

A Business Plan Checklist: Key Questions to Answer

I. Executive Summary

- a. Why will the business succeed?
- b. What do you want to start (or change)?
- c. How much money is required?
- d. What is the return on the investment?
- e. Why is the venture a good risk?

II Business Description

- a. What type of business are you planning?
- b. What products or services will you sell?
- c. What type of opportunity is it (new, part-time, expansion, seasonal, year-round)?
- d. Why does it promise to be successful?
- e. What is the growth potential?
- f. How is it unique?

III Marketing

- a. Who are your potential customers?
- b. How large is the market?
- c. Who are your competitors? How are their businesses positioned?
- d. What market share do you anticipate?
- e. How will you price your product or service?
- f. What advertising and promotional strategies will you use?

IV Research, Design, and Development

- a. Have you carefully described your design or development?
- b. What technical assistance have you received?
- c. What research needs do you anticipate?
- d. Are the costs involved in research and design reasonable?

V Manufacturing

- a. Where will the business be located? Why?
- b. What steps are required to produce your product or service?
- c. What are your needs for production (e.g., facilities and equipment)?
- d. Who will be your suppliers?
- e. What type of transportation is available?
- f. What is the supply of available labor?
- g. What will it cost to produce your product or service?

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VI Organization

- a. Who will manage the business?
- b. What qualifications do you have?
- c. How many employees will you need? What will they do?
- d. How will you structure your organization?
- e. What are your plans for employee salaries, wages, and benefits?
- f. What consultants or specialists will you need? How will you use them?
- g. What legal form of ownership will you choose? Why?
- h. What licenses and permits will you need?

VII Critical Risks

- a. What potential problems could arise?
- b. How likely are they?
- c. How do you plan to manage these potential problems?

VIII Financial

- a. What is your total estimated business income for the first year? Monthly for the first year? Quarterly for the second and third year?
- b. What will it cost you to open the business?
- c. What will your personal monthly financial needs be?
- d. What sales volume will you need in order to make a profit during the first three years?
- e. What will be the break-even point?
- f. What will be your projected assets, liabilities, and net worth on the day before you expect to open?
- g. What are your total financial needs?
- h. What are your potential funding sources? How will you spend it?
- i. How will the loans be secured?

IX Milestones

- a. What timing have you projected for this project?
- b. How have you set your objectives?
- c. Have you set up your deadlines for each stage of your venture?
- d. Is there a relationship between events in this venture?

X Appendix

- a. Have you included all important documents, drawings, agreements, and references?