TYPES OF BUSINESS PLAN

What is a business plan?

A business plan is a guide that defines objectives and details the steps to take to achieve a particular business goal.

Business plans are used throughout the growth of a company from its startup to its expansion to provide a path to success.

Types of Business Plan



Start-Up Business Plans

- New businesses should **detail the steps to start the new enterprise** with a start-up business plan.
- This document typically includes sections describing the company, the product or service your business will supply, market evaluations and your projected management team.
- Potential investors will also require a financial analysis with spreadsheets describing financial areas including, but not limited to, income, profit and cash flow projections.

Internal Business Plans

- This document will describe the company's current state, including operational costs and profitability, then calculate if and how the business will **repay any capital** needed for the project.
- Internal plans provide information about project marketing, hiring and tech costs. They also typically include a market analysis illustrating target demographics, market size and the market's positive effect on the company income.

Strategic Business Plans

- □ A strategic business plan provides a high-level view of a company's goals and how it will achieve them, laying out a foundational plan for the entire company.
- While the structure of a strategic plan differs from company to company, most include five elements: business vision, mission statement, definition of critical success factors, strategies for achieving objectives and an implementation schedule.
- A strategic business plan brings all levels of the business into the big picture, inspiring employees to work together to create a successful culmination to the company's goals.

Vision Statement:

"To improve the quality of life of the communities we serve globally, through long-term stakeholder value creation based on Leadership with Trust."

Mission Statement:

- To be a globally admired company that enhances the quality of life of people through sustainable business practices.
- To operate with integrity, transparency, and innovation while focusing on customer satisfaction and excellence.
- To contribute to nation-building by fostering social and economic growth.

Microsoft:

- Old Vision: "A computer on every desk and in every home."
- **New Vision:** "To empower every person and every organization on the planet to achieve more." (Aligned with cloud and Al growth)

Feasibility Business Plans

- A feasibility business plan answers two primary questions about a proposed business venture: **who**, if anyone, will purchase the service or product a company wants to sell, and **if** the venture can turn a profit.
- Feasibility business plans include, but are not limited to, sections describing the need for the product or service, target demographics and required capital.
- □ A feasibility plan ends with recommendations for going forward.

Operations Business Plans

Operations plans are internal plans that consist of elements related to company operations.

An operations plan, specifies implementation markers and deadlines for the coming year.

The operations plan outlines employees' responsibilities.

Growth Business Plans

- Growth plans or expansion plans are **in-depth descriptions of proposed growth** and are written for internal or external purposes.
- If company growth requires investment, a growth plan may include complete descriptions of the company, its management and officers so as to satisfy potential investors.
- Example: Adding new location, product line expansion, selling products online across multiple platforms etc.

What-if Plan

- ☐ This type of plan is crafted when a business is seeking financing, considering an acquisition or contemplating another possibly risky move and needs to have a plan for a worst-case scenario in case they encounter less than ideal circumstances.
- A what-if plan is less formal than others and serves more as an alternative to the original business plan.
- For example, if a business needs financing then it would likely have a very detailed growth plan for potential investors to review, but would also have a contingency plan that takes into account the least ideal situation, like a huge loss in market share, and how they would proactively and strategically react to avoid a crisis.