



LEADER HOUSE

COACHING | TRAINING | STRATEGY

BUSINESS START UP BUSINESS PLANNING WORKBOOK

"Success isn't just about how high we climb, it's also about how many we lift with us along the way."

- Mark Hamawi

BUSINESS SUCCEEDS

Increase chance of success from 10% to 70% when leader;

- *Creates and Implements Plan*
- *Works ON not IN*
- *Has objective advisory team (COACH 😊)*



Business is a long term journey, filled with multiple layers, many facets, and requiring several skills. And any journey is most likely to succeed if it is planned in detail, well and truly before it begins. Ironically, despite the fact that business is a significant financial, mental, and emotional risk for most entrepreneurs, it is often commenced with little or no effective planning. The outcome: as many as 90% of small to medium (SME) businesses shut their doors.

When I was an accountant and business advisor, I would see the pattern repeat time and time again. Excited and energy-filled clients coming in to request that I set up their business trading structure. They have the idea, the belief, and the passion. They are certain their product or service will sell. And fast forward 24 months, they are back in front of me with money, energy, and passion spent.

Here's the issue readers, as Zig Ziglar said, if you aim at nothing, you will hit it every time. Sadly, planning is not sexy!! And moreover, for many budding business minds, planning is an unknown element. And the average SME commences through the technical knowledge of a particular skill related to a product or service. And more often, the business skill is yet to be developed by the budding entrepreneur.

If I said to every entrepreneur that they should pause, and complete a business degree (3 years), they would all tell me to go jump.

Therefore that isn't a realistic approach. Instead, let me suggest that your likelihood of success can be increased from 10% to 70% if you do three things;

- 1. Create a business plan**
- 2. Focus on working ON rather than IN the business**
- 3. Have a mentor or coach, who can be objective(likely not family or friends), and who has walked the walk of business success**

These are three fundamentals, and there are many others, but at least just do these three, and your chances of success will significantly increase!

In this workshop, I'd like to focus on the first element, the business plan. This singular piece of work contains your entire belief system about your business. It is effectively your dream put down in writing. And one way to ensure that a dream comes true is to write it down. Because those written words become a reality. That reality passes forward in time and doesn't get lost. Just think how successful The Bible has been! Would Christianity have endured without that book?

Aside from the fact that a business plan creates focus, which is essential for success, it also creates your first business asset. The intellectual property you create in your business has value. Plans, protocols, manuals, checklists, processes, flow charts, etc. are highly valued by astute investors and buyers. And the banks love to see them when you are seeking finance! And that's what differentiates the average small business from the larger more successful enterprises.

On another note, this workshop is in part a "how-to" for the business plan, and also it is a "what to" in the business plan and more importantly, "why to" do a business plan.

What you are doing with a business plan is creating permanency. By giving your time and energy to documenting your business, dream, and intention, you establish the foundation. And the deeper your foundations, the more stable and long-lasting your business.

And the reason you do your business plan is to have a clear guide. It is like a map that will serve you through the emotional and mental challenges that you will experience. It will remind you why you started and what you intended and will put you back on the right path.

As Benjamin Franklin put it, "By failing to prepare, you are preparing to fail".

There is a lot of literature about business plans, therefore it isn't hard for you to find a list of contents to include in yours. In this workshop, I'm going to share my view on the essential parts of the plan.

The 5 main categories I ask my clients to focus on are;

- 1. The Business WHY (Vision)**
- 2. The Business WHAT (Mission)**
- 3. The Business WHO (Stakeholders)**
- 4. The Business HOW (Processes)**
- 5. The Business WHEN (Forecasts)**

These 5 categories represent the macro essence of your business. They encapsulate the entire journey, philosophy, technical elements, and human side. Therefore as a starting point, simply answer those 5 questions of why, what, who, how, and when in one paragraph. That will be the basic charter of your business.

And within these five broad categories, I will break down the further parts that an entrepreneur should document before commencing the (ad)venture.

In the 30 years, I have been involved in business, whether as an advisor, accountant, CFO, CEO, or Director, I have seen a 100% correlation between success and planning. How you do one thing, is how you do everything. I warmly recommend you take your time to create a well-considered business plan. From there you will find that your journey in business becomes an enjoyable and highly lucrative adventure.

Now, let's explore these a little deeper....

PART 1

THE BUSINESS WHY

"People don't buy what you do, they buy WHY you do it– Simon Sinek



Starting with your vision, or the power of identifying your business WHY, is best summarised in Simon Sinek's work "Start With Why". When you communicate your WHY successfully, you fully engage and inspire all who deal with your business, including your staff and clients. That happens because in life and business, why we do things, is what connects us to like-minded others. Build the following business plan headings:

The Vision Statement – What is the dream you are seeking to achieve? What is the deepest reason for your business? Think of Nike, "just do it" or Apple "think different"?

Client Outcomes from Service or Product – What do your clients get out of using your product or service? Link that to your WHY. What is the problem you solve for them?

Your Culture – What are the qualities that you will be know for by everyone your deal with? What is the legacy that you leave?

Team Trademark – What are the behaviours that will be acceptable and honoured within your team?

PART 2

THE BUSINESS WHAT

*"Someone is sitting in the shade today
because someone planted a tree a long time
ago" – Warren Buffet*



Here you are describing your Mission. What will be achieved through your business existence and how far a reach will you have. Determine what will change in consumer habits because of your product or service. Build the following business plan headings;

The Mission Statement – Describe the intention you have with your business? For example, “to be the leader in Australian luxury home construction”

Product or Service Description –

Simply define your main products/services

Geographic Distribution –

Where will you be based and where will you sell to?

PART 3

THE BUSINESS WHO

*"Coming together is a beginning, staying together is progress and working together is **SUCCESS**" – Henry Ford*



The key to a successful business is the relationships you build. Treat your customers, staff, suppliers, etc as you would your family. Because it is this family that will be part of the journey, and it's the moments you share with them that will create joy or difficulty. Nurture these relationships and your business will blossom:

Ideal Clients – What do they look like, who are they, what do they like, how old are they etc etc?

Staff and HR systems – Define your organisational Hierarchy, position descriptions and how the human resources will be managed

Benchmark Competitors – Study your strongest competitors and note their strengths and weaknesses

Advisors – Decide who will be on your advisory team, such as your solicitor, accountant, insurance broker, finance broker and of course coach!

Funders – Make a plan for how you will seek funding and from whom. Will it be debt or equity? Will it be banks or private money?

PART 4

THE BUSINESS HOW

*"If you can't describe what you are doing as a process,
you don't know what you're doing" - W.EDWARDS
DEMING*



This is the nuts and bolts of how your business will operate. Bring on your technical know-how and document it through manuals, checklists, instructions, guidelines, and protocols. By systemising and documenting your business, you ensure effective and efficient operations, which in turn maximises profitability and impact.

Marketing Systems and Processes – Detail your steps of how you will find clients and how those prospects will be converted from a lead to a sale.

Production Systems & Process – Details of how you will create your good or service. From raw materials into a finished good

Distribution Systems & Process – Detail how you will connect your product to the customer. This isn't just about transportation. You may also consider here how you create alliances and partnerships with other businesses that can distribute your good/service.

PART 5

THE BUSINESS WHEN

"If you aim at nothing, you'll hit it every time" -ZIG ZIGLAR



Nothing creates a clearer path than the numbers. The universe is measured by numbers, and your visualisation to success becomes much easier when you clearly have a target. Daily, weekly, monthly, yearly. These targets provide motivation, guidance, and feedback. More importantly, it creates a very clear focus.

SWOT – A study of your strengths, weaknesses, opportunities and threats

Project Time Lines – create clear deadlines for the various outcomes. The first project deadline should be this business plan! Will you meet this? Will you focus on this? Will you put energy and love into this? How you do one thing, is how you do everything! And from there, create specific due dates for every other output required to realise the business

Significant Events & Dates – This is a macro summary of the major business items for the first 10 years.

Initial Formation Costs – A breakdown of all initial outlays required to get the business started

24 months Income & Expense Cashflow Forecasts – A detailed line by line breakdown of the monthly income and expenses expected. The first line is, how many sales units you expect each month. And break it down from there

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