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### Assignment

Using a company or business of your choice, write a good and customized business plan, covering all relevant aspect and analyses.

### Introduction

In its simplest form, a business plan is a guide a roadmap for your business that outlines goals and details how you plan to achieve those goals. An excellent business plan includes several key elements, including an executive summary, project details, timeline, terms, and cost, as well as a conclusion and signature field for the prospect. A business plan is a document you send to a prospective client, outlining the service you're offering, and explaining why you're the best person for the job. It's a pitch by a business or individual to complete a specific job or project, to supply a service, or, in some instances, to be the vendor of a certain product. A business plan can be either solicited or unsolicited. With a solicited plan, the prospective client will put out a request for proposals; with an unsolicited business plan, you are approaching a client in hopes of attracting their business, even though they did not explicitly request a proposal. While both are commonplace, a solicited proposal is an easier sell, as your prospective client has already decided that they want to make a purchase or use a service, and they're evaluating possible vendors or businesses.

A note on format: business plans should only become printed documents on select occasions, like when you need to share information with outsiders or team members. Otherwise, they should be dynamic documents that you maintain on your computer. The plan goes on forever, meaning that you're constantly tweaking it, because you're regularly evaluating your business health, so the printed version is like a snapshot of what the plan was on the day that it was printed.

## **HERE ARE THE STEPS TO WRITING AN EFFECTIVE BUSINESS PLAN**

### **1. Startup Businesses**

The most classic business planning scenario is for a startup, for which the plan helps the founders break uncertainty down into meaningful pieces, like the sales projection, expense budget, milestones, and tasks. The need becomes obvious as soon as you recognize that you don't know how much money you need, and when you need it, without laying out [projected sales](#), costs, expenses, and timing of payments. And that's for all startups, whether or not they need to convince investors, banks, or friends and family to part with their money and [fund the new venture](#).

In this case, the business plan is focused on explaining what the new company is going to do, how it is going to accomplish its goals, and—most importantly—why the founders are the right people to do the job. A startup business plan also [details the amount of money needed to get the business off the ground](#), and through the initial growth phases that will lead (hopefully!) to profitability.

### **2. Existing Businesses**

Not all business plans are for startups that are launching the next big thing. Existing businesses use business plans to strategically manage and steer the business, not just to address changes in their markets and to take advantage of new opportunities. They use a plan to reinforce strategy, [establish metrics](#), manage responsibilities and goals, track results, and manage and plan resources including [critical cash flow](#). And of course they use a plan to set the schedule for regular review and revision. Business plans can be a critical driver of growth for existing businesses. Did you know that businesses that write plans and use them to manage their business [grow 30 percent faster](#) than businesses that take a “seat of the pants” approach? A [study](#) by Professor Andrew Burke, the founding Director of the Bettany Centre for Entrepreneurial Performance and Economics at Cranfield School of Management, discovered exactly this.

For existing businesses, a robust business planning process can be a competitive advantage that drives faster growth and greater innovation. Instead of a static document, business plans in

existing businesses become dynamic tools that are used to track growth and spot potential problems before they derail the business.

### 3 .Gather the Information You Need

When a hot business opportunity becomes available, you may feel pressure to get your plan sent over as soon as possible. While you definitely want to send it sooner rather than later, taking some time to learn about the client and project first will help you craft a plan that's more likely to be accepted. This will inform the key elements to include in your proposal and create a more accurate and effective proposal that results in a closed deal. For example, if a potential client has multiple offices or locations, you may need to visit more than one of them before you can accurately assess the project. In this scenario, timing requires the right balance: You don't want to send a proposal prematurely especially if you can't accurately estimate costs but you also don't want to send it too late and be beaten out by the competition.

Some of the key questions you need to answer before writing your business plan include:

- **Who are the buyers?** The person you met may not be the final decision-maker. Determine who else may be involved in the process. If possible, ask the prospect to describe their decision-making or approval process.
- **What is the pain point?** Research your competition to identify potential weaknesses or gaps. Ask the prospect questions about their past experience with similar products or services to identify their pain points and how you can solve them with your products and services.
- **Is there a budget?** Ask the prospect if they have a target price in mind or if there is a budget for the project. Answering this question will help you avoid wasting time on proposals that have no chance for profit.
- **Is there a deadline?** Many companies set internal deadlines for purchasing decisions in order to hit production or launch schedules. They also may be motivated to buy at specific times of the year. Ask if they have a deadline to help pinpoint the time frame.
- **What is your best solution to their problem?** Determine which of your offerings provides the most benefit based on who the buyers are, what they need, what their pain points are, and their purchasing schedule.

- **What are your costs if the proposal is accepted?** Calculate the costs, such as labor or materials you will incur as a result of your proposal, and estimate the total projected revenue for your company.

#### **4. Define Project Objectives & Scope**

The first thing you want to do before outlining the scope of your project is to define the objective of your business proposal. It's important that you know and can articulate your objective so you never lose sight of the reason you're writing the proposal. This helps shape your outline and your business proposal. It is also a good practice to state the objective, either in your introduction or in the executive summary of your proposal.

To create a business plan objective, ask yourself the following questions:

- What is the purpose of the plan?
- What are the needs or pain points of your prospect or customer?
- What problems are you solving with your products and services?
- How does your solution solve your customer's or prospect's problems?

Once you've answered these questions, create a proposal objective statement that is centered around your customer's or prospect's needs. Example:- The objective of this business proposal is to demonstrate how Acme Restaurant Group can resolve the problem of high event costs and inconsistent guest experiences for Acme Financial Planners by creating a partnership where we host all their dinner presentations in major markets where we have locations and they have events.”

#### **Outline the Project's Scope**

The scope of the project is the summary of its deliverables and should take features, functions, tasks, costs, and schedules into account. This step will define the statement of work (or the “who, what, where, when, how, and why”) as it pertains to your proposal and financial costs. While you can answer these questions in your head, it's a better idea is to write them down as a separate note before starting your plan.

**To outline the project's scope, answer the following questions:**

- **Who:** Who will do the work, who will oversee the work, and who does the customer call if there is a problem?
- **What:** What solutions need to be delivered, what will be required to get it done, what can the customer expect, and what will it cost them?
- **Where:** Where will the work be done, and where will it be delivered?
- **When:** When will you begin, when will key milestones be scheduled, when will the project be completed, and when is the payment due?
- **How:** How will work be done, how will it be deployed, how will it be managed, how will you achieve quality assurance and customer satisfaction, how will risks be mitigated, how long will it take, and how will the work benefit the customer?
- **Why:** Why have you chosen the strategies and alternatives you have selected, and why should the customer select you?

Writing these out will give you a head start since these answers will make up the bulk of the business plans. It also gives you final confirmation that you have the necessary resources to complete the project or it will point out any major snags before you get too invested.

## **5. Calculate Your Labor & Costs**

Early on, you want to consider how much the project will cost and how much to charge the client. Many businesses use a simple formula to estimate their labor costs: Take a mental walk through of the project and write down the realistic number of hours it will take for each task. Add this up, and multiply it by 1.5. For example, if you estimate a project will take 10 hours, write it down as 15 hours in your proposal ( $10 * 1.5 = 15$ ). Why overestimate? This is because projects often have unforeseen twists and turns, and adding this extra time will help account for any potential obstacles and build in a contingency budget. Plus, if everything goes smoothly and you wind up below your estimated hours, you can always offer bonus work, or bill your client a lower amount. Both will result in delighted customers.

## **6. Begin Drafting Your Business Proposal**

Now it's time to dive into the actual proposal document. Proposals tend to follow a loose formula. They start with an introduction that summarizes your business and the project, followed by a body that goes into all the details (including a pricing table, photos, and charts), and a conclusion that tells the customer how to proceed. Including the signature page, good business proposals should have between six and seven sections. Delving into this part of your proposal can certainly take a while.

## **7. Conclusion**

Once you have outlined the details of your proposal, re-emphasize the excellent results your company can provide. You should end with a call to action that encourages the reader to contact you or visit your website for more information. Ideally, you want your client to take immediate action on something, even if it is something small.

## **8. Appendix**

The appendix is an optional section that you can use to include information that might not fit well in the body of your proposal. For example, you can include staff resumes or additional graphs, projections, and customer testimonials.