



Keys to Developing a Business Plan

Presented to:

**Agritourism Intensive
Sacramento 01-17-13**


Presented by the

***Greater Sacramento/Sierra Small
Business Development Center
(SBDC)***



About the SBDC

- **The Center is sponsored through the cooperative efforts of the U.S. Small Business Administration, California State University Chico Research Foundation, and the Los Rios Community College District. A Small Business Advisory Board made up of business, government and educational representatives provides guidance and up-to-date information on issues that impact small businesses. Serving the El Dorado, Placer, Plumas, Nevada, Sacramento, Sierra and South Yolo counties; the Center utilizes a network consisting of resource partners, business development programs, and professionally trained consultants. Our consultants identify specific needs and provide guidance to small business owners that assist them with achieving profitability and long term sustainability.**



What is the SBDC's Mission?

Our mission is to help emerging and existing businesses become successful utilizing one-to-one business consulting, workshops, a reference library and resource partners. To accomplish this we assist our clients with job creation/retention, capital infusion, increased revenue, increased profitability and long term business sustainability.



How Do We Provide It?

Free One to One Consulting

- **Scheduled sessions for as long as there is continued progress**
- **Confidentiality guaranteed**

Low Cost & Free Workshops

- **Tailored to the small business community needs**



Keys

Keys for developing a business plan

- ✓ **General Guidelines**
- ✓ **Business Plan Outline**
- ✓ **Vision Statement**
- ✓ **Mission Statement**
- ✓ **Goals/Objectives**
- ✓ **Financials**
- ✓ **Source Documentation**



The Business Plan General Guidelines

- **Tell your story**
- **Be focused, concise and direct**
- **Keep it simple & eliminate the “hype”**
- **Check it carefully for spelling and grammar errors**
- **It must be realistic**
- **Minimize technical jargon**
- **Provide details to backup your assumptions & projections**

Business Plan Outline

A typical business plan outline:

- **Cover**
- **Cover Page**
- **Table of Contents**
- **Executive Summary**
- **Request for Funding**
- **The Company**
- **The Industry**
- **Products/Services**
- **Market Analysis (*local competitive area*)**
- **Marketing Strategy**
- **Management**
- **Financial Plan & Strategy**
- **Appendix (supporting documentation)**

Vision Statement

What is a Vision Statement?

- **It is a statement of what you want to be at a future time**
 - **You don't have to know how to get there**
 - **You don't need to know when you will get there**
 - **You just have to know you want to get there**
 - **You should be able to describe it in two to three sentences**



Mission Statement

- **What is a Mission Statement?**
 - A statement of what you do
 - The mission statement articulates the company's purpose both for those in the organization and for the public
 - Should be 50 words or less



Mission Statement Example

**Isabella's is a medium sized,
family oriented restaurant
focusing on organic foods with
an intriguing atmosphere
located in a upscale
neighborhood in Sacramento**

Goals/Objectives

You should have 5 goals/objectives

□ Examples:

- Increase sales by 10% by December 31, 2012**
- Hire 1 full time employee by April 1, 2013**
- Add 3 new customers each month from August 1, 2012 to December 31, 2012**
- Hire a bookkeeping firm to input daily transactions, create monthly reports & track aging accounts receivables/payables**
- Meet with CPA in May of each year to prepare for tax planning, equipment purchases & exit strategies**



Financials

What do you need:

- **Breakeven Analysis**
- **Business Ratios**
- **Three Year's Projections:**
 - **Sales Forecast**
 - **Income/P&L**
 - **Cash Flow**
 - **Balance Sheet**

Source Documentation

❖ Needed for:

- ✓ Documenting data**
- ✓ Showing assumptions**
- ✓ Being realistic**
- ✓ Feasibility of idea**
- ✓ Meeting market demand**
- ✓ Showing a need**
- ✓ Realistic pricing**
- ✓ Understanding your competition**



Q & A'