

## **Business Planning Process** **Questions to be Answered?**

To produce a business plan information is required to enable answers to be given to the following questions. Evidence to support the answers has to be accumulated and should be supplied where available:

What are your main objectives to be achieved over the next 5 years?

What is the current position of the company, its history, current trading position and financial performance? What is your market and in which segments are you active?

What is your company's mission and values.

What are the company's products and services in which markets to which customers?

What is the company's organisation management structure, its infrastructure and core competencies?

Who are the competitors? What are their strengths and weaknesses? What Strategies do they pursue? What competitive advantages can the company exploit.

What is the forward strategy (i.e. Overall cost leadership, differentiation, focus) with what products to what markets and which customers'. Why will this enable the company to best compete? What is the overall market size, how does it segment and by what ratio? Which segments will you target? How and why?

As a consequence, what sales volumes can be expected, at what price, and what cost? What will be your average collection and payment periods?

What overheads will be necessary to achieve these sales and what capital costs will be incurred?

The above is obviously not exhaustive but as we begin to collate some of the above we get an understanding of the business and will then ask for more detailed information as required.