

# Funding Advice Bureau

**SYFAB** guide to...

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**Business plans**

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# Business Plans

## What is a business plan?

Business planning is all about preparing your organisation for the future and ensuring that it continues to achieve its purpose. Your business plan helps to guide your organisation by providing an overall statement of your work and future plans. Your business plan should:

- State the aims of your organisation, the needs you try to meet, and the outcomes you try to achieve
- Set out the activities that your organisation plans to do in order to achieve those aims, how it will do them, and by when
- And describe the resources needed to complete those activities and how you plan to get them

Your plan will be a document that you produce with input from everyone involved in your organisation – staff, volunteers and management committee members.

## Why have a business plan?

The term business plan may still sound unusual or irrelevant to voluntary and community organisations, but it's the process and product that are important – spending time planning your work now will help save you time to deliver your activities in the future.

There are practical reasons for producing business plans too – many funders or commissioners will want to see your business plan when you apply for support. For them, a business plan helps to give an overview of your purpose and the needs you meet, as well as establishing you as a competent organisation that will manage grants or contracts well.

But overall, you should produce a business plan because it helps you to:

- Focus on what you are doing and whether you are meeting your aims

- Stimulate creative thinking by involving lots of people
- Establish a list of priorities
- Challenge assumptions that you are, or are not, meeting your aims and objectives
- Identify areas of strength and weakness
- Identify what is holding you back – whether it is a shortage of people, time or funding
- Develop action plans
- Spot new opportunities
- Provide a means of monitoring and evaluating your progress
- Avoid crisis.

## What does a business plan look like?

Your business plan should be a concise and easy to read document that includes the following:

- A brief summary of the purpose of your organisation – including your overall aims, and your mission statement if you have one
- A review of your services – including descriptions of your activities, your key achievements, and financial situation
- A summary of the needs your organisation helps to meet, and the outcomes you try to achieve
- A description of your strategic direction for the duration of the plan (anything from 1 to 5 years) – setting out the activities you plan to carry out during the time period covered by the plan, and the outcomes these will contribute towards

- An operational plan that describes those activities in more details, outlining the tasks involved, who will complete them, and when they need to be completed. This sort of work planning is absolutely vital for making the link between your strategic level business planning, and the actual day-to-day work of your organisation. The operational work plans don't necessarily need to be produced as part of your business plan, but they should be produced
- A financial plan outlining the resources you have in place, as well as the money and other resources you will need to carry out your activities, plus information on how you plan to raise the resources
- A list of expected future trends that will impact on your organisation, and the implications of these.

## The business planning process

- 1) It should help you to be clear about what you do and how you want to develop. Before you start, ask yourself why you are doing it, and who you think will read it
- 2) Get people involved. Although it is easier for a small group of people to work on drafting a business plan, it is essential that your whole group is involved and everyone approves the final version. It can take quite a while to do – months rather than weeks
- 3) Collect information. You will already have a lot of information available to help put together a business plan. Your constitution, annual reports, and especially your past funding bids, will all have descriptions of your work, your aims, and your plans
- 4) Work out what else you need to produce – where are the gaps in information? For example, do you have a clear summary of your organisation's purpose?
- 5) Provide opportunities for everyone in your organisation to have input to the plan – you could have 'away day' meetings, use existing meetings, or ask for individual comments. However you include people, it's always helpful to ask for contributions to specific questions, or by working on specific exercises
- 6) Write the plan. Your business plan doesn't need lots of detailed descriptions, or beautifully constructed sentences. It's better to have a short, snappy plan, that uses bullet point lists, and tables to set out what you plan to do. A business plan is an internal tool for your

organisation first and foremost, so it should be easy to use. You can always make it look prettier later if you have to send it to a funder

- 7) Agreement. Get your management committee to agree the plan and 'sign it off'
- 8) Review. Ideally, your business plan will be a working document that gets updated every year as part of your organisation's regular planning. Business plans are useful tools for management committees to ensure that work is on the right track and you are achieving what you set out to do.

## Where can we get help?

Different agencies may be able to give advice on different aspects of your business plan, such as your budgets and financial plans. Your local Council for Voluntary Service is a good place to start, and one of SYFAB's funding development workers may be able to help you with the bits about fundraising. It is always worth talking to other groups that have just been through the process. Although it may be tempting to pay someone to write your business plan for you, it is essential that your organisation itself does the planning and decision making. Otherwise you could end up spending a lot of money on a document that may not actually get you any nearer to your goals. And, ultimately, a business plan should be a useful and useable document for your organisation, as well as for funders.

## Help for groups in South Yorkshire

### Voluntary Action Barnsley

The Core  
County Way  
Barnsley S70 2JW  
Tel: 01226 320 100  
Website: [www.vabarnsley.org.uk](http://www.vabarnsley.org.uk)

### Doncaster Council for Voluntary Service

5 – 6 Trafford Court  
Doncaster DN1 1PN  
Tel: 01302 343 300  
Website: [www.doncastercvcs.org.uk](http://www.doncastercvcs.org.uk)

### Voluntary Action Rotherham

The Spectrum  
Coke Hill  
Rotherham S60 2HX  
Tel: 01709 829 821  
Website: [www.varotherham.org.uk](http://www.varotherham.org.uk)

## **Voluntary Action Sheffield**

The Circle  
33 Rockingham Lane  
Sheffield S1 4FW  
Tel 0114 253 6600  
Website: [www.vas.org.uk](http://www.vas.org.uk)

## **Together for Regeneration**

(work across South Yorkshire)  
Sheffield Diocesan Church House  
95-99 Effingham Street  
Rotherham  
S65 1BL  
Tel: 01709 309119  
Website: [www.tfr.org.uk](http://www.tfr.org.uk)

## **Further reading**

### **The Complete Guide to Business and Strategic Planning**

Alan Lawrie

Available from Directory of Social Change (DSC) and other book sellers and possibly your local library too.

### **Directory of Social Change**

Tel: 0845 077 7707  
Website: [www.dsc.org.uk](http://www.dsc.org.uk)

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Advice Bureau  
The Workstation  
15 Paternoster Row  
Sheffield S1 2BX

Tel: 0114 249 4343  
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