

Guidelines for preparing a business plan

Each purposeful activity is preceded by a plan, regardless of the nature of the activity – it could be waking up in the morning, routine shopping or making investments to start your own business.

A plan or previously thought-out action plan provides us with a definite direction – what, how, and when should be done in a way to achieve results in the best manner.

There is no fixed template that all companies should use the same way. This document is a summarised instructional material prepared by EAS business consultants and designed for start-up companies as a facilitating tool when preparing a business plan.

Summary

Please briefly describe your business idea:

- what has been done so far?
- products/services
- target group
- competitive advantage
- market
- financing sources

What are the short-term and long-term objectives of the company? How do you plan to achieve them?

Please evaluate the expandability of your business model to other markets, other segments, for other purposes.

Team and management

Please describe what kind of expertise you need to launch the company.

- What kind of experiences and roles does the team have in the company (education, competences, previous business experience, sectoral experience)?
- What kind of workforce do you need?
- How do you ensure staff motivation (remuneration + other activities)?

Service/product

Please describe the products/services offered by the company.

- How does the production / service provision take place?
- What kind of need/problem of the customer does the product/service satisfy?
- Is it necessary to adapt the product/service to the target market?
- What resources are already available for production / service provision?
- What investments are still needed?

- What is the pricing of product/service like?

Customer, market, competition

Please describe your customers, market, and competitive situation.

- Who are the company's customers (existing, potential)?
- Please describe the definition of customer groups and the identification of their needs (the share of loyal customers among the company's customers).
- What is the market trend in the relevant sector (please describe the market size, new companies that have entered the market, alternative products/services and substitute goods and sales volumes in the sector as a whole)?
- What will be the company's market share?
- Who are the company's direct and indirect competitors?
- How does the company's product/service stand out (please bring out the competitive advantage)?
- What is done on daily basis to mitigate risks and remain competitive?

Please carry out a competition analysis and also analyse obtained results and chosen strategy with regard to the main competitors.

If you have any preliminary agreements on selling products/services, please add these, as well.

Marketing, sales

Prepare a marketing plan for the company.

- What are your main marketing channels and why?
- How do you plan to reach your customers?
- What are the main sales channels?
- What kind of marketing channels do you use during which period and what instruments are necessary for this?

Financial planning

Please describe how you plan to finance the launch of the company / new field of activity.

- What are the company's financial needs and planned sources of funding?
- What are the risks when using sources of funding and what are alternative options?
- What are the planned costs and investments needed for subsequent years?

Please submit reasoned financial forecasts for the next year and add explanations on achieving the objectives. The base for financial forecasts is available here.

Period from 2016–2019

<http://www.eas.ee/images/doc/ettevotjale/alustamine/Start2014/prognoosid2016.xls>

Action plan, risk analysis

Please prepare an action plan and determine objectives to launch the company.

- What are the expected results, responsible persons, deadlines?
- Please carry out a risk assessment: What are the strengths, weaknesses, risks, and opportunities of the company?
- How do you plan to mitigate the risks threatening the launching of the company?