Cooperative Business Plans
(Detailed Outline)

Section I: Executive Summary

A. Company Overview

1. Company Name
2. Location:
3. Legal Structure & When Formed
4. Type (service, retail, manufacturing, construction)
5. Size (sales, # of employees, sq. ft.)
6. History Highlights
7. Mission – Why you exist (values)
8. Vision – Where you want to go (nonspecific, directional, and motivational)
9. Important company features (customers, employees, other stakeholders’ value)

B. Nature of the Business

1. What product/service you sell?
2. For what need/problem/opportunity? (Benefit to buyer?)
3. For what market area and target audience (market potential)
4. What are the alternatives to your product/service? (Competitive advantage)

C. Key Characteristics of the Industry


D. Brief Financial Highlights

Sales Forecast, Breakeven Point, Financing if needed – how much & for what/when payback

E. Strategic Management

1. How you are addressing internal strengths and weaknesses & external opportunities and threats?
2. Summary of short range & long range goals.
3. Key measurable “drivers” that impact your costs, revenue and business goals? (ratios such as # of clients per year, # of projects per year, average $ per client, return on investment, # of employees per $, inventory turns, product rejection rate, quality, capacity, cost of lead/sale, etc.)

F. Compelling, Market-Driven Reason Why This Business Will Succeed
   Your Identity – 30 Second “Commercial” (Elevator Statement – Benefits to the customer)

Section II: Management

Human Resources
A. Owner, Manager/s (experience and key skills – skill level)

B. Employees HR Policies & Procedures
   (Job analysis and job descriptions, hiring strategy, compensation, performance evaluation process, employee training, retention, motivation)

C. Consultants & Advisors (Attorney, Accountant, Insurance Agent, etc.)

D. Organizational Structure/Communications (job descriptions - who does what and reports to whom?)

E. Individual & Organizational Development
   As the business owner, how will you prepare for ongoing continuous improvement for yourself and others throughout the organization?

F. Management Strategies
   How will you make the most of the people involved with your business? What can you delegate or outsource? What help and support do you need? How would you describe your organizational culture?

Operations
A. Location & Equipment
   Where is the business located & conducted? (why: features? any zoning issues?) What equipment and inventory items are required to start and run your business? What do you currently own? what will you lease? What will you purchase?
B. Hours of Operation
   When does your business operate? (regular business hours, seasonal/special events)

C. How do you Design, Source, Purchase, Produce and Distribute?
   New Product Development/Sourcing, Production & Inventory Procedures/Sales & Distribution/Quality

D. Data Management
   How do you manage data (entry, processing, back-up, contacts, correspondence, bookkeeping, other files)?

E. Intellectual Property
   How do you protect designs, copyrights and other intellectual property?

F. Risk Management
   How do you manage risk? (prevent & protect)
   Financial, Liability, Environmental and Safety, Security, Record
   - Retention & Security of data – company, employee, customer, supplier
   - Political Risks, Legal Risks, Loss, Decline/Growth, Other

G. Insurance
   What have you learned from an insurance broker about costs/types of insurance you need?

H. Taxes
   Which local, state and federal regulations and taxes apply to your business?

I. Licenses & Permits
   What permits and licenses have you determined apply to your business?

J. Business Cycles
   What do you know about your business cycles? (Production, Delivery, Sales, Inventory, Financials)

K. Operational Strategies
   How will you make the most of you location, purchasing & production processes?
Section III: Marketing

A. Business, Industry & Situation Overview

1. Industry History & Background
2. Life Cycle of Industry (expanding, stable, declining)
3. Current & Future Trends (product/service, marketing, operations, finance, other)
4. Legal, Political, Environmental and Other Issues
5. Economic Impacts (interest rates, consumer spending, business investment/production, housing, labor, trade, etc.)
6. Types & Sizes of Businesses – Company “fit” in the Industry
7. Key Associations, Publications, Events, Contacts, and Other Resources

B. Target Market & Trade Area

1. Customers (Demographics-who they are, psychographics-how/why they behave).
   a. Business-to-Business Sales
   b. Consumer Market (End User)
2. Where are customers located? (Counties, States, Countries, Regions...)

C. Products/Services, Packaging and Pricing

1. Describe Product/s & Benefits, Product Mix – Depth and Width
2. Describe Packaging – How does the packaging make it easier to display, mail, protect, and demonstrate?
3. Pricing and Payments
   a. How will you price your products and/or services? Will these prices give you an adequate profit? Are your prices competitive?
   b. Will you accept credit cards? Will you offer customers credit? How? How will you handle slow-paying customers (collections?)

D. Distribution (Place/Location)

1. How do you make your products/services available and convenient to customers?

E. Customer Relationship Management (CRM) – Policies and Procedures, Customer Service

1. How do you – Welcome, Thank, Educate customers?
2. How Do You Develop and Keep Customers – Satisfaction, Loyalty, Commitment
F. Competitive Advantage

1. Who are your Competitors? (existing and potential/direct and indirect- competing for the same $/same need)
2. How do they compete? What are their strengths and weaknesses?
3. What is your competitive advantage? What are your key resources, capabilities and contacts?
4. Overall Industry Attractiveness (industry competitors, potential entrants, threat of substitutes, supplier power, buyer power)

F. Marketing & Sales Strategies and Results (Sales and Marketing/Media Mix, Positioning, Strategic Alliances)

1. As a result of efforts, what is your level of sales? How much is your profit? What is your market share?
2. How do you: attract, create interaction with and call customers to action?
   b. What? Right Message – Elements: offer, benefit, proof, call to action
   c. When? Right Time, Frequency, Consistency
   d. Where? Right Place, Media Choices & Channels
   e. Product Positioning – price/quality, benefits, unique characteristics
   g. How? Right Tactics – Marketing/Communications/PR/Sales/Service

Section IV: Money

A. Financial Assumptions

1. Discuss assumptions made to arrive at financial projections – how did you determine your cost of production, pricing, dollars of sales, etc.
2. If seeking funding for your project, discuss how much money you are seeking and what that money will be used for. How will the money be repaid? Do your financial worksheets support this?
3. Discuss your Break Even Analysis.
4. If you are a Start-up, include a Start-up Costs worksheet.
5. Describe where needed fund will be obtained and what all funds will be used for. (i.e., personal contribution of 20% used to acquire equipment, loan for building, etc.)
B. Bookkeeping, Record-keeping, Accounting System & Process

1. Ratio Analysis (liquidity, leverage, activity, profitability, growth)
2. Business Financing (personal savings, equity financing - risk & reward, debt financing - can you pay/debt ratio; will you pay/credit score; what if you don't pay/loan to value, other sources of financing)
3. Discuss Factors such as Character, Capacity, Capital, Collateral, Credit, Cash flow, Conditions of the industry, market & economy, Confidence/Commitment.