Made your New Year’s resolutions yet? How about writing your business plan in January! Not a glamorous enough task to beat the New Year sales? Why write a business plan when you could be out enjoying yourself battling the crowds? Well for one reason it may well help you achieve more money for next year’s sales. What is a business plan and why have one? An effective business plan is an honest view of what you want your business to achieve and sets out ways to do just that. Having a sensible business plan helps provide focus, helps decide and approve strategies, avoid pitfalls, provides opportunities for sensible review, builds a more robust financial outlook and helps others that you work with or you manage take ownership of their roles and purpose, thereby building commitment, and cohesion. It’s a bit like a map, but unless you know where you are starting from and where you are heading most maps are useless and so your business plan will be too if it isn’t well thought out. The first step is to think of why you are in business and how you personally rate success, money isn’t everything, but it may feel like it after an expensive Christmas. Try not to get to ‘hung up’ on the idea that your business plan must be a long winded financial essay. Unless it is for a business start up or for a commercial loan then it doesn’t have to be, but it does need to be clear, honest and as realistic as possible. No point in kidding yourself. If your plan is written for others to read, then they will most likely prefer to read something that is short and to the point. Don’t forget that your plan can change, as much as we can look ahead none of us can be certain of what is around the corner either politically, unexpected change within the animal industry, interest rates or changes in your personal life for example. A monthly review of your plan will help you retain focus and provide opportunity to assess progress and implement needed change before the point of no return. You may not be a financial wizard, but you do need to manage your money and know how your business is performing, remember next year’s sales offers are calling. So, what do you need to put into your business plan and what will make it effective? After deciding what you want to achieve, such as more volume of sales, (more kennels filled at different times of year for example) improved profit margins, reduced costs then you can think about the following and include them into your plan. **1.** Write a brief overview of you, your team and your business. This is your opportunity to put yourself in the limelight and will be your calling card if your business plan is going to a commercial lender. Also include what knowledge and skills are needed for your business to succeed and identify if any staff training may be needed to meet this. This can be brought into your costings in part 7. You can find further information through National Occupational Standards. [www.ukstandards.org.uk/Pages/index.aspx](http://www.ukstandards.org.uk/Pages/index.aspx) **2.** Try to identify and write down what the needs of your customers are within the animal industry and list what potentially stops them getting what they need. If you don’t know, then ask them! A simple marketing plan may help with this. **3.** Write down what products or services you can provide that will help to fill these needs and how they may help overcome the problem of customers getting what they want. Simply put, you could list different ways that you can make money within your profession but check that it is something customers in your demographic area want or need. It’s no good offering multi coloured, painted dog nails for sheepdogs, if it is not something in deepest rural Wales that is needed! **4.** If you haven’t already, find out just who your potential customers are, how many people live in your business area, what percentage of them are families, what type of income do they have? You can contact the Office for National Statistics www.ons.gov.uk/ to find out information specific to your area. **5.** Research and where your competitors are, list their strengths and weaknesses and then list yours. Set down how you can achieve more strengths and opportunities, or you can carry out a full SWOT analysis and use this to help build your business strategy (strengths, weaknesses, opportunities and threats). [www.thebalance.com/swot-example-strengths-weaknesses-opportunities-threats-2947985 5](http://www.thebalance.com/swot-example-strengths-weaknesses-opportunities-threats-2947985%205). **6.** Be honest about your finances and write a financial summary, what cash do you have, what money is in the bank, what loans or cards is the business obligated to, what is your expected monthly or annual cash flow, what are you expecting to draw for your own salary and what can you keep aside for unexpected emergencies, tax and national insurance liabilities. **7**. By combining all the information that you have gathered within points 1 to 7, you can then plan what your financial requirements could be. When this has been decided you can compare this amount with your financial summary. Any highlighted shortfalls will need to be found somehow or you may need to review your plans, and so your business plan now becomes a working document! There are a few words of caution about the production of your business plan. It is just that, a plan, not set in concrete and forgive me if I sound a pessimist, don’t be tempted to over commit yourself financially from the outcome of your plan. Always ‘err on the side of caution’, don’t become overexcited that your plan suggests you will be a millionaire next year. Lastly, there are hundreds of business plan templates available on the internet, so take time to research those more suitable for your use and don’t be tempted to spend money on any template or person that offers to complete your plan for an outrageous fee!