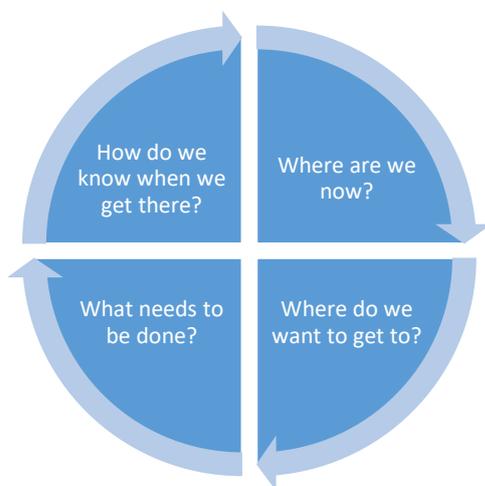


Business Planning

Why have a business plan?

Developing a business plan is about understanding your social enterprise idea and your market thoroughly, as much as it is about writing it down. A business plan will enable you to set out what your social enterprise hopes to achieve and what you will do in order to attain this, creating a route map for achieving your social impact. Business planning can be viewed as a four stage process:



The business plan should include an outline of your business and the social impact you hope to achieve, the market in which it will operate and how your social enterprise aims to make money.

As many rural social enterprises have limited capacity, this will allow you to concentrate resources and makes sure decisions about products, services, customers, and human and financial resources allow you to deliver your social impact, aims and objectives.

Your business plan will provide a basis to for your board and staff to make decisions and a reference for strategic and operational direction. This will also be a useful resource to communicate with your stakeholders (including the wider community, investors, customers, and other partners).

A good business plan is a document that you constantly refer back to that guides your daily work and should be regularly reviewed and updated as a working document, as part of an ongoing process about anticipating, reviewing, adapting, and reacting to your environment which evolves as your social enterprise does.

It is best to approach writing your plan as a way of gathering together the important bits of information that will guide your ongoing work. Sections in the ViSEnet tools and resources that will assist you to prepare the details of these elements and the business plan will enable you to bring this information together in one concise document.

The business plan format

Your business plan can be used to demonstrate that you are using a business approach, and have considered social impact, the market, potential risks, and can be used to showcase the management team, and secure wider support, or investment. It can also enable you to determine feasibility and assess thinking.

The following is a guide for sections that should be included in your business plan and is best used as a prompt to build your plan, assessing whether each section is relevant for your Social Enterprise.

Covering Page: This should include the name of the social enterprise, address, contact information, and your logo if you have one. Also consider including one or two pictures that depict your work or context, to help bring life to your plan from the very starting point. You should also include the timeframe covered by the plan (a 3-5 year horizon is considered helpful), and the date developing the plan (or the most recent update).

Executive Summary: This is the most important section of the plan for potential readers and is the first section in the plan, but this will be produced last - once you have gathered all the information. This should include a summary of the most important information to understand the social enterprise concept, including:

- An introduction to the social enterprise, aims and objectives, and a description of the outline of intent (what the social enterprise stands for, and the social impact it hopes to deliver)
- The business concept, main products, and services
- Resources required and how it operates
- An assessment of the enterprise, and how it serves the market and community
- What the plan is for, and a timeframe
- Key success factors, as well as a summary of financial and resource highlights

Keep the summary short -two pages max which encourage further reading. It can be helpful to ask someone who doesn't know your social enterprise to give you feedback on the executive summary to check it clearly articulates your main points and inspires further reading. It is important to update the executive summary as the plan is reviewed and updated.

Introduction: Introduce the social enterprise, who you are, and what you do. It can be helpful to include key facts including current legal structure, when the social enterprise was established with some context of the organisation's history, and how long you have been trading. You should also give an overview of what your enterprise does, and introduce your products and services for the first time.

Your strategy: This should include further detail of the outline of intent (what the social enterprise stands for and the social impact it hopes to deliver), demonstrating that you have a clear vision for your social enterprise and think strategically about making it happen.

This should include an outline of your aims and objectives, what impact you want to make, and how you intend to deliver this impact. The section on [What is the impact you want to make](#) will assist you to develop this section.

A SWOT and PESTLE analysis will help to set the strategic context, as well as outline that you have considered the wider context. [Download the SWOT and PESTLE Template here](#)

Business activity and operations: Introduce and explain your products and services, the sector or industry you operate in (e.g. manufacturing, fashion, professional services, recycling, health etc), with reference to why you have specialised within this sector. The products and services should be at the core of your social enterprise business activity. You can include information from the [What is the business activity](#) section to assist with this.

Context: As many rural social enterprises are place-based, it is important to outline the geographic and demographic context as this is also likely to effect on market and business approach as well as the inspiration for the business idea. The [Defining your community](#) section will assist with this, and a summary of your findings should be included as part of the business plan. It can also be useful to outline the evidence of need, which can relate to the market opportunity as well as the geographic or demographic context.

Leadership and staff: This should include an overview of the governance arrangements for the social enterprise which you can develop from [Good governance](#) section as well as outlining the key people involved in the management and operation of the social enterprise from the [Outlining who will be involved](#) section. Your business plan must show that you have a strong management team and clarity on the roles and responsibility that will enable you to deliver your social impact.



Market analysis, marketing, and sales: This will assist you to outline the key findings from your market research, and is how you will ensure there is interest in your products and services. Information from [Customer analysis](#) and [Understanding your market and competitors](#) will assist with market analysis, along with a summary on how the social enterprise will reach the target market to turn prospective customers into paying customers.

Operations: This will focus on the practical aspects of delivering your products and services, including an outline of what you already have in place and what is in process to ensure you have practicalities in place to enable you to trade effectively. [What is the business activity](#) section will help you to gather information for this.

Stakeholders: As many rural social enterprises involve a range of stakeholders, it can be useful to outline an include a summary of stakeholders in the business plan. The [Stakeholder Engagement](#) section provides information on how to compile this information.

Measuring Impact: Social impact should be at the heart of your social enterprise and this section should include a summary of how you will monitor and assess the impact that you make via your social enterprise activity. The section on [How to Measure Social Impact](#) will provide a framework which can be used to gather this information which can be summarised in the business plan.

Suppliers: It may be helpful to outline specific suppliers (individuals or organisations that deliver materials, goods, or services) that are essential to the success of your social enterprise. This can help to demonstrate that you have considered your supply chain and what criteria you have used to select suppliers (quality, availability, affordability, flexibility).

Financial summary: This will include an outline of the financial elements that relate to the social enterprise. An overview of the financial management will establish confidence, as will information on financial resources, sources of funding and/or investment (from the [Securing Investment](#) section), and a summary of your cash flow. A statement on financial sustainability is also of value. See the [How will the financials work](#) section for more information on this.

Conclusion

Now that you have worked through all of these separate elements, you should be able to bring together the required information for your business plan. Remember that this document should be under continuous review, and you should refer back to it regularly for guidance and adaptation.