

DEVELOPING A BUSINESS PLAN

(Sometimes called a strategic plan)

You must have a direction for success and a direction for getting there
Karl Albrecht

What is a Business Plan?

A Business Plan is like a map that helps you picture and focus on the function of the group. It clarifies:

- who you are
- What you do
- Who does what
- For whom you do it.

WHO SHOULD BE INVOLVED?

Your Board or management committee, your staff, your volunteers and your clients. It is important to get input from all sectors of your organisation.

WHERE DO WE START?

Starting is always the hardest part!! If you work through the following questions and then fill in any gaps you will have the basis of a great plan. Go to it!

WHO ARE YOU?

Your legal name, address, legal status, management structure, bank signatories, the mission statement, and your values.

WHAT IS A VISION STATEMENT OR MISSION STATEMENT

This is simply your vision for the organisation.

Something that you can describe and that others can visualise.

Use words which best describe what you do, include the benefit to the consumer.

Be brief eg “Our mission is to -----for [your consumer group]

Use your vision statement on all letters, and at every opportunity.

WHAT IS OUR WORKING ENVIRONMENT?

Once a mission statement and organisational philosophy have been established, an organisation then needs to consider the environmental factors likely to affect its plans in the coming year. This exercise can be done as a **SWOT** analysis whereby strengths, weaknesses opportunities and threats for an agency are fully explored and considered.

Strengths - these are the things you do best. They are most likely to be the things you do as well as or better than others. Examples include quality services, high demand for services, quality staff, community support, sound financial base.

Weaknesses - these are the things that are causing problems. Examples include lack of awareness amongst your community (target audience) inadequate premises, lack of skilled staff, inadequate systems such as financial systems, lack of resources.

Opportunities - these are things that offer you opportunities to do better. Examples include improved service provision, better marketing, staff training, more appropriate premises, volunteer programme, improved systems.

Threats - these are things that could prevent you from achieving your objective. Examples include a declining need for your service, Central or Local Government policies, competition, resources, staff resignations.

Environmental issues are any factors likely to have a significant effect on an organisation in its programme of service delivery in the coming year. It could be change of location, discontinuation of a contract, a change in the political environment

You need to also consider any competition. Do you know what they provide, are they a threat or just a nuisance.

WHAT DO YOU DO?

List all the services, tasks, information you provide, and any other work you can identify. Use a white board or large paper, and write down everything you can think of. Then group and refine until you are satisfied you have a complete list. It pays to involve all your workers, paid and unpaid, as they know what they do. You may be surprised at the range of service you provide.

WHO DOES THE WORK?

Once again, involve the workers, and complete an accurate chart of who does what. Include everyone and all the tasks, don't forget the committee, the chairman, and officers.

WHY DO YOU EXIST?

Your consumers are really the reason for your existence. Do you know who they are, their wants and needs, do they come to you or will you go to them, is that geographically practical? Are their needs ongoing and/or are you seeking new consumers? Are there other groups providing similar services. Can you predict the future? How important are you? Ask the question, “Can we make a difference?”

Management and employment roles need to be defined, set out in a flow chart, setting lines of communication, and structure. This leaves no doubt as to who is responsible to whom.

ACHIEVEMENTS FOR THE YEAR

Set out clearly what you plan to achieve next year, extend this out for 3 years, but expect to review and revise each year. It keeps you focused, and ensures the plan is kept alive. No matter how good the plan is on paper, it is worthless unless it is *used* and treated as a living document. Your *funding* may depend on it's effectiveness.

SETTING THE GOALS 1 2 and 3 years.

Set out each goal, stating who will benefit, when and how, allocate the task and state who is ultimately responsible. A budget is allocated to each goal..

The plan will include regular reviews so that so that at the end of a given period it will be clear if the goal has been reached. If the goal has not been realised, a decision must be made, and the plan revised. However remember there will always be maintenance goals which will be the basis of your organisation.

To sum up:

- **Set goals, explain tasks**
- **State who will perform which tasks**
- **Set dates**
- **Include budgets for each task**
- **Record completion of each step**
- **Evaluate both process and progression and update the plan.**

THE PLAN IS ONGOING

Make your plan work for you, it will not work in a filing cabinet. It must be a living document which is used by staff, volunteers and committee members.

As Yogi Bear said “If you don’t know where you are going you won’t know when you get there”

REMEMBER:**DEVELOPING A PLAN WILL NOT:**

- Guarantee success
- Remove all risks and uncertainties
- Always provide a “go ahead” answer
- Guarantee funding

DEVELOPING A PLAN WILL:

- Identify weaknesses and strengths
- Help establish objectives
- Help communicate your ideas
- Spot problems before they arise
- Give your organisation credibility
- Strengthen your case for funding
- Assist with funding applications

FURTHER RESOURCES

Marketing for Non. Profit Organisation Cotler

“The New Australian and New Zealand Public Relation Manual”

Tymson, C Sherman, B (1996)

“Strategic Management A Stakeholder Approach” Freeman E (1984)

Management Plans - A Community Resource publication (see below)

If you would like a list of our other community resources, or to be put on our mailing list, contact us at:



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