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**Writing your Business Plan Guidance Notes**

This guidance is designed to support our VASLan template Business Plan, it will take you through the stages step by step providing ideas and suggestions about the type information you might want to include in your business plan. The Business Plan will form the basis for how you intend your organisation to start up and grow. It is worth spending the time on gathering as much relevant information and detail as possible, as this will be an important document in the development of your organisation.

Try to keep your plan to about 20 or less pages (excluding appendices), you will want to keep this document focused on your idea and the development of your business.

Remember, try to not use jargon or acronyms that may not readers will not understand. This document is likely to be shared with individuals who do not work in your field, therefore the document needs to be able to clearly articulate your ideas to a wide and varied audience.

Your business plan should be a ‘live’ document, meaning that you should review it on a yearly basis. This will ensure that the organisation is still on course to meet the aims and objectives set out in the plan or should be updated to reflect any changes.

****Through this document you will see symbols appear beside text occasionally, these are there to highlight important points to remember , things to think about and signposting to other resources that may help you in developing your business plan .

**Any text highlighted with << >> within the template should be replaced with relevant details of your organisation.**

**1.0 Executive Summary**

*This is the section that is most often read and the reader will only read further if they are interested in finding out more, this is one of the most important sections of the plan. An inspiring executive summary will encourage readers to look at the whole plan. The Executive Summary should not exceed 2 pages and should summarize the main points that are detailed in the full business plan.*

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*This section should include information including:*

* Brief introduction to the Social Enterprise
* Brief outline of the main products and services being provided
* Brief outline of the social and environmental impact of the Social Enterprise
* The purpose of the business plan e.g. Start-up, growth etc.
* Time frame that the business plan applies to e.g. 1 year, 5 year
* Summary of financial forecasts for the Social Enterprise.

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***Do not complete this section until you have finalised the rest of your plan***

***To ensure that the summary is easily understandable, have it read by someone that is unfamiliar with the enterprise.***

***If the plan changes remember to update the executive summary to reflect these changes.***

**2.0 About the Social Enterprise**

*This section will provide all the basic information about your business, providing as much detail here as possible will be useful for readers not connected to the project to get a snap shot of the organisations governance.*

2.1 Key Facts

* The name of the Social Enterprise
* The legal structure (include details if planning to change in the future)
* Date the organisation started/will start trading
* If applicable the registration number and registration date with Companies House
* If applicable the registration number and registration date with OSCR
* How long the Social Enterprise has been in existence
* Trading address, telephone number email address of the Social Enterprise

2.2 Products and Services - What the Social Enterprise Does

***How you will you generate income to fund your social aims? This can be a general overview as section three will go into more detail about the aims and objectives of the organisation.***

* Give details of what products and services that are provided by the Social Enterprise and who they will benefit/community being supported
* Who is the “Social” Aspect aimed at – who are the community or individuals who will be the beneficiaries of your social enterprise?

2.3 Personal and Organisational History

* The motivations behind the Social Enterprise Idea
* Your skills and expertise
* The skills and expertise of your team
* Successes to date
* CV’s for Board Members/Directors should be attaches in appendices

**3.0 Business Strategy**

*The focus of this section is to show that you have a vision for the Social Enterprise and that there are strategies in place to achieve it. It also sets out your analysis of the current market in your sector and how your organisation will sit in it.*

***Remember that any analysis is only valid at the time it is carried out and the information in this section should be reviewed regularly.***

3.1 Vision, Mission and Values

Vision

* This is the principle for which the Social Enterprise has been created. Normally the vision statement is not changed

*E.g. “To ensure that all the people in the UK have the best chance to improve their wellbeing”.*

Mission

* This is a statement how the vision will be delivered and may change over time.

E.g. Create individual supported learning plans

Values

* This is a statement details ethical principles and beliefs that the Social Enterprise will adhere to.

3.2 The aims and objectives of the Social Enterprise

* The aims should be a short statement about what you want the Social Enterprise to achieve
* What is the Social Enterprise Selling?How you will you generate income to fund your social aims?
* The objectives are specific statements about how the aims will be achieved in the short to medium term
* How will beneficiaries access the services/product?
* Will you be working in partnership with any other organisations?

3.3 The purpose of the business plan e.g. start up, growth etc

* Why are your writing this business plan?
* Is it to help plan a new enterprise?
* Is it to support the development and growth of an existing business plan?

1. **The Market and Marketing**

*Here you should provide details on how the Social Enterprise will market itself and its products/services. This should include how you intent to access your target market, how you are going to communicate to your potential customers your products/services and how you will develop routes to your customers.*

4.1 The target market

* This section contains details of the business sector that the Social Enterprise is operating
* Who are your target customers (who will pay for the product/service)?
* Where are your customers?
* The beneficiaries of the product or services provided (clients)
* The size of the market and whether it is growing or shrinking
* The competitors – are there other social enterprises providing similar services? Are there private businesses providing similar services?

4.2 Stakeholders

*Try to be specific about your stakeholders and customers, be clear about what types of organisations you are looking to engage with locally (or however far your market reaches).*

* Who will be your customers? Are they individuals or Businesses? Are your beneficiaries customers?
* Will there be any outside agencies who you will/want to work in partnership with?

4.3 PEST and SWOT – this is research into the external environment (the existing market) that your organisation will be looking to trade in

* **PEST Analysis** (*Political, Economic, Social and Technological*) is generally used for assessing *the market* and is normally carried out before a SWOT. A PEST analysis is used to help assess the market for a business or project.  It is best used for business and strategic planning, marketing planning, and business and product development.
* SWOT (*Strengths, Weaknesses, Opportunities and Threats*) is generally used for assessing *the business or proposal* and is normally carried out after a PEST with a cross section of the organisation’s stakeholders.
* *Analysis from this section could be included in appendices*



***Remember that any analysis is only valid at the time it is carried out and the information in this section should be reviewed regularly.***

4.4 The marketing and communication strategy

* Explain the features, specifications and specs of the product/service
* The position of the Enterprise in the market
* The marketing channels to be used
* How you plan to make your products/services known in the market place

4.5 Routes to market

* Direct selling to customers
* Tendering
* Internet
* Commercial outlets
* Licensing

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***Further detail of PEST, SWOT and marketing analysis can be found in the*** [***VASLan Organisation Resource kit***](http://www.vaslan.org.uk/resourcekit/) ***on the VASLan Website.***

**5.0 Business Operations**

*This section provides details of the practical aspects of delivering the Products/service*

5.1 Premises and office space

* Office requirements – do you require your own office, meeting place or production space?
* Do you need somewhere to storage products?
* What Size of space do you need?
* Location – where do you want to locate? Are there any specific access requirements?
* Purchase or lease – do you want to buy or lease premises?

5.2 Furniture, Equipment and other resources

* Office furniture, desks and chairs
* IT infrastructure cabling, Internet access, PCs. Servers, Software
* What is already in place and what needs to be acquired

****5.3 Legal Requirements and Quality Standards

* *Provide brief details of any specific legislation and certifications for the services or products being delivered, that are required e.g. registration with Care Commission, Hygiene standards*

5.4 Suppliers/Sub Contractors

* Appropriate suppliers have been identified
* A process for selecting and managing suppliers
* Understanding supply chain management

5.5 Managing Risk

***Risks are events that could have a positive or negative impact on the operation of the Enterprise. This section will help you to work through the key aspects of risk that may impact on your organisation and should set out how this risk will be managed.***

* Financial e.g. running out of funds
* Legal e.g. Lawsuit over intellectual property
* Operational e.g. workplace accidents
* Human resources e.g. loss of key staff member
* Environmental e.g. Flooding

**6.0 Measuring what matters**

*This section should cover who are your stakeholders (who is going to be using this service/product, who might you partner with to deliver services with etc.). This section also covers what it is that you are setting out to change, how you will measure and monitor that change and how you intend to measure your enterprises impact.*

****6.1 What the Social Enterprise wants to change

* *Explain what the Enterprise is setting out to change and how its aims and objectives will attempt to meet this need?*

6.2 Measuring Change

***Remember to include the baseline from which the change is being measured***

* Setting outcomes to measure if you are making the changes set out in your aims
* Who will it benefit?
* What is changing? eg. Confidence and self-esteem, social inclusion, independence
* How will it benefit people? (what will they gain or have achieved by the end of your project?)
* How you are going to Analyse and Report on your findings
* How you are going to learn from your evaluation and how you are going to implement any changes

6.3 Communicating Impact

* How are you going to communicate and market your impact?
* Hope are you going to show the achievements of the Enterprise?



***An evaluation planning template is available in the online VASLan Organisation Resource Kit*** [***Document Library***](http://www.vaslan.org.uk/resourcekit/doclibrary)

***Further information about evaluation can be found on the Evaluation Support Scotland Website:*** [***http://www.evaluationsupportscotland.org.uk/evaluation/***](http://www.evaluationsupportscotland.org.uk/evaluation/)

**7.0 Management and Personnel**

*The business plan must show that management and staff have the necessary skills and experience to deliver objectives that this plan relates to. This section of your business plan will set out who is going to be running your organisation both in terms of its governance level and on an operational level.*

7.1 Management Team

* Give details of the senior management team including name, position, responsibilities and experience.

7.2 Governance

* Details Board of Directors and their expertise

7.3 The Team

* Numbers, function and responsibility of the employees
* Key volunteers in the Enterprise

***You don’t have to name individuals who are either employed or volunteering, detailed role descriptions will suffice.***

7.4 HR Policies

* Equalities
* Volunteering
* Health and safety
* Employment contracts
* Etc.

7.5 Training and development

* What types of training have already been undertaken
* What types of training do you plan to undertake?
* What will staff/volunteers be provided training on?
* How will you plan for future training?

**8.0 Funding and Finance**

*This section is about translating every aspect of the business plan into financial terms and to ensure that the Social Enterprise is viable. This section should outline how much finance is required for the plan and how much income will the Enterprise needs to generate to ensure sustainability and growth.*

8.1 Financial Management

* It is important to show that within the enterprise that there is the skills and expertise to manage any monies coming into and leaving the Enterprise.



8.2 Income Generation and expenditure

*Income streams. This section should set out how you intend to finance your business, think about all of the ways you may be able to attract income.*

* How much does it cost operate the Enterprise?
* Trading (selling) - How is the price for the product/services derived
* Contracts
* Grant Funding
* Donations or in kind support

*Expenditure costs. This section should set out the business costs both fixed and variable*

* Capital costs e.g. purchase of equipment, premises
* Overheads e.g. salaries, rent
* Variable e.g. hire of temporary staff

8.3 Profit Forecast

* How much income will the Enterprise generate?
* Provide a profit forecast. It is important to show that the Enterprise is covering its costs
* What is the monthly cash flow required for the organisation

8.4 Financial Sustainability

* Provide forecasts to show how the Enterprise will be financially sustainable e.g. Trading, Contracts and Grant funding
* Include any additional materials that can back up the information that has been provided.



***Additional supporting materials for this section could be added as appendices***

**Appendices**

* Any additional supporting information you may wish to attach

Presence