



**NISHNAWBE ASKI
DEVELOPMENT FUND**

Business Planning

Developing a Business Plan

Presented by Marlon Gasparotto
Business Support Officer



Main Points of Presentation

- ★ Why is a business plan need
- ★ What should be include in a business plan (components)
- ★ Tips to remember when developing a plan.



Why is a Business Plan Needed?

- ★ To show that the proposed business is a serious initiative; undertaken by capable entrepreneurs who understand the essential elements ensuring business success.
 - ★ A good plan increases chances of attracting lenders, partners, funders, investors, strategic alliances, suppliers & staff
 - ★ It tells others that a loan or grant to your business is a good investment for the lender as well as yourself.
- Remember:**
- ★ Failing to plan.... is planning to fail.
 - ★ Business Planning is a risk assessment exercise



A Business Plan is a Tool

Internally:

- ★ It is a tool used to keep you focused on your vision and guide you to make informed decisions about changes that need to be made.

Externally:

- ★ Is a tool used to access financing, contracts, supply agreements.



The Business Plan should answer the following questions

- ★ Who is going to manage the business?
- ★ What are the business products or services offered?
- ★ Who is in charge of production?
- ★ How much money will I need to borrow and is it the right amount?
- ★ How many employees do I need?
- ★ Who will be my main customers?
- ★ How will I market (promote) the business?
example: advertising
“build it ...and they might come...is not a good strategy”



Components of a Business Plan

1. Executive Summary
2. Project Description
3. Project Cost and Financing
4. Project Schedule
5. Marketing Profile and Strategy
6. Management Plan
7. Project Benefits
8. Financial Statements
9. Operations
10. Other Supporting Information



Components of a Business Plan

1. Executive Summary

- ❖ One page opening description of your the business: indicating if it is a start-up, expansion, or purchase (acquisition)
- ❖ Brief description of what kind of business it is, what is the service or product that you will be selling.
- ❖ What market are you serving and who are your customers (Target Market)



Components of a Business Plan

Executive Summary Continued

- ❖ Company name (include address and phone number of contact person)
- ❖ Business loans Required (term loan, operating line of credit, bridge financing, funding etc)

Most important thing : Capture the immediate attention of the potential investor, lender, or funder.



Components of a Business Plan

2. Project Description

- ❖ Business Location
- ❖ Detail on the product or service offered
- ❖ Company Goals and Objectives
 - Example:** First Yr Sales, projected contracts secured for 2nd year, First Yr projected number of units sold.
- ❖ Business Legal and Ownership Structure:
sole proprietorship, partnership, corporation



Components of a Business Plan

Project Description Cont.

Points to Remember:

- ❖ Be honest about your business risks and how you plan to deal with them. It shows lenders you have a sound management capability.
- ❖ Be realistic with your personal goals, your own management ability and family considerations.



Components of a Business Plan

3. Project Cost and Financing

- ❖ Here you make a detailed list of what you will be purchasing and contributing to the business (include the \$ value)
- ❖ How much you are looking to borrow and for what period of time. (3 years, 4 years, etc)
- ❖ Here you will mention the amount of the grant you are asking for.



Components of a Business Plan

4. Project Schedule

This is a list and (day, month) schedule of what needs to be done and when.... in order to open the doors of your business on time.

Example: Gas Bar and Store

- ✓ Hire contractor to prepare the site
- ✓ Order Gas Pumps and Tanks
- ✓ Install Gas Pumps and Tanks
- ✓ Order Fuel and Store inventory
- ✓ Start Radio Advertising



Components of a Business Plan

5. Marketing Profile and Strategy

- ★ What is your target market?
 - ✓ Ginoogaming First Nation?
 - ✓ Long Lac an surrounding First Nation?
- ★ What is your target market characteristics?
 - ✓ The youth in the community?
 - ✓ Adults over 50 years old?
 - ✓ Local ATV and Snowmobiles Users
 - ✓ West end f town residents (First Street to Six Street)



Components of a Business Plan

Marketing Profile and Strategy Continued

- ★ Discuss who your competitors are. What do they do? What will you do different or better. (strengths and weaknesses)
- ★ Your pricing strategy
- ★ You distribution methods.
- ★ Discuss how you plan on competing.
 - ✓ Radio give-ways.
 - ✓ Sales specials.
 - ✓ Promotional events ex. Shopping give away.
 - ✓ Sales flyers delivered to local residents



Components of a Business Plan

6. Management Plan

- ★ Resumes of the Manager (s) and Partners
- ★ Organization Chart
- ★ List of roles and responsibilities of the managers, operators, cashiers, etc. This is very important
- ★ Who will do your bookkeeping (don't rely on family members).



Components of a Business Plan

7. Operations Plan

1. What hours will the business be open?
2. Who will open the business?
3. Who will order supplies and inventory?
4. Who will book customer appointments?
5. Who will close the business-end of day?
6. Who will deposit the cash?
7. Who will handle customer complaints?
8. Who will do snow removal?
9. Etc.. Etc.... every business is different.



Components of a Business Plan

8. Project Benefits

- ★ How many jobs will you create with your business?
- ★ What is the annual total income of the company employees.
- ★ What new services and benefits will you bring to the community your serving.



Components of a Business Plan

9. Financial Statements

1. Income Statement – 1 to 3 yrs
2. Balance Sheet – 3 yr
3. Cash Flow Statement – 3 yr

Key Point to Remember

Include notes to all assumptions:



Financial Definitions

Income Statement

Shows the amount of earnings (wealth) that have been retained within the company in a given period of time.



Financial Definitions

Cashflow Statement

Shows record of the actual cash flowing in and out of a business in a given time period.

Remember:

A business can have a net loss and continue, until it runs out of cash-then... it is out of business.



Financial Statements Definitions

Balance Sheet

A statement detailing

- a) what a company owns (assets)
- b) what a company owes (liabilities)
- c) what a company is worth (owners equity)

i.e. Assets = Liabilities + Owners Equity



Components of a Business Plan

10. Other Supporting Information

1. BCR (access to reserve)
2. Quotes for equipment to be purchased
3. Quotes for contracts to be completed
4. Contract for Services to be provided.
5. Letters of interest from potential clients.
6. Letters of support from suppliers, lenders, etc
7. Partnership agreement
8. Business Identification Number (Prove. Master Business Licence)
9. Land Use Permits (Hunting Camp)
10. etc.... etc....



Planning Tips

1. Don't be overwhelmed with the idea of sitting down and getting started. It is going to take time and effort.
2. Write down your info and idea's every time you think of something important.
4. Plug ideas into the 10 categories.
5. Get people around you that can help (mentors)



Work Hard and Have Fun

The END

Thank You