

Project / company

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## The Business Plan

### Introduction

Business plans are important, useful tools for every executive board, administrative board and every businessperson. You have to make the right decisions for your business, regardless of whether you are still in the planning phase or already established in the market. The business plan first analyses the situation. You then define your targets. Next, you plan and budget in the programmes that will make your company successful. The targets and programmes are then used to derive your capital requirements and financing needs.

The Business Plan Light is more than sufficient to get an initial impression of your business. In fact, this planning aid is also useful for small companies already in business or for simple projects. The more innovative, risky or complex the project is, the more sophisticated the planning needs to be. In that case, it would be better to work out a more detailed business plan. For more detailed business plan forms and some real-life samples, visit [www.ifj.ch](http://www.ifj.ch), [www.estarter.ch](http://www.estarter.ch) and [www.ubs.com](http://www.ubs.com).

### Procedure:

- 1<sup>st</sup> step:** Briefly describe the company, what sector you are in and who is behind the company.
- 2<sup>nd</sup> step:** Analyse the present situation and the future of the company. Explain in terms as precise as possible what you consider to be the key strengths and weaknesses of your business. Try to point out what makes your company more successful than the competition. Then define the most important opportunities, risks and challenges of the future for your company.
- 3<sup>rd</sup> step:** Describe the market your company is currently in, listing your customers and products / services. You will ideally include the number of customers per group and how much of overall sales they account for. You then provide the same information for your market 3 years from now.
- 4<sup>th</sup> step:** List all your customers that are "good references"; give a brief description of why your customers are so happy with your company. Describe the programmes that you intend to use to obtain new customers and / or how you plan to make your company better known among your target customers. Name the distribution partners you wish to offer your services through and / or who will be helping you to win new customers.
- 5<sup>th</sup> step:** Here you describe the infrastructural changes you plan to make to reach your targets. This will be the foundation for the next 3 years' investments / purchases; it will also allow you to define milestones with clear target dates. Make sure that your goals are measurable and that they can be verified on the target date.
- 6<sup>th</sup> step:** Describe the sales and costs situation in your company over the past few years and how you anticipate this situation will change in the future.
- 7<sup>th</sup> step:** In this step, you work out your funding needs based on your financial plan and then present your needs to the recipient of the business plan as a petition. Show what benefits your financing partner will enjoy by agreeing to your petition and what collateral you have to offer for the funding. Most importantly, you have to demonstrate how you will keep the finances and liquidity in your company under control in the future.

### Tips:

- 1<sup>st</sup> tip:** **Customize your business plan for each particular recipient. What specific goals do you want to reach with whom using your business plan?**
- 2<sup>nd</sup> tip:** **First impressions are important with business plans, too. So supplement the business plan with attractive, convincing appendices.**
- 3<sup>rd</sup> tip:** **Regard the critical feedback and additional questions from banks or other partners as an opportunity to constantly polish your business plan.**

## 1. Overview of the company

Key word	Question(s)	Description	Details <sup>1)</sup>
1.1 Company	When was or when will our company be <b>established</b> ? How many <b>employees</b> do we have now?	Established on:                      Entry in commercial register:                      Legal form:                      Number of employees:	
1.2 Industry	What <b>industry</b> are we in? What is our <b>most important service / product</b> and what is our <b>most important customer group</b> ?	Industry:                      Most important service:                      Most important customer group:	
1.3. Vision	Where do we want to take our company? What is our <b>long-term goal</b> ?		
1.4. Key financial figures	What is our financial standing according to our <b>most recent annual accounts</b> ?  How much of an <b>order backlog</b> do we currently have?	Sales:                      Operating earnings before interest and taxes:                      Equity capital:                      Borrowed capital:	
1.5 Key persons	What <b>key persons</b> in which <b>position</b> contribute to the <b>success</b> of our company?	Name:                      Position:                      % ownership in company:                      % work in company:	

<sup>1)</sup> Appendices follow numbers on the document or the index in the folder.  
(Free templates and checklists for creating various appendices can be found at [www.eStarter.ch](http://www.eStarter.ch) or [www.ifj.ch](http://www.ifj.ch).)

## 2. Current and future situation

Key word	Question(s)	Description				Details <sup>1)</sup>
2.1 Current situation	What are the <b>biggest strengths</b> of our company?	-				
	What are the <b>biggest weaknesses</b> of our company?	-				
	How do we differ from our most immediate <b>competitor</b> ? What is our <b>recipe for success</b> ?	Name:	Sales:	How is our competitor better than we are?	How are we better than the competitor?	
2.2 Situation in 3 years	What are the <b>most important opportunities</b> for our company in the market?					
	What are the <b>most important risks</b> to our company?					
	How are the <b>needs of our customers</b> changing?  What <b>specific benefits</b> do we want to offer them in the future?					

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### 3. Market today and in the future

Key word	Question(s)	Description				Details <sup>1)</sup>
3.1 Our market today	What are our <b>current services</b> and <b>customer groups</b> ?	Service:	Customer group:	Number of customers:	Share of sales in %:	
3.2 Our market in 3 years	What are our <b>planned services</b> and <b>customer groups</b> in 3 years?	Service:	Customer group:	Number of customers:	Share of sales in %:	
		<i>Total</i>				

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#### 4. Marketing

Key word	Question(s)	Description			Details <sup>1)</sup>
4.1 Reference customers	Who are <b>our reference customers</b> and why are they happy with us?	Name:	Reason for being happy with us:	Share of sales in %:	
4.2 Customer loyalty	What do we do to <b>foster customer loyalty</b> ?				

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#### 4. Marketing

Key word	Question(s)	Description			Details <sup>1)</sup>
4.3 Sales	How to we win new <b>customers</b> and <b>orders</b> ?				
4.4 Advertising	How do we make our company <b>known</b> ?				
4.5 Partners	Who are our most important <b>sales</b> or <b>other partners</b> ?	Name:	Partnership:	Share of sales in %:	

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## 5. Infrastructure and milestones

Key word	Question(s)	Description			Details <sup>1)</sup>
5.1 Infrastructure	What <b>infrastructure initiatives</b> have been planned (staff, organisation, location, office, IT, production, storage, etc.)?				
5.2 Suppliers	Who are our most important <b>suppliers</b> ?	Name:	Service / Product:	Share of purchasing volume in %:	
5.3 Milestones	What are our next <b>milestones</b> ?	Milestones	Who:	When:	
5.4 Investment	What <b>investments</b> are planned for the immediate future?	Investment:	Costs (CHF)	When	
		Total			

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## 6. Financial plans

Key word	Question(s)	Description							Details <sup>1)</sup>
Budget and balance sheet	What will our company's financial position in <b>coming years</b> be?  (in CHF 1,000)	PROFIT/LOSS ACCOUNT	2 years ago	Last year	Budget (this year)	Next year	In 2 years	In 3 years	
		<b>Net sales</b>							
		./ Raw materials and consumables							
		<b>Gross profit</b>							
		./ Staffing costs							
		./ Marketing and distribution costs							
		./ Other operating costs							
		./ Amortisation and depreciation (business)							
		<b>Operating earnings before interest and tax</b>							
		./ Financial expenditure							
		./ Financial earnings							
		./ Taxes							
		<b>Operating profit</b>							
		./ Non-operating profit (earnings – expenses)							
		<b>Net profit</b>							
		Dividends							
		BALANCE SHEET							
		Cash and cash equivalents							
		Receivables							
		Fixed assets							
		Payables							
		Current bank borrowings							
		Loans							
		Mortgages							
		Remaining long-term borrowed capital							
		Equity capital							

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## 7. Financing

Key word	Question(s)	Description	Details <sup>1)</sup>
7.1 Capital requirements	What <b>capital requirements</b> does our <b>financial plan</b> set out?		
7.2. Capital procurement	How and with <b>which partners</b> will the capital be obtained?		
7.3. Financing application	What specific applications have we made to the <b>bank</b> or other <b>financing partners</b> (suppliers, customers, private investors, leasing, factoring, etc.)?		
7.4 Benefit	What <b>benefits</b> can the <b>investor</b> expect from accepting our application?		
7.5 Securities	What <b>securities</b> can / will we offer our <b>financing partner</b> ?		
7.6 Controlling	What programmes will we follow to keep our <b>finances and our liquidity under control</b> ?		

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