

Creating your Business Plan advice sheet CCBS Grants

The information provided within this guidance is intended to provide a brief outline of the steps you may wish to take to produce your business plan. An organisation's business plan will be tailored to the nature of the products, services, programmes or activities it creates and delivers - the business.

It is advised that you liaise with your County Council Service lead when developing your business plan to gain further support, advice and guidance.

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A business plan is...

A written statement describing your organisation, why it is needed, what organisational activities, services, facilities and programmes are proposed, how these will be managed, what outcomes and achievements will be made and how these will be financed; in particular it will show where the money will be sourced from and how and when it will be spent.

It should also include information about your organisation, its aims, objectives, history and the organisation's ability to deliver the work/activities.

It is a means of demonstrating that you know what you are doing and can be trusted with the money you are asking for.

Key Steps to devising your Business Plan...

1. Clarifying the vision and the values of the organisation
2. Review the organisation's current position
3. Identify ideas - explore assumptions, strategic opportunities and direction
4. Agree the strategic direction
5. Identifying the resources required and the organisation's capacity to deliver
6. Produce the Business Plan Document
7. Implement the Business Plan

Step 1 – Mission, Vision and Values

A mission statement concisely describes the organisation's key purpose and primary objectives - what the organisation is in operation to do.

The unifying, localised statement should answer 3 questions from your communities' (as your 'customers') perspective:

- **What you do?** - **How you do it?** - **Who you do it for?**

A vision statement is the long-term change the organisation would ideally like to see if its work is successful. It should set out your ideal destination - where your organisation wants to be. It should be challenging, innovative and forward-looking. The vision should be motivating and enable staff, volunteers and others to see how their effort contributes to an overall inspirational purpose.

Values - the beliefs of an organisation, the expression of what it represents and how it will conduct itself. Values are the heart of an organisation's being. Values underpin policies, objectives, procedures and strategies as they provide an anchor and a reference point for all things that take place.

Step 2 – Review current position

In order to develop a realistic and effective business plan that takes the organisation into the future, it is important that a review of the organisation as it stands now is undertaken. You'll need to consider where you are now, what you do and how you do it, how did you get to this point, what has gone well and what hasn't, who do you serve? These are just some of the questions you will need to explore and answer.

Step 3 – Identify ideas

Using the information gained from step 2 to think about what, as an organisation, you would like to do in the future. You could explore...

- What areas of work will you continue to deliver and why?
- What new areas of work do you need to develop and move into and why?
- What partnerships, networks and forums do you need to participate in and why?
- What do you need to develop internally to improve your performance?
- What areas of work are you not going to deliver or move into and why?
- What local, regional and national strategies is your work and future work ideas linked to?

Step 4 – Agree strategic direction

Strategic direction is about establishing your strategic goals/aims and methods you will use to achieve them. It implies a definition of intent, (what should the organisation achieve and why) as well as identification of the key means of achieving it, *the main effort*.

Agreeing the strategic direction and aims involves constant referral to the mission statement, values and vision for the organisation. The process will encompass a continual movement between generating opportunities, forming priorities and working within the resources the organisation has and will have to utilise.

Step 5 – Identify resources

Before finalising the organisation's priorities, areas of work and programmes of activity you wish to deliver within the business plan's timeframe, it is vital you work out if you can realistically achieve them. You'll need to ask yourself, explore and answer some questions including:

- Do we have the finances to deliver all of our intended work streams?
- How much will it cost to deliver our activities, projects, services etc?
- Do we have enough members of staff and volunteers to run and manage the work?
- What facilities and equipment will we need?
- Do we have the appropriate policies, procedures and systems in place?

Step 6 – Produce the document

When compiling the document itself it is important to consider the readers who will usually be those you are requesting support from. The style, layout and tone of the document will all make an impact on the reader and it would be wise to think about first impressions - some readers may only look at the front page or simply flick through the document briefly.

Business Plan sections guidance

1. Front Cover	Organisation name and logo
2. An 'executive summary'	An outline summary of the mission, values and context. It should emphasise the proposed strategic direction, main benefits and present a case for the organisation (no more than one page)
3. Introduction and mission	Explanation of the kind of organisation you are and what you stand for, complete mission statement and organisational values and the outcomes you wish to achieve.
4. Background	The origins and development of the organisation. What you have delivered and achieved, what area you cover, who are the beneficiaries, number of projects, staff, volunteers and your annual turnover figures
5. A summary review	A current overview of the organisation - emphasise the successes and strengths of the organisation and positive recognition that the organisation has received externally. Demonstration of an honest appraisal highlighting areas for development – Strengths Weaknesses Opportunities and Threats (SWOT) is usually used to illustrate this information.
6. Future trends	An overview of the organisation's identified future external and internal environment trends that will impact on its strategic aims.
7. Strategic direction	The explanation and demonstration of the direction of travel the organisation wishes to take - the assumptions that have underpinned the identified direction, what work will the organisation focus on, what are the main priorities and what will be changed?
8. Strategic aims	The medium term aims are listed in this section and an outline of the objectives that fall under each aim can be included.
9. Implications	Identified legal, organisational and other implications of the work to be included in this section. Clarification made if services/activities are to be delivered differently or halted altogether
10. Financial information	Clear explanation of how the strategic aims and objectives will be achieved financially and how these assumptions were made. Details should include income and expenditure forecasts for the years to which the business plan relates, main financial policies and evidence of effective financial management systems.
11. Track record of the organisation	This section gives the opportunity to present the case for the organisation to the reader highlighting successes - the strengths, experience, knowledge, capacity and positive reputation the organisation possesses. All of which will demonstrate the capacity of the organisation to effectively implement the business plan.
12. Immediate action	A clear action plan which demonstrates the next steps within the short-term time frame.

Step 7 – Implementing the plan

It is important to consider how the business plan will be implemented across the organisation after it has been created. The plan should not sit on the shelf collecting dust - it is an active document that supporters, beneficiaries and other stakeholders will be interested in, particularly if they have provided the organisation with funding.

If staff, volunteers and stakeholders have been engaged in the process from the beginning then the implementation of the plan will usually be effective.

As an organisation you should think about:

- How the plan will be communicated to those delivering it
- Clarifying the expectations
- How the plan and performance will be monitored and evaluated

Don't forget to consider - Monitoring & Evaluating

It is important to explore how the business plan will be monitored and evaluated throughout its life...

- How will you know if you have achieved your strategic aims and objectives?
- How are you going to measure success?
- What monitoring and evaluation tools can be used overall and within projects/activities and services? Who will be responsible for this?
- How will these be communicated to beneficiaries, funders and other stakeholders?

Further guidance available:

Community Support Bitesize training module

<http://www3.hants.gov.uk/community-support-service/community-training.htm>

Lawrie, A.,2007. The Complete guide to Business and Strategic planning for voluntary organisations. 3rd ed. London: Directory of Social Change.

Business Link website link

<https://www.gov.uk/write-business-plan>

Directory of Social Change Website link-

<http://www.dsc.org.uk/Home>

NCVO website link –

<http://www.ncvo-vol.org.uk/advice-support/funding-finance/planning>

Charities Evaluation Service Website link-

<http://www.ces-vol.org.uk/index.cfm?pg=474>

Big Lottery Website link-

http://www.biglotteryfund.org.uk/prog_ypfnat_business_plan.pdf