

Business Plan Guide

A business plan is a vital first step for new entrepreneurs, to assess the viability of a business, before investing time and money. The business plan describes how to start a business. It gives insights on steps to be taken, resources for achieving business goals, and a timeline of expected results. A 3-year cash flow projection is vital.

Banks require business plans to assure themselves that their finance is offered to enterprises that will be well-managed on a planned basis, and that they will be able to repay the finance. When developing a business plan, make sure that all costs are covered.

Business plan requirements

Documentation

Covering letter Index (contents)

Executive summary (using guidelines detailed below):

1. Company information

1.1 Name

1.2 Business location

1.3 Description of business, range of products or services (current and future)

1.4 Background (regulations, sector/market analysis)

1.5 Sources of funding (borrower, government, DBN, Agribank, EIA, commercial bank, donor, own contribution etc.)

2. Management plan

2.1. Organisational structure

2.1.1 Management organogram and personnel (waged and salaried - from year 1 to 3)

2.1.2 Experience and technical ability of management and applicants

2.1.3 Ownership structure

2.1.4 Strategic alliances (If any)

3. Financial information

3.1. Historical financial statements (If Operational)

3.2 Budgeted / projected forecasts (for new and existing SMES) – for at least three (3) years, monthly for the first (1) year

3.2.1 Key assumptions

3.2.2 Cashflow & Income projections: profit/ loss including expenses, salaries and provision for repayment of loan

4. Marketing plan

4.1 Industry analysis

4.1.1 SWOT analysis

4.1.2 Potential markets and market share estimates

4.1.3 Competition and / or substitute products

4.2.3 Promotion and advertising strategy

5. Operations / manufacturing information

- 5.1 Business process (activity) description
- 5.2 Raw material supplies and costing
- 5.3 Organisation of operations and outputs
- 5.4 Technology and equipment

6. Statistics

| STATISTICS TABLE | | |
|--|--|--|
| PDN ownership (%) | Sales Region | |
| Women ownership (%) | Branch | |
| Youth Ownership (%) | Economic Sector | |
| Age of youth | Short description of business activities | |
| Education qualification of youth | Industry | |
| Employment status at the time of application | Region | |
| Year of business registration | Town | |
| Start up/early growth/ expansion | Constituency | |
| Business traded formally / informal | Rural/Urban | |
| SME / Large Enterprise | Number of youth employed | |
| Number of New Jobs | Number of women employed | |
| Number of Retain Jobs | Number of people with disability employed | |
| Number of Temporary Jobs | Number of people from marginalised communities employed. | |
| Number of skilled jobs | | |
| Number of semi-skilled jobs | | |
| Number of Unskilled jobs | | |
| Number of direct jobs | | |
| Number of indirect jobs | | |
| Enterprises Owned by People with Disabilities (Yes/No) | | |
| Enterprises Owned by People from marginalised communities (Yes/No) | | |
| Innovation / Tech driven (Yes/No) | | |
| Market Linkages (Yes/ No) | | |
| Business Development Services (Yes/ No) | | |
| Mentoring & Coaching Programme (Yes/ No) | | |