

# Technium Challenge

## Guidance on Developing a Business Plan

A business plan is a comprehensive, self-contained document that:-

- Conceptualises the totality of a significant business opportunity for a venture
- Presents the organisational building process to pursue and realise this opportunity
- Identifies the resources needed
- Exposes the risks and rewards expected
- Proposes specific action for the parties it addresses i.e.
  - The founding team
  - Potential investors
  - Potential employees
  - Partners
  - Advisors
  - Customers
  - Suppliers
  - Regulatory bodies

The business plan is focused on specific strategies, goals, plans and actions and is easily readable by a non-technical, intelligent and interested reader. It contains no vague generalities or unsubstantial statements and is prepared by the entire founding team, not just by the lead founder or by an outside consultant.

### Contents of a Business Plan

A business plan outlines how your business will work and why it will work. It is essentially a sales tool, for raising money and gaining credibility for your idea. A business plan should expand on an Executive Summary, including factual support and reasoning. Below are some suggestions for consideration and if you already have an existing Executive Summary why not simply edit it to include the following:-

#### Company Overview

1. What is the purpose of the business?
2. What is the business history?
3. What is the current status of the business and its overall strategy?

#### Product, Process or Service

1. Describe the idea, its features, benefits and pricing strategy?
2. What stage of development is your idea at and what prototyping has been undertaken?

#### Market & Marketing Strategy

1. What are the marketing objectives of the business?
2. Where will the business be positioned and what is the size of the intended market?
3. What is the market potential?
4. What is your customer profile?
5. How will the product or service be promoted and distributed?
6. What is your intended sales and marketing strategy and what performance milestones have you set in place?

## Operations

1. What are your plans for production & delivery of product or service?
2. What are your product costs and intended margins?
3. Are there operational complexities or additional / specific resources required?

## People/Management

1. Describe the background of your key people?
2. What are their individual abilities in ensuring this strategy is executed successfully?
3. What are your personnel needs & what HR structures will the business adopt?

## Finance

1. What is your financial strategy & what performance metrics have you put in place to measure progress?
2. What are the businesses financial requirements and where does it anticipate sourcing the funds?
3. Have you created realistic cash flow & income projections?

## Risk Assessment

1. Consider this proposal from an investor's perspective, what are the major risks and return on investment?

## Viability

1. Is the market opportunity realistic and achievable?
2. Are the management team competent in achieving results?
3. Is the case strong enough to attract an investor to fund this venture?

## Brevity & Clarity

1. Is the information in the Business Plan presented in a clear and concise manner and therefore easily understood?

## Useful Web-sites

<http://www.bplans.co.uk/dpu/>

[http://www.paloalto.co.uk/academic\\_sales/business\\_plan\\_competitions.cfm](http://www.paloalto.co.uk/academic_sales/business_plan_competitions.cfm)