other mandatory and optional benefits may be purchased at a volume discount through the leasing firm. Other types of personnel services might include temporary agencies, secretarial services, or rent-an-executive programs.

3) *Debt*

What type of debt do you anticipate obtaining? Please remember that debt, by definition, requires that there be a principle amount, an interest rate, and a payback period. If you get a “loan” from mom or dad to “pay back when you can” – that is not a loan (it’s a form of venture capital).

Most common sources are:

1. Bank loans - home equity
2. Bank loans - secured
3. Credit union loan
4. Family loan

4) *Employees*

a) Job or Occupational Title - For the purposes of this plan, let us project out for the first year only. For each type of employee, what is the job or occupational title? Job or occupational titles can directly relate to the ego of the employee and the image that the job projects. As an example, is the person a "janitor" or a "maintenance engineer"?

Title:	How Many F/T?	How Many P/T?
Brief description:		
Title:	How Many F/T?	How Many P/T?
Brief description:		
Title:	How Many F/T?	How Many P/T?
Brief description:		
Title:	How Many F/T?	How Many P/T?

Brief description:		
Title:	How Many F/T?	How Many P/T?
Brief description:		

- b) Number of Full-time or Part-time Help Required** - You will need to specify how many employees will be needed in the first year, and if they will be full-time (F/T) or part-time (P/T) employees.
- c) Brief Description** - Specify briefly (one or two sentences) what this person will do. At this point you do not need to draft out clearly defined job duties, or the skills required for the job - that will come later when you complete your Personnel Plan. Right now, you want to get an understanding of how many employees you will need to hire, and what type of personnel your business will need during the first year.

Types of Employees Required - Examples - To assist you, in thinking about the types of employees your business may require, a list of examples is included for your review:

Accountant	Manager
Bartender	Mechanic
Calligrapher	Outside sales agent/ sales representatives
Cashier	Owner/manager/operator
Cell boy	Paralegal
Clerk - Inventory	Pathologist
Clerk - Office	Phlebotomist
Clerk - Shipping	Pool cleaner

Cook	Purchasing
Cutter	Receptionist
Delivery drivers	Salespeople
Designer	Screen printer
Dispatcher	Secretary
Electronic technician/ engineer	Security guard
Engineer	Sign painter
Florist designer	Swimming instructor
Gardener	Teachers
Graphic artist	Tinter
Housekeeper	Travel agent
Janitor	Waiter

5) *Employer Paid Employee Benefits (Burdened Costs)*

- a) **Mandatory Employee Benefits** - What are the mandatory types of benefits you will be required to provide for all employees? These include: social security tax, Federal tax, State tax, and Worker's Compensation insurance. You will need to determine what the "burdened" costs are for each employee in your organization - more on that later, when we will provide specific instructions. Part-time employees do require mandatory benefits. These "burdened costs" may conservatively be estimated as 11.5 % of employee salaries.
- b) **Optional Employee Benefits** - What are the optional types of benefits that you might want to provide to the different types of employees you will have, including yourself? The type of benefits provided may depend upon full-time or part-time employee status, and the philosophy of the owner. The most common types of optional benefits are listed below:

Types of Optional Benefits
A. Medical insurance
B. Dental insurance
C. Vision insurance
D. Life insurance
E. Pension plan/ Retirement plan
F. Profit-sharing plan
G. Employee Stock Option Program

Full-time employees (other than owners) typically varied in the types of benefits they received from A to A, B, C, D and G. Results were almost unanimous that owners

wished to receive A through G (all benefits). You will need to begin to get quotations for the types of benefits you want to provide.

6) *Types of Fixed Assets*

Fixed assets usually refer to long-term assets, or property that will have a useful life of over one year, or have a value of over \$5,000. If you plan to expense an item under Section 179 of the Internal Revenue Service Code, you should first check with your accountant to determine how your assets should be classified. These expenses include common leasehold improvements, which are the expenses related to the construction of new counters, carpeting, tile work, and other improvements of the “bare walls” at your business location. Fixed assets may include items such as the following:

Booths	Display cases	Ovens
Capital equipment	Equipment	Plant
Cash register	Fax machine	Printer
Clothes racks	Fixtures	Real estate property
Computers	Furniture	Sanders
Copy machines	Industrial tools	Tables
Cutting machine	Kitchen equipment	Telephone system
D.J Equipment	Lighting	Video machines
Delivery van/ vehicles	Machinery	Washers/ dryers

7) *Supplies and Miscellaneous Expense Items*

Your business will require many small items, or items that will need to be expensed. Often times we don't realize how much we will really need to start the business, nor how often we will need to replenish our supplies. A starter list has been created for you to begin to itemize what some of your miscellaneous supplies may be:

1. Answering machine	1. Glue	1. Rags
2. Appointment books	2. Hangers	2. Razor blades
3. Batteries	3. Hanging file folders	3. Receipt book
4. Blow dryers	4. Highlighters	4. Register tape
5. Books	5. Hole puncher	5. Ruler
6. Briefcase	6. Ink cartridges	6. Scissors

7. Brochures	7. Labels	7. Shampoo/ conditioner
8. Broom	8. Laboratory glassware	8. Sketch pads
9. Business cards	9. Latex gloves	9. Soap
10. Business forms (various types)	10. Letterhead	10. Soda
11. Calculator	11. Light bulbs	11. Stamps
12. Calendar - desk	12. Lubricants	12. Stapler
13. Calendar - wall	13. Manila file folders	13. Sugar
14. Capes	14. Maps	14. Tape
15. Carpet freshener	15. Marking pens	15. Tea
16. Clippies	16. Mop	16. Three ring binders
17. Coffee	17. Mop bucket w/ dry wringer	17. Toilet cleaner
18. Combs	18. Napkins	18. Toilet paper
19. Curlers	19. Note pads	19. Toilet seat covers
20. Deposit slips	20. Paints	20. Tool set
21. Detergent	21. Paper	21. Toys
22. Dispensers	22. Paper - copy machine	22. Trash bags
23. Duct tape	23. Paper - fax	23. Trash can
24. Electronic parts (cables, connectors, wires, etc.)	24. Paper clips	24. Vacuum bags
25. Envelopes	25. Paper cups	25. Video re-winder
26. Erasers	26. Paper towels	26. Water (drinking)
27. First aid kit	27. Pens/ pencils	27. White-out
	28. Post-it notes	28. Windex

28. Floor mats	29. Power cords	29. X-acto knives
29. Floppy disks	30. Printer ribbons/ cartridges	30. Zip strip
30. Fuses		

8) *Occupancy Expenses*

There are many costs associated with operating your business at any particular location. Some of these costs may be evenly spread over a period of twelve months, but many will vary greatly from month to month. It is important to project these expenses out on a month-by-month basis – this will enable a more accurate picture of cash-flow implications for your firm.

Expenses should be broken down into the following areas:

- Rental Expenses – Any mortgage payments should be broken down by principle and interest itemizations, but they should be itemized under **“Debt” (Section 3 above)**.
- Electricity (be sure to include deposits and installation fees) Also be sure to include the costs of changing or adding varying voltage systems (e.g., add 220v lines and outlets).
- Gas (be sure to include deposits and installation fees)
- Water (be sure to include deposits and installation fees) You can usually obtain an idea on these expenses from a local Building Department or Small Business Bureau.
- Telephone – How many telephone lines will you need? For telephone, facsimile, and internet access? Do you need a “key” telephone system? What are the installation and set up fees? Monthly charges? Project out variable use of these resources based on cyclic demand trends. The cost for the telephone system itself should be itemized under fixed assets.
- Trash (be sure to include deposits and installation fees) Some cities use trash permits as the method of choice for “business licensing.”

9) *Start up expenses*

What are the one-time start-up expenses? What will it take to open your doors for business for the first time? When determining these amounts, one month’s expenses will most likely be sufficient to cover all of the costs because these expenses will almost always occur prior to the

actual opening. Existing businesses will not have these expenses and this section should be skipped.

The expenses we need to note are:

- Permits required by the city or municipality
- Licenses required by regulatory bodies or need to conform to industry standards (these may become annual expenditures)
- Pre-opening expenses – This may include expenses for marketing research, or the legal assistance fees or accounting fees while organizing your business, incorporation fees, or filing fees. Your tax bill will be impacted by the way you treat these start-up expenses. You can not deduct these types of expenses if they incur before the business actually starts. However, if you incurred them before your business actually started, you make a special election to write them off over a period of five years (60 months) or more. It is vital that you keep accurate records of what these expenses were, prior to start-up, and that you choose the 60-month write-off election as soon as your business gets started. If you do not choose the 60-month election, you must capitalize these expenses, which means you cannot recoup them until if, and when, you sell the business.

The Product or Service - Outline

1) Description of Products/ Services

a) Description

i) Orientation

ii) Products/ Services sold

iii) Detailed description

(1) core product/ service

(2) branding

(3) packaging/ service displays

(4) labeling/ service descriptor brochures

(5) credibility.

iv) Alignment with Mission?

v) Coordinated portfolio?

b) Price / Quality Relationship

i) Overall relationship –

Low Quality–Low Price	Medium Quality – Low Price	High Quality – Low Price
Low Quality – Medium Price	Medium Quality – Medium Price	High Quality – Medium Price
Low Quality –High Price	Medium Quality – High Price	High Quality – High Price

i) Competitors

ii) Competitors' price / quality relationships

b) Life Cycle and Seasonal Sales Cycle

i) Product/ service and Industry Life-cycleStage

My core product or service is in the stage of:

My industry is in the stage of:

ii) Seasonality and Buying Cycle

Quarter I Jan – March	Quarter II April – June	Quarter III July – Sep	Quarter IV Oct - Dec
+	+	+	+
Avg	Avg	Avg	Avg
-	-	-	-

(L) = Less Competitive

Element	You	Comp 1	Comp 2	Comp 3
Appearance of Facility, People				
Customer Payment Flexibility				
Customer Service				
Employee Training Programs				
Industry/ Community Visibility				
Management Strength				
Overall Reputation and Image				
Perceived Stability				
Price				
Product/Service Selection				
Promptness/ Availability				
Quality				
Site Location				

i) TOP 5 Priorities

b) Positioning Description

2) Legal Protection

a) Legal Protection

3) Technical / Style Obsolescence

a) Technical Obsolescence

b) Style obsolescence

Financial Plan – Amounts

1) Quotations and Bids

At this time, you will need to gather information and obtain quotations and bids for each of the sections covered in the “**Financial Plan – Account Itemizations**”:

- Business Insurance
- Contracted Services
- Debt
- Fixed Assets
- Miscellaneous Expense Items
- Occupancy Expenses
- Start up expenses

2) *Sheets to be completed*

- **Employees**
- **Employer Paid Employee Benefits (Burdened Costs)**

The employee sheets will not be able to be properly completed until after you have completed the “**Personnel Plan**”. At that time you will have detailed your staffing level requirements.

3) *Completion of analyses*

You will also need to complete the following analyses:

- **Seasonal Sales Cycle** – from “**The Product or Service**” – The seasonal cycles will help to determine some of the variable elements of your cash flow.
- **Annual Sales Forecast** – from “**The Marketing Plan**” The marketing plan has not yet been completed, but, it is important to know that a good “guesstimate” will be necessary before financial statements can be completed.

You will need to complete each of the preparatory sheets prior to the final financial statements. These sheets will require that you obtain information and bids. Each preparatory sheet will need to be completed across all months for each applicable itemization. Please enter the annual total in the last column to the right. You will notice that you will also need to tabulate totals at the bottom of each column – this may indicate variations that may have severe cash flow implications.

Spreadsheets to be completed now:

Business Insurance

Contracted Services

Debt

Employees

Employer Paid Employee Benefits (Burdened Costs)

Fixed Assets

Marketing, Miscellaneous and Supply Expenses

Occupancy Expenses

Start up expenses

Sales Cycles and Cost of Goods Sold (COGS)

Marketing Plan - Outline

1) Analysis of Target Market and Profile of Target Customer

a) Customer Characteristics -

The segmentation variables I will look at are:

b) Customer Segment Characteristics –

Segmentation Variable	How I will Define it

c) Number of Potential Customers

i) Number of Potential Customers

Number of Potential customers (list mutually exclusive segments with appropriate numbers)

ii) How Many Will Buy From You

Number of Potential customers I expect to buy from me (list separate segments with appropriate numbers)

iii) Annual Average Customer Sales

Average sale per customer per year. (list mutually exclusive segments with appropriate numbers)

iv) Annual Sales Volume

(1) Best Case Scenario (original projections): \$

(2) Most Probable Scenario (Cut “best case scenario” in half): \$

(3) Worst Case Scenario (Cut your “most probable scenario” in half): \$

2) Business and Marketing Strategies

a) Strategies Based on Business Orientation

<input type="checkbox"/>	Lowest Cost	<input type="checkbox"/>	Uniquely Distinguished	<input type="checkbox"/>	Individualized Focus
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Key issues and emphasis:

To begin the process of developing strategy, it is usually easiest to draft out “key words” that describe your strategies

b) Strategies Based on Positioning

<input type="checkbox"/>	Attack Rivals	<input type="checkbox"/>	Build Barriers	<input type="checkbox"/>	Bundling
<input type="checkbox"/>	Constant Innovation	<input type="checkbox"/>	Cost Control	<input type="checkbox"/>	Empire Builder
<input type="checkbox"/>	Focus on Revenue	<input type="checkbox"/>	Niche Player	<input type="checkbox"/>	Quality Focus
<input type="checkbox"/>	Satisfied Contender				

Key issues and emphasis:

To begin the process of developing strategy, it is usually easiest to draft out “key words” that describe your strategies

c) Strategies Based on Industry

<input type="checkbox"/>	Build Barriers	<input type="checkbox"/>	Cost Control	<input type="checkbox"/>	Current Customers
<input type="checkbox"/>	Empire Builder	<input type="checkbox"/>	Fewer Bells and Whistles	<input type="checkbox"/>	Focus on Revenues
<input type="checkbox"/>	Geographical Focus	<input type="checkbox"/>	Go Global	<input type="checkbox"/>	Niche Player
<input type="checkbox"/>	Quality Focus	<input type="checkbox"/>	Specialist Focus		

Key issues and emphasis:

To begin the process of developing strategy, it is usually easiest to draft out “key words” that describe your strategies

d) Strategies Based on Company Diversification

<input type="checkbox"/>	Offset Opportunities	<input type="checkbox"/>	Profitability Focus	<input type="checkbox"/>	Empire Builder
<input type="checkbox"/>	Brand Builder	<input type="checkbox"/>	Quality Focus	<input type="checkbox"/>	Do One Thing Well

Key issues and emphasis:

To begin the process of developing strategy, it is usually easiest to draft out “key words” that describe your strategies

e) Identify Basic Marketing Strategy

<input type="checkbox"/>	Non-Segmented	<input type="checkbox"/>	Multi-Segmented
<input type="checkbox"/>	Single-Segmented	<input type="checkbox"/>	Individualized
Key issues and emphasis:			
<p>To begin the process of developing strategy, it is usually easiest to draft out “key words” that describe your strategies</p>			

f) Combined Strategy Statements and Customer Appeal

a) Strategy Statements

i) Business Orientation strategy:

ii) Positioning Strategy:

iii) Industry Strategy:

iv) Company Diversification Strategy:

v) Segmentation Strategy:

b) Customer Appeal

i) Appeal

ii) Implementation –Emphasis for each of the marketing mix elements

(1) Product

(2) Price

(3) Promotion

(4) Distribution

3. Sales System

- a) Selling skills
- b) Type of sales
- c) Selling Methods
 - i) How.
 - ii) Frequency
- d) Sales Compensation

4. Distribution Channels

- a) Distribution Channels (Describe)
- b) Distribution Channel Conflicts

5. Sales Promotion and Advertising

- a) Marketing Tools (check)

	Airplane flyers (exhaust messages, flying banners)
	Audio (cassette tapes, CD-ROMS)
	Awards (plaques, trophies, certificates)
	Blimps
	Contests
	Direct Mail (ADVO, flyers, bulk rate, reply-card packs, throw-aways)
	Directories (association directories, professional directories, industry directories, book of lists)
	Door hangers (circular door hangers, flyers on windshields)
	Educational events (seminars, training sessions, workshops, informational meetings)
	Internet (banner ads, chat groups, discussion lists, home page)
	Journals (academic journals, industry journals, association journals)
	Magazines (popular magazines, business magazines, hobby magazines, special interest magazines)
	Movie tie-ins (tie-ins with movie promotions, theatre advertising)
	Newsletters (general interest, subscription, special interest, employee, political party, association, non-profit organizations)

	Newspapers (local, regional, neighborhood, national, international, daily, Sunday editions, weekly, classified, insert, special reports)
	Outdoor display (billboards, bus stops, building murals, street banners)
	Personal contact (customer service personnel, maintenance and repair personnel)
	Point-of-purchase (displays, signage, hand-outs, in-store banners)
	Promotional give-aways (magnets, calendars, paper pads, letter openers, pens)
	Public transit providers (bus tear-offs, train tear-offs)
	Radio (AM, FM, news stations, talk radio, music stations, public service announcements)
	Reports (annual reports, quarterly reports, monthly reports)
	Sales literature (brochures, product/ company catalogs, information booklets)
	Sidewalk sandwich boards, hand-held signs
	Sports events (sponsorship of non-professional teams, stadium/arena signage)
	Telemarketing (telephone canvassing, facsimile, telephone operators)
	Telephone directories (yellow pages, white pages, ethnic-specific directories, business-to-business yellow pages)
	Trade shows (trade shows, county fairs, national fairs, state fairs, exhibitions)
	TV (local, national, network, cable, satellite, public service announcements)
	Videos (infomercials, distribution systems)

b) Budget

Specify for each of the above-selected activities (in the following table)

c) Timing

List the timing issues for placing the chosen marketing tools (in the following table).

d) Advertising Message - state “recognition” or “buy now” - (in the following table)

Marketing Tool	Budget (\$)	Frequency	Timing	Message

Personnel Plan - Outline

- 1) Description of Management Team**
 - a) Owners and Key Employees**
 - i) Owners and Titles**
 - ii) Key employees and Titles**
 - iii) Team experience**
 - b) Background and Experience (Combined Company Talent Pool)**
 - i) Business experience**
 - ii) Duties - duties for each title:**
- 2) Outside Investors, Directors, and Resource People**
 - a) Outside investors**
 - b) Outside Directors**
 - c) Outside consultants, advisors, or mentors**
- 3) Training and Recruiting Plan**
 - a) Training needs assessment**
 - b) Prioritize training needs -**
 - i) Identify Training Gaps**
 - ii) Training Priorities**
 - c) Training / educational plan**
 - d) Recruitment Plan**
 - i) Employees Needed**
 - (1) Number of Employees**
 - (2) Job titles/ skills**

(3) Job Descriptions

(4) Policies and procedure Manual

ii) Sources of Employees

Indicate the following:

Employee title

Recruitment source/ method

Costs for recruitment

Method for qualification

Costs for qualification

iii) New Employee Orientation and Training

Indicate the following:

Employee title

Training method, duration

Costs for training

Orientation Method

Costs for orientation

Operations Plan - Outline

1) Operating and Manufacturing/ Service Methods

a) If manufacturing firm -

i) Production Runs (short, medium or long)

ii) Production procedures - outline work flow and process flow

b) If service firm -

i) Scheduling of employees work hours (weekly coverage view)
Appointment systems

ii) Master scheduling

c) Preventative and corrective maintenance programs?

i) Types of maintenance needs

ii) Frequency and cost of maintenance programs

d) Master Activity schedule - Look at "frequency of need" to:

- Perform tasks (e.g., take inventory, etc.)
- Prepare reports (e.g., financial statements, sales reports, quarterly taxes, sales report, etc.)

(1) Daily - tasks, reports

(2) Weekly - tasks, reports

(3) Monthly - tasks, reports

(4) Semi-Annually (twice a year) - tasks, reports

(5) Quarterly - tasks, reports

(6) Annually - tasks, reports

(7) Peak-season demand driven - tasks, reports

2) Description of Operating Facilities (Space, Location, Equipment)

a) Location requirements (sqft.)

b) Cost of location

c) Equipment needed

d) Leasehold improvements -

i) Improvements?

ii) Costs?

3) Quality Control Methods

a) Techniques

i) Qualitative Measures

ii) Quantitative Measures

4) Procedures to Control Inventory and Operations

a) Reorder Point

b) Safety Stock Level

c) Protection and Counting Methods

i) Protection

ii) Counting Method

iii) Handling/ transportation shrinkage

5) Sources of Supply and Purchasing Procedures

a) Purchasing Priorities

Cost	Credit policies
Delivery terms	Frequency of production/
Frequency of Delivery	Quality
Branding	Financial stability
Return policies	Buy backs
Price protection	Technical support
Reliability	Credibility
Length of time in business	

b) Sources of Suppliers

c) Purchasing Procedures, Documents and Paper Trail

Financial Statement Consolidation

We will consolidate the previously completed worksheets in this financial plan. In order to complete this section of the plan, you must have already completed all of the worksheets in the "Financial Plan - Amounts" which include the following:

- **Business Insurance**
- **Contracted Services**
- **Debt**
- **Employees**
- **Employer-paid Employee Benefits**
- **Fixed Assets**
- **Supplies and Miscellaneous Expenses**
- **Occupancy Expenses**
- **Start-up Expenses**
- **Sales Cycles and Cost of Goods Sold**

Completion of the above mentioned financial sheets will allow consolidation and the development of your key financial statements. The financial statements that follow include the following:

- 1) **Operating Expenses**
- 2) **Break Even Sales Volume**
- 3) **Balance Sheet**
- 4) **Cash Flow Statement**

5) Profit and Loss Statement

6) Statement of Personal Net Worth