

Additional Tips for Preparing this Section

The following general tips may help as you progress through this component:

1. To SWOT or Not

Some Business Plans call for a full SWOT analysis (an evaluation of Strengths, Weaknesses, Opportunities, and Threats to your business success) to be completed either within the plan itself or as part of the Conclusion.

*Tip: This process can be very useful especially if you have difficulties coming up with the **risks** to your business, as you'll find risks fall out of the threats analysis. If you do wish to or are required to, do a full SWOT analysis, this resource may help: <http://cfinsider.ca/useful-links/>*

2. Risky Business

If you understand the key risks to the success of your business your business may face at some point, you can proactively plan how to mitigate them should they arise. Including a Risk Analysis raises the confidence of any reader of the plan, a bank manager for instance. A risk can be internal or external, and is something which, if left unchecked, would have a detrimental effect on your overall profit or even the ability to keep your doors open.

Tip: Focus your analysis on internal risks (ie those you can control within your business processes or functions). Only include external risks if the potential of them occurring is very high. For example, all businesses are at risk of fire. Having a good insurance policy in place to protect yourself is a given and does not need to be considered one of your top 3 critical risks. However, if your business is in a zone that is frequently at risk of forest fire, you may consider it a critical risk and want to draw up a complete mitigation plan than just "get insurance."

3. Make Intelligent Assumptions

In the course of planning your business, and writing your business plan, you will make many assumptions. You will have to. Until the business gets up and running, you won't really know whether or not it will work the way you believe it will. Whether your products or services will sell, your processes will work, or your forecasts become reality. Logging your assumptions gives an added comfort level to the reader of your plan, and also gives you something to test your success against in the future.

Tip: When listing your assumptions, ensure you include the reason for it. It is not enough just to identify the assumption you have made, there must be some justification for it otherwise you are basing it on a hunch only. Justify with research, experience, or professional advice.

4. Executive Summary Tips

The very final activity for any Business Plan is to complete the Executive Summary. If you have taken your time with the other sections, completing it is very straight forward. It is just a matter of summarizing each section of the business plan and creating a paragraph for each which highlights the key points.

Remember, though, the Executive Summary only needs to be included if you are preparing your document for assessment by a third party such as a bank or other financial partner unless, of course, you choose to do so for your own benefit.

Tip: The Executive Summary for a small startup business should be rarely longer than 1-2 pages in total.
