

Chapter 5 Planning

Now that you've 'designed' your new business the next step is to consider how its going to operate. In other words, to **make a plan**.

So far we've discussed 'who' is involved in the business, what' the business will do and offer and 'where' the business is going to be located or operated from and 'why' the business is being created in the first place.

The next question to answer is 'when'?

The first thing to do is create a 'timeline', or a series of timelines, for the business.

You'll need to decide when you want to 'launch' the business, when you actually want to start trading and delivering whatever the business has to offer.

This isn't a case of just sticking your finger in the air and picking a date. You have to consider how long it is going to take you to have everything in place, up and running, so that you can actually deliver to purchasers - and it depends what your business is as to how long this might take.

Later in this Chapter we'll look at each area in detail, which, along with the PBCS, will help you decide that all-important launch date.

Another thing you want to be clear on up front is the actual 'lifespan' you propose for this business.

When do you envisage that you will be able to stand back from the business while it still produces income for you or sell the business for a lump sum?

After all, you don't want to be doing this forever - and even if you do right now, even if it is your passion right now, I can tell you from experience that you don't! Things change, **you** will change!

All you need right now is to define how long it will take to get the business to launch and then how long you expect to operate the business personally until you reach the point, as described in Book 1 when you go ‘hands off’.

Tools

To do this planning, and indeed all the planning you do, you will need some ‘tools’.

There are a lot of things around which purport to do all sorts of things, make your life easier, and claim to be ‘essential’ to your success.

I’ve tried several of them but always come back to using a simple spreadsheet like Excel to do my time planning.

You can structure this how you want and not get locked in to something that someone, who has probably never done any real business planning in their life, ‘thinks’ you need.

And it’s a whole lot cheaper as well!

Set up a ‘timeline’ for the business and a ‘timesheet’ or ‘time planner’ so you can plan what you do on a daily and weekly basis.

You’ll also need an online calendar and maybe a diary system, and after much trial and error I’ve found that the easiest calendar to use is the one provided by Google, especially as you can access it anywhere and on different devices and the easiest diary or appointment scheduling tool is a product called Acuity.

I should stress though that these are really best suited to a personal business or ‘one man operation’ (OMO) and not ideally suited to cope with more than two people working together.

The PBCS provides you with templates for all the spreadsheets you’ll need and shows you how to use them on a day to day basis.

Managing

There is a whole industry around the topic of ‘time management’ and people will want to sell you lots of products and services to ‘help’ you with that.

Unfortunately, however, it’s not possible to ‘manage’ time. Time passes - end of. (Actually, time doesn’t exist, but that’s another story!)

What you ‘manage’ as regards time, is yourself and how you use the time you have available - and here’s the secret to it.

If you plan and intend to do something at a certain time for a certain period of time - and then you don’t carry out that plan, don’t do what you said you would do at the time you said you would do it - then your ‘day’ starts to fall apart - and you have to spend more time replanning!

Sounds simple doesn’t it - do what you say you’ll do at the time you said you’d do it? But we all know that life, and especially life in business, doesn’t work like that.

What you need is a simple way of quickly reorganising yourself when ‘things go wrong’ and you ‘run out of time’.

This is easily done on the simple template provided in the PBCS.

Another thing that people advise is to have a ‘To Do List’ which may or may not be prioritized in some way. I don’t use one of them. I have a ‘**Do List**’ - because if something is ‘to be’ done (in the future) it never will get done. Just do it!

There are different ways of **prioritising tasks** and a common one is to distinguish between ‘urgent’ and ‘important’ and do the things that are both of these first. But that doesn’t really take into account the length of time or amount of effort it will take to do them.

My mentor, Peter Thomson, advises that once you have prioritized your Do List, you need to re-prioritise each time you complete a task on the list. Priorities change, and you need to take that into account.

Another view on prioritization (from Marisa Peer) is to ‘do what you hate first’ or get those things that you most dislike doing (or least like doing) out of the way before you get on with other things.

It is a very effective way though, of going about things, but urgency and importance should take priority.

There are a lot of tools around that that are supposed to help you with this but predictably, over the years, I’ve always come back to a spreadsheet and a notebook that I write things down in.

It’s very satisfying to see a whole lot of tasks written down on paper and ticked off or crossed out - much more so than seeing it on a screen.

That takes care, as far as I can here, of ‘time planning’. Now we need to consider something else.

Business Plan

It was made clear in Book 1 that you must have a ‘***Business Plan***’. That is, an all-encompassing plan for and about your business if it is going to have any chance of succeeding.

We need to distinguish here between **your** plan for **your** business and a ‘Business Plan’ of the type that is sometimes requested when you need to borrow money or obtain other funding or help for your operations.

These ‘business plans’ are often defined by the potential funder and essentially ask specific questions to which **they** wish to know the answers - as such they can often be by no means comprehensive.

Your business plan, *your* plan for *your* business, does have to be comprehensive and the PBCS will provide a template and take you through it all in detail, but essentially there are five elements to the ‘plan’.

First there is an outline describing the purpose of the business, what you expect it to achieve, and the reason why you are setting it up.

Then we get into the body of the plan, consisting of how the business is going to operate, how it is going to be marketed, how it is going to be financed, and how it is going to ensure compliance with the various rules and regulations that affect it.

Your **Operating Plan**

This covers several topics, from any production process, the logistics of supply and delivery, who is responsible for what, training and development, qualifications of owners and staff, premises, location, and so on.

It's probably easier to state what this doesn't cover, which is marketing, finance and compliance. Operations is 'everything else'. A lot of this is covered in Chapters 7 and 8.

The **Marketing Plan**

This is sometimes seen as a separate entity, often by potential funders who ask for it alongside your Business Plan, which they see as primarily financial.

Your Marketing Plan covers identification of your target market, market research, strategy and analysis, how you are going to find potential purchasers, how you are going to engage with them, and how you are going to turn them into real buyers of your offering.

It will include topics such as pricing strategy, product offerings, service levels and so on.

It's not about how you get your offering to market, that's Operations, it's what you do with it when you get 'there' and of course defining where 'there' is - in other words, your target market. Much of this is covered in Chapter 9.

Your **Financial Plan**

This covers everything to do with money. Where you get the money you need to get your business to launch, how much you need and why.

It covers how much working capital you need to keep your business running, what profit you expect to make, how you are going to keep records and importantly your Cash Flow Forecast. This is covered in Chapter 6.

Your **Compliance Plan**

This will identify clearly which rules and regulations you believe affect your business and with which you need to be compliant. You should also make it clear which regulations you believe do **not** apply to your business to show that all legislation has been considered.

This has been mentioned earlier but it is important to take advice from an independent commercial lawyer with experience in small startup businesses (not one from a company who provide compliance services!) just to make sure.

Another aspect which may form part of your Business Plan is your '*Exit Plan*'. How do you foresee the conclusion or 'wind down' of your involvement in the business? Will you sell it to someone else, let it run 'automatically' on its own, or will you just 'close' it? When will you do this and why?

It all depends of course on the nature of your specific business but you do need to think about what happens at the 'end', when that will be, and how you will recognise it.

Finally, terms of trade, conditions of engagement, and policies covering activities, including a Privacy Policy, together with any disclaimers can be attached to your Plan in an Appendix.

Then you have everything about your business in one place.

The Personal Business Creation System will take you through all this, step by step, in detail.