

Top Tips for Writing a Business Plan

1. Write from the audience's perspective:

Do not assume that the reader will automatically understand what you are trying to achieve. If your plan is designed for an external reader make sure you know what information is needed and include it.

2. Research the market thoroughly:

The recent Dragons' Den series reiterated the importance prospective investors place on knowledge of the market and the need for entrepreneurs to thoroughly research their market. Market research should be pragmatic and purposeful - a means to an end, and not a means in itself. Market information potentially covers a vast range of data, from global macro-trends and statistics, to very specific and detailed local or technical information, so it's important to decide what is actually relevant and necessary to know.

3. Attention to detail:

Make the plan concise, but include enough detail to ensure the reader has sufficient information to make informed decisions. The plan should reflect a sense of professionalism, with no spelling mistakes, realistic assumptions, credible projections and accurate content.

4. Focus on the opportunity:

If you are seeking investment in your business, it is important to clearly describe the investment opportunity. Why would the investor be better off investing in your business rather than leaving money in a bank account, shares, or investing in another business?

5. Do the sums:

The numbers will be subject to particular scrutiny so make sure it adds up. Costs should be documented in full and sales predictions should be both conservative and realistic. While costs are more certain and predictable, a crucial factor in the success or failure of the business will be the level of sales.

6. Review process:

Once you have completed your plan, have it independently reviewed. Select someone detached from the process who can offer constructive criticism on all aspects of the plan. This review should prompt further questions that will need to be addressed in a revised draft.

7. Implement the plan:

Finally, a plan should always be viewed as a living document and contain specifics regarding dates, deadlines and specific responsibilities. It should be constantly reviewed and updated, as well as being used in regular "plan versus actual" discussions. Business relies heavily on people taking actions and being accountable for them. A winning business plan will help to ensure that the business is fully focused on what is required to achieve the company's goals.