

Worksheet 5: Your Operations Plan (Lesson 7)

This is the worksheet to use when completing Lesson 7 of the *Creating a Business Plan* course, *Your Operations Plan*.

Question 1: What is my business structure?

Instructions: First read through activity 1 and 2 of Lesson 7, *Your Operations Plan*. Answer the three questions below:

What is my business classification?

What is my business status?

What is my business type?

Question 2: Who are my personnel?

Instructions: First read through the second activity of Lesson 7, *Your Operations Plan*. Answer the four questions below:

Who will be managing the business?

Will the business be creating or supporting any additional jobs?

Are there any specialist skill sets required?

What further supporting staff will you be utilising?

Question 3: What facilities and equipment do I need?

Instructions: First read through the third activity of Lesson 7, Your Operations Plan. Answer the 5 questions below:

What facilities do I need to operate my business?

What equipment do I need to operate my business?

What considerations are there with regard to the production of my products or provision of my services?

What considerations are there with regard to the delivery of materials or supplies to my location?

What considerations are there with regard to the delivery of my products or services to my customers?

Question 4: What formal permissions are necessary?

Instructions: First read through activity 4 of Lesson 7, Your Operations Plan. List any formal permissions you need in each of the three classifications and list the associated cost if applicable:

Registrations

Licenses and Permits

Insurance

Activity 5 - Additional Cost Tables

To help you collate the various costs for the sections above and also for other aspects of Operational cost forecasting, we have created a further set of tables for you to complete as necessary. You may or may not wish to include them in your final business plan, but the figures generated will help you with the final Financial Reporting section.

Legislative

Firstly, explain any legislative (local and/or Provincial and/or Federal) or industry-related requirements your business must adhere to for your business, including all permits, licenses, and safety requirements. Then, complete the table below.

Note: Do not include any government legislated staff training (eg safety training) here, instead include that in the Personnel section later.

Tip: Ensure you understand the lead times for application and approval so that they can be factored into your business launch plan (start-up dates); and all associated costs.

Requirement	Lead Time	Frequency	Cost \$
			Totals:

Insurance

List the details of all insurance you will need to run your business.

Note: Do not include insurance for your business **premises**, this will be included in the Facilities section below.

Requirement	Frequency	Cost \$

<i>Totals:</i>

Personnel

MANAGEMENT

Describe who will be managing the business including its day-to-day operation (include a short summary of their relevant experience).

Tip: Add a further 1-page resume as an Appendix to this document only if you feel it directly supports your business idea or it has been requested specifically.

STAFFING

Describe your approach to staffing. What staff will need for a start-up? What additional staff are you planning to employ over the first few years of business? What are your recruitment, attraction, and retention strategies?

Once you have described your approach, summarise the details in the table below. Include yourself in these figures. Consider the first 3 years of business at least as you will need to include staffing costs in your cash flow forecasts in the Financial Plan.

Note: Remember to include any additional costs per staff member per month (not just salary), including WCB, essential training costs, health insurance, etc.

Tip: To get really clear on your figures, you may want to use the second table to break down these expenses separately.

<i>Job Title</i>	<i>Part Time or Full Time</i>	<i>Number of Staff</i>	<i>Year 1 Wages Per month \$</i>	<i>Year 2 Wages Per month \$</i>	<i>Year 3 Wages Per month \$</i>
Totals:					

<i>Other Expenses</i>	<i>For Which Staff?</i>	<i>Year 1 Per month \$</i>	<i>Year 2 Per month \$</i>	<i>Year 3 Per month \$</i>
Totals:				

SPECIALISTS

If your business will require a very specific skill set, describe what that role is and how you will go about recruiting for that role. It could be that you will be outsourcing or subcontracting a particular aspect of your services, or you may need an additional resource to provide product fulfillment services, or else, you may need to contract out the development of one-off software (like a phone app), etc.

<i>Specialist</i>	<i>Year 1 \$</i>	<i>Year 2 \$</i>	<i>Year 3 \$</i>
Totals:			

FURTHER SUPPORTING STAFF

List any further supporting or professional staff you will be using to help you with the business on an as-needed or semi-regular basis ie accountant, book keeper, lawyer, marketing professional, technical assistance/services, etc.

Note: Do not include regular facility specific services such as landscape services/snow clearance, or security services which will be itemized in the Facilities section below.

Production of Goods (for product based businesses)

Use this section if your primary business deliverable is a single product or multiple products. This includes products you will be manufacturing from scratch and/or items you will be purchasing in bulk to sell to your customers. Explain the detail of your production process here, then move onto the other sections below.

Note: If you are purchasing items to sell as part of a service include them in the Production of Service section below instead of here. Likewise, if you are primarily a service provider, and do not manufacture or resell any products, or only do so as an integral part of a service offering, also use the section below, instead of this one.

SUPPLIER AGREEMENTS

Summarise any Supplier agreements you have negotiated (include restrictions such as payment schedules, delivery hours, order lead times, special non-stock items, bulk offers you will be taking advantage of etc).

PRODUCT INVENTORY

Describe any key considerations there are with regard to the initial and ongoing production of your products; then itemize the production requirements of your products below.

Tip: Including costs and materials required for both initial and ongoing stock levels will help you to separate your startup costs from your ongoing operational costs later in the document.

Description of Item	Supplies/ Materials	Cost Per Item	# Start up Stock	Total Cost Start up Stock	# Ongoing Stock Per Month	Ongoing Cost Per Month

DELIVERIES OF SUPPLIES AND MATERIALS TO YOUR FACILITY

Describe any key logistical considerations pertaining to the delivery and management of materials or supplies to your location. Itemise any related costs in the table below.

Note: Consider delivery times, access for delivery trucks, and/or other receiving requirements; stock management; storage; rental of PO Box; etc).

Delivery Requirements	Frequency	Cost \$
Total:		

CUSTOMER DELIVERIES

Describe any key considerations with regard to the logistics related to the delivery of your products to your customers, if you are going to be offering a delivery service.

Note: Consider delivery times and schedules, service areas, transportation method, supporting paperwork or pre or onsite processing you will need to undertake, etc. If there are any specific costs involved in delivery, itemize them here.

Delivery Requirements	Type	Cost \$
Total:		

OTHER OPERATIONS COSTS

Describe any further operational considerations and costs that have not been included elsewhere in this or previous sections.

Additional Consideration	Type	Cost \$
Total:		

Production of Service (for service based businesses)

Use this section if your primary business deliverable is a service or services. Explain the operational detail of providing your service here ie what process will use from evaluating client requests to delivering the service, then move onto the other sections below.

SERVICE INVENTORY

Do you need to maintain an inventory of supplies to provide your service? Describe any key considerations there are with regard to the initial and ongoing provision of your services.

Note: Consider free samples, products that are included in the cost of service, or are offered in addition to your services, welcome gifts, etc; and/or administration related supplies and materials.

Description of Item	Cost Per Item	# Start up Stock	Total Cost Start up Stock	# Ongoing Stock Per Month	Ongoing Cost Per Month
Totals:					

CUSTOMER SERVICE DELIVERY/LOGISTICS

Describe any key considerations with regard to the logistics related to the delivery of your services to your customers. Include details of capacity for each service taking into account your start-up staffing, and ongoing staffing, seasonal variations etc.

Note: Consider delivery times and schedules, service areas, transportation method, supporting paperwork or pre or onsite processing you will need to undertake, etc. If there are any specific costs involved in delivery, itemize them here.

Delivery Requirements	Type	Cost \$
Total:		

SERVICE CAPACITY

Describe any key considerations with regard to the logistics related to the delivery of your services to your customers. Include details of capacity for each service taking into account your start-up staffing, and ongoing staffing, seasonal variations etc.

Description of Service	Service Per Day/Per Week/Per Month/Per Season, etc

OTHER OPERATIONS COSTS

Describe any further operational considerations and costs that have not been included elsewhere in this or previous sections.

Additional Consideration	Type	Cost \$
Total:		

Relax

Instructions: *Congratulations! You have now written the fifth component to your business plan – Your Operations Plan!*