



Business Planning

for Public Health Programs

About the Print Version

The print version of the module includes all the substantive content from each screen. It does not include the exercises in the worksheet, the Check Your Understanding exercises, or the final exercise.

Why Do Business Planning?

Welcome to the business planning module! This short, self-paced module will help you understand the basics of business planning and be ready to start your own business planning venture.

I'm Steve Orton, director of the Management Academy for Public Health. For more than ten years I've worked with hundreds of multi-organizational teams on business planning. I have worked with many managers and leaders from all different kinds of public health organizations. They come to business planning from a variety of backgrounds and for different reasons. Here are some comments I have heard when I ask why people want to learn more about business planning:

- "I have to learn to be more efficient."
- "I've seen too many good programs fail when the grant runs out."
- "Budget pressure keeps increasing. I need to generate revenue."
- "I never studied business or finance and it seems important now."
- "I need a new approach."
- "I want to be able to work better with partners."
- "I need to 'speak the language' with business people and my own business manager."
- "One of my funders is requiring a business plan at the end of our funding cycle."

People want to be able to create and fund the kind of programs that will really make a difference—not just for a year, not just for three years, but way into the future.

The range of possibilities is as broad as public health. I have seen multi-organizational business plans that address access to care, workplace wellness, data exchange, case management, bike safety, access to fresh fruits and vegetables, safe childcare centers, air quality, jail health, pre-term birth, and access to immunization in critical populations. In every case, the plan combines partners addressing a key community need with a new approach that can attract grant funds and generate revenue for long-term sustainability.

The Business Model

Ours is an entrepreneurial society. We revere business success, we build public policy around small businesses, we pay top dollar to hire someone with an MBA.



At the same time, we distrust business. We shop for bargains and work hard to avoid letting businesses take advantage of us. We love to hate big businesses and take companies to court for anti-trust violations. We don't trust people we suspect of being "in it for the money."

We have a complicated relationship with the idea of business.

For those of you in the non-profit or government sector, this may be a barrier to embarking on "business planning." Let's spend some time identifying assumptions and clarifying terms. In the table below (*this table is in the Business Planning for Public Health Programs worksheet*) list some products or services you like and pay for gladly in column 1. In column 2 list products or services you don't trust, pay for grudgingly, would never buy again, or are actively boycotting. Write down two or three specific examples in each column. In your list, include businesses but also keep in mind not-for-profit programs and organizations that use civic entrepreneurship strategies and revenue generation to fund those programs. For example, the Girl Scouts sell cookies locally, but have also branched out nationally to license their cookie flavors for other products such as ice cream. This revenue goes back into the organization.

"Good" Business

The products or services I like and don't like are listed below:

Column 1 (products / services I like)	Column 2 (products / services I don't like)
<ul style="list-style-type: none"> • Apple iPod Touch • My friend who makes handmade jewelry • My favorite coffee/lunch shop • TurboTax tax prep software • My shoe store 	<ul style="list-style-type: none"> • Verizon • BP (British Petroleum) • Perdue Chicken • The guy who fixed my PC last time • The guy who gets businesses to pay him for towing cars

Why are businesses on one side or the other? For me it's about several different elements. Here's how I would explain my column 1 choices:

Value far exceeds price. TurboTax, for instance, seems to save me more than it costs.

These products are **superior to competitors**. Apple stands out because I've been wrestling with a new Web-enabled cell phone that is lousy at doing things that my iPod Touch does very well.

These businesses seem to **understand my needs and wants**. I love my coffee shop because it is close, it has a great music playlist, wonderful coffee that they grind on-site, friendly service, and because they once gave me \$50 in free coffee when my car got towed from across the street (see column 2). They seem to know me and care about me. I feel the same way about my shoe store: they are willing to spend 30 minutes with me fitting a shoe and watching me run to see if it is a good choice for my style. You might disagree, because these products or services are targeted to me but maybe not to you.

They seem to be **good citizens**. My shoe store, for instance, sponsors lots of local road and trail races. They make my town a better place.

Value

In these cases, value comes from the fact that these businesses...

- Know what I need (sometimes better than I do): for instance, customized good advice and help with my taxes; the right pair of trail shoes for my feet
- Do the product or service right: for instance, cool touchscreen, intuitive interface, well-roasted beans
- Stand out from other, similar options: for instance, looks good compared to the clunkier cell phone, the unfriendly coffee shop, the sleazy accountant

In my consumer brain, these businesses are doing the right thing, and they are doing it well. Businesses can practice these values and have enough money to pay their bills. I'm happy to pay them because the product or service is worth it.

“Bad” Business

Businesses in the second column make me frustrated or mad because they:

- Misunderstood my needs or ignored them
- Charged too much (i.e., somebody else was cheaper)
- Offered too little (i.e., somebody else was better)
- Made my life difficult (i.e., somebody else was easier)
- Seemed to act counter to my values (somebody else was a better citizen)

Two points here: first, it's all relative. My old cell phone seemed OK until my neighbor showed me his iPhone. That means the companies on my bad list might get a second chance if they improve their products or services.

Second, I'm not the only one who noticed that these products or services aren't good options. People who hold similar values as I do are also deciding not to buy. How long will these businesses keep making money?

Column 2 (products / services I don't like)

- Verizon
- BP (British Petroleum)
- Perdue Chicken
- The guy who fixed my PC last time
- The guy who gets businesses to pay him for towing cars

Running Like a Good Business

Jim Collins, the author of *Good to Great*, points out that there are lots of businesses in the world that are not very good at all. His pamphlet *Good to Great in the Social Sectors* says that the goal of “running more like business” is crazy. Who wants to wind up like the businesses in column 2? Collins says your goal should be running like a **good** business.

The fundamentals of good business show in the difference between your column 1 and column 2. Good businesses create value. They do things right (e.g., make a good cup of coffee, give you a Web-based interactive calendar at a single touch). And they do the right things (like provide useful needed services, build good products, improve the neighborhood, hire and train people, treat animals kindly).

Good Business Attributes

Look at your column 1 list (or mine if you prefer). What do these businesses do that you would like to do better in your own programs?

Good Business Attributes (continued)

Ways you might want your public health program to be more like a (good) business:

- Understand customer needs
- Make people notice how much better you are than other alternatives
- Do something great for low cost
- Deliver services that make life easier
 - Be convenient, friendly, and thoughtful
 - Get people excited about something good, like running or vegetables
 - Bring in enough money to keep going
 - Make people feel like the community is a better place now
 - Work smoothly with suppliers or partners

Business planning helps you incorporate good business attributes into your program.

Summary

This section began with the idea that we have assumptions about “business.” The best businesses provide valuable, important, needed services that make people’s lives better. Businesses that know what people’s needs are also seem to fare better in the market. They make customers feel valued and understood, a critical part of getting us to grab our credit card. If these businesses also seem to make our whole “community” better—happier, healthier, cleaner, prettier, more efficient, richer—we not only pay happily, we convince our friends and neighbors to shop there too. The column exercise shows that businesses may actually have shared values with the typical public health organization. Doing business planning will help you run like a good business.

What Is a Business Plan?

Before there was a business... there was a business plan.

A business plan is a document with one main purpose: to launch a new venture. By “new venture” we mean a product or service that you will charge money for.

Like many other kinds of plans, business plans include some assessment (what is the environment) and, in response, some action steps (how are we responding to that environment). These are four of the key questions that a business plan seeks to answer:

1. What is this new venture, exactly? (How is this thing meant to work?)
2. Is there a need? (Who wants this thing?)
3. Is there a revenue stream? (How much will people pay for this thing?)
4. Will that revenue stream last? (How many customers will pay? Will they keep paying?)

A business plan in a public health setting—within a government agency or a non-profit organization—has exactly the same function. It is a tool for analyzing

Column 1 (products / services I like)

- Apple iPod Touch
- My friend who makes handmade jewelry
- My favorite coffee/lunch shop
- TurboTax tax prep software
- My shoe store

and planning a **new** product or service that will meet a critical community **need**, will generate **revenue**, and be **sustainable** past the first few years of effort.

Throughout this section we will use the Dare County, North Carolina Health Department's Miles of Smiles to illustrate the parts of a business plan. The local health department staff wrote a business plan to implement a mobile dental health program. Part of that program included the purchase of a van to provide dental care and oral health education to low-income children in Dare County and Hyde County (a neighboring county). You can read through the Miles of Smiles business plan in the resources section.

The Idea

1. What is this new venture, exactly?

In the business world, a business plan grows around an idea for a new venture. A person or (more likely) a group of partners see a new way to meet an important need. The business planning process forces them to think through the details of how their idea will work. The final business plan should describe those details briefly but clearly.

Obviously, it takes time to get to that level of detail. It takes many cycles to get from the initial "cocktail napkin" idea through the layers of research, interviews, brainstorming, vetting, benchmarking, analysis, redrafting, and editing that clarify the idea and communicate it effectively to others.

Forward-thinking health departments know what their issues are. Ann Thomas and her staff in Dare County, for instance, are always thinking about new ways to approach the biggest health issues they see. Access to dental care for kids, especially those in rural areas and those without private insurance, was one of those health issues.

Project Operations

How is this thing meant to work?

A good business plan has a short, clear description of the idea in one sentence. It also has a detailed map of the steps for getting the new venture launched and into a sustainable mode, with revenues covering expenses. That means details about all aspects of the operation:

- People
- Materials
- Equipment
- Insurance
- Hours of operation
- Timeline for the start-up phase
- Budget assumptions for revenue (e.g., volume of customers, price, start-up funds, membership fee structure) and cost (rent, computers, materials, personnel, gas for the van)

We will talk more later about finances; at this point, note that the operational details are completely intertwined with cost and revenue.

For example, in their business plan the Dare County Health Department succinctly described their idea in this sentence: "The mission of the Miles of

Revenue: money taken in for goods or services rendered (not a grant).

Sustainability: ability of a business or project to last; ability to generate sufficient revenue to cover expenses in the long term (three to five years).

Smiles program is to provide access to dental care and oral health education to low-income and underserved children ages 1–19 living in Dare *and* Hyde counties, North Carolina.” In their project operations and management section they described key staff and their roles, the daily operations, and how they would manage information. They also included a timeline that laid out by what date they would sign agreements, purchase the van, hire staff, and begin service.

Need

2. Is there a need? (Who wants this thing?)

You are the health assessment people: make sure that your effort goes towards the highest priority areas. Resources are scarce; don’t waste time on projects that aren’t important. As part of finding out whether there is a need for your idea, ask yourself:

- Why is this service or product needed?
- Is the service or product provided elsewhere?

In the Dare County example, the mobile dental van met a critical need. Dare County had a severe shortage of dentists and the neighboring county, Hyde County, didn’t have any dentists. No dentist in Dare County accepted Medicaid patients. This lack of service provided a niche market for the mobile van’s services: schoolchildren, especially those in underserved areas.

Partners

Connect with partners. Partnering is a crucial success factor in public health work. Many organizations have a stake in creating health; you need to find out who they are because you share a mission. Your organization should always look to partner instead of compete because resources are scarce. All of the best public health business plans involve partnership. Having partners lets you diversify the effort, creates efficiencies, builds community buy-in, improves sustainability, and creates new opportunities.

A key function of any business plan is to analyze and describe how the partners will work together. Some of your partners may want the clarity and commitment of a business plan—they are used to thinking in business planning terms. Some potential partners are wary of planning efforts that don’t include business plan elements.

Partnering is a key principle of business as well. First, businesses will compete if they must, but they prefer to avoid competing directly. That strategy is called “running to space,” going to a market niche not already occupied by someone else. Second, most businesses are completely reliant on partners. They have broad networks that are essential to them: suppliers, contractors, distributors, lobbyists, trade-journal journalists, and ad agencies.

In the mobile dental van example, the health department partnered with Dare and Hyde County Schools, daycares and pre-schools, dentists who did not see Medicaid patients, school nurses, the Children and Youth Partnership for Dare County, and the Hyde County Partnership for Children.

Costs

1. What is this thing, exactly? How does it work?

The business plan helps answer the “get started” question by clarifying all the requirements and costs of starting up, such as

- Who to hire
- Items to purchase
- Materials and space needed
- Types of permits
- Requirements for start-up time

When generating your budget, be sure to calculate the value of in-kind donations as a revenue and an expense. The tendency in public health is to think of in-kind donations as “free” and not include those expenses (e.g., rent, utilities, support staff) into the budget. By including these values as both revenue and an expense, they cancel each other out and don’t affect the profit/loss, but they do help the budget to more accurately reflect the cost of doing business.

One function of your business plan is to determine how much it will cost to get started. After you figure out what your start-up costs are, then figure out how to keep the program running. There are two equally important budgets that need to be developed: a start-up budget and an operating budget.

Having calculated how much would it cost to start up you can go to a bank, a venture capitalist, or your rich sister to get the money to get started. In public health you would probably go instead to the health director, the board, or a foundation.

In our example, the Dare County Health Department estimated that to start up their program they would need \$225,000. That money would cover initial expenses for staff (a dentist, assistant, and program manager), supplies, and vehicle purchase, maintenance, and fees.

Revenue

3. Is there a revenue stream? (How much will people pay for this thing?)

If you are like the average public health manager, you haven’t thought much about revenue or taken a class that featured that word on a test. Let’s be clear about what revenue is in the context of a business plan.

Government agencies have general funds from taxpayers that support some of their work. Public health agencies typically bring in grants from various sources for specific activities. That’s not the kind of revenue I mean.

Revenue, for the purposes of a business plan, is money that comes in to your agency directly in exchange for products or services. Your health department probably collects money for septic inspections, for instance. It probably bills Medicaid for services it provides. In both cases there is a party involved who looks like a customer.

In the non-profit world, the situation is similar. Non-profits usually take in grant money, and many have development offices that ask for contributions. Neither source would count as revenue in the business plan sense. Many non-profits do provide goods or services that are paid for either by users or

by a third party—that counts as revenue. For example, the YMCA charges for memberships.

So to fit for a business plan, your idea ought to be a new idea that looks like a product or service, and that generates revenue (i.e., customers that pay or pay via a third party). If you *aren't* interested in generating revenue, don't choose business planning as your planning tool. Business planning is specifically geared for programs that are trying to generate revenue to cover costs.

The Dare County Health Department used a fee-for-service system to cover its operating costs. Although their biggest payer was Medicaid, the state health care program and user sliding fees also generated revenue. They also counted on partners helping out for free—the school system, for instance, was a key partner to insure that the dental program had efficient access to the children.

Marketing

The marketing section of the business plan describes how the product or service will look in the “marketplace” of your community. It describes the product features, the price, the place, and the promotional strategies you will use to get customers to notice it and buy it. This section is tightly integrated with the operations section and the target market section.

The Dare County marketing strategy proposed using the program's partners to market the program to students and their parents. The strategy also included promoting the program at health fairs and school events and issuing press releases to media outlets.

Sustainability

4. Will that revenue stream last? (How many customers will pay? Will they keep paying?)

For a product to be successful in the business world, it has to bring in more money than it costs to produce. That's **profit**: revenue in excess of cost. In the business world, a business plan tries to figure out whether profit is likely. If it does seem likely, the plan will get funded.

It is fairly easy to tell, after you've started a business, whether you were right about the money. The equation is simple: money in, money out. You count how much money goes in to creating the thing, and then you count how much money comes out the other side in the form of revenue.

In the business plan for the mobile dental van, Dare County Health Department estimated that after the first year of operating they would have a net gain (“revenue over expenses”) of over \$50,000. After five years of operation, the program would be completely self-sustaining, if all went according to plan.

Sustainability in Public Health

In the non-business sector, success is more difficult to calculate. You are mission-driven organizations, and you aren't seeking to make a profit.

Profit, remember, is revenue that exceeds cost. In the non-profit and government sectors, it isn't always appropriate to have revenues that exceed cost (it

Profit: revenue that exceeds costs and that accrues to the benefit of someone (an owner or an investor).

depends partly on the amount), and it is **never** appropriate for any excess revenue to “accrue to the benefit of an individual.”

Why? Because your goal isn't to generate returns (profit) for investors, it is to generate value for a community. Your equation is not money in, money out; it's money in, mission out. You have to measure output not as a dollar value, but as a “health” value. Measuring outcomes is clearly much more difficult than calculating profit.

Dare County had to figure out whether the program would break even, balancing revenues and costs, but also figure out whether the program would produce enough health. In addition to tracking cost and revenue, they also tracked how many uninsured children were seen in the mobile clinic and how many children were given sealants to prevent tooth decay. Only then were they able to decide whether the program was successful.

A good business plan makes it easier to get money and turn it into outcomes. Funders increasingly are asking grantees for “sustainability plans.” They want to know what plans you have for sustaining a program (i.e., generating revenue to cover your costs) after the funder stops funding you. That's what a business plan is all about: figuring out whether or not an idea is sustainable and describing the necessary steps to get there. Because Dare County could show that the dental van program would be completely sustainable after five years, it easily received funding.

Business Plan

Not every project or idea will be a good fit for a business plan. For example, you wouldn't develop a business plan for writing an emergency communication policy. Writing policies do not generate revenue. Creating a health assessment data repository might qualify as a good fit for a business plan if you can identify customers who would pay for the service. Buying a dental van to serve kids in rural schools would definitely justify a business plan because it involves partners, revenue, services, and a complicated puzzle of logistics and personnel.

Summary

In this section, you learned about business plans. First, describe an idea and how to implement it based on a need for a product or service. Next, make sure that you will generate enough revenue to cover your expenses. A marketing section in your business plan will help you strategize on how to get this revenue. Finally, investors and funders like to see that the project will be sustainable after a few years. Although business planning isn't a good tool for every idea, it is extremely helpful when you have a program that will generate revenue and need to be sustainable.

This section has provided a brief overview of the parts of a business plan. However, an actual business plan would have more details. A sample outline for a complete business plan is available in the resources section.

Overcoming Implementation Issues

Many business plans don't happen. In the business world, a tiny number of the business plans that get written result in sustained businesses. Many don't get

started at all due to lack of funding; a few get started but limp along for a time, then fold. Some businesses get gobbled up by other companies. The same is true of public health business plans: they don't always work. An evaluation of the Management Academy for Public Health found that about 30% of all business plans generated got implemented in one form or another. A more recent survey places that number closer to 50%. The people writing those business plans even had nine months of coaching and instruction.

Why do so many plans “fail”? One reason is because they don't get start-up money to do the project. Another reason is because they may not have support for the program from decision-makers. Sometimes, during the planning process, people realize that the program isn't a good fit for the organization at the moment. Often times the program doesn't have the staff it needs—people crucial to the project get reassigned or leave.

Many of the teams that don't implement their initial business plan do find opportunities to write other business plans. So business planning is a good process, even though individual business plans often don't get implemented.

One more point: failure to implement a plan isn't necessarily a bad outcome. A business plan is partly an analytical tool. If your analysis concludes that the idea isn't likely to work, then you really shouldn't try to implement it.

Applicability

Another limitation of business planning is that it does not apply to many things we do in public health. Some programs are meant to run for only a year or two. Maybe you have a one-time grant or gift to do a short program with a clear stopping point. These projects don't fit business planning very well. If, however, you want the effort to continue, business planning helps. The business plan format will push you to think five years ahead and analyze factors that would help or hinder sustainability.

A good public health agency should be using business planning as one tool among many. Policy development, for instance, is still the most critical tool for enhancing health in communities but is not conducive to business planning. Business planning is a great tool for designing products and services that generate revenue, but that's only part of the job in public health.

The rest of this section will cover objections to business planning I've heard over the years. Try to guess the response to each issue.

Revenue Issues

“We can't raise revenue because we aren't allowed to make a profit.”

You can generate revenue without making a profit. Profit is an amount of revenue that exceeds expenses *and* that accrues to the benefit of an individual (like a business owner or a stockholder). And yes, it is acceptable (within limits) for most non-profit and public health organizations to have revenue that exceeds expenses.

“If I raise more revenue, the board/state will hold back our agency appropriation by a corresponding amount.”

This is a valid concern—agencies have found their budgets cut as a “thank you” for having found a way to cover the costs of a public health service.

Depending on the politics surrounding your agency or your issue, you might want to include this possibility in your planning. If you save the county money on chronic care services by finding a way to bill for it, you won't necessarily get to keep the savings in your budget to pay for something else.

Grants vs. Business Plans

“I'd rather write a grant proposal instead.”

Instead? You should plan to write both. Grant versus business plan is not an either/or proposition. Many of the business plans I see have grant proposals built in. Grant money is a crucial resource for starting a project in public health.

In fact, your business plan will likely help your chances of getting a grant. Many funders want to see a business plan, even poorly developed ones. (That is not to say you should hand in a poorly developed business plan—funders want to know that you've thought through the project from a sustainability point of view.) Your business plan shows a funder that

- you know how the program will work,
- you have a plan to generate your own revenues, and
- you know how much you need to start up.

Think of a business plan as a proactive way to approach a foundation, instead of waiting to respond to a request for proposal.

A group I worked with actually received grant funding that helped them write a business plan. They took the business plan back to the funder and shared the five-year budget, indicating how much money they would need to pay for fixed costs, especially personnel, as they developed their plan. The funder immediately asked them for a proposal. I expect that they will wind up with the money they need to get them to a sustainable program after five years. A deciding factor for the foundation was matching funds: the program would generate revenues that at least matched the amount the foundation would commit.

Time Constraints and Feasibility

“We don't have time.”

If you don't have time to write the business plan, you probably don't have time to implement a new program. In any case, it is difficult to launch and sustain a program that you haven't taken the time to plan.

“If we write the business plan, we'll just find out that it isn't possible.”

More often than not, the result of a business plan is that it isn't implemented. To make the planning effort worthwhile you have to believe that it is okay to decide not to proceed with a project. The best business planners tell the truth: they don't try to sell themselves.

No Business Experience

“I don't know anything about business or accounting. I could never write a business plan.”

Much of the knowledge and skill necessary for business planning is already a key part of public health agencies and organizations: activities like needs assessment, demographics research, partnering. You already have some of this infor-

mation and know how to get more as needed. If you have recently completed a community health assessment such as **MAPP**, you have already written several chapters of a business plan and identified your key partners.

It's true that many people in public health have never taken a finance class. What you do have is more important: experience with public health. The key to a solid finance section in your business plan is that you are able to make good assumptions. If you know what things cost, if you know what resources a program will need, and if you know something about your target audience's behavior, the rest is easy.

Summary

Business plans are not appropriate for every proposed program or project. Confirm that business planning is the right tool for the job.

The business plan is an analytical tool. Business planning will push you to think five years ahead and analyze factors that would help or hinder sustainability. The process of writing a business plan is still helpful whether you get the funding or not—if it helps you make a good decision. Don't let obstacles like time constraints and lack of business experience stop you from writing a business plan. You already have much of the information and skill to do business planning!

Next Steps

What aspects of your work fit this business planning model?

Let's say you have an idea for a new service that will improve public health in your community. Since you don't have money to start or maintain that service in the budget and the forecast isn't bright, the service will need to generate revenue. You need a business plan.

Let's do some brainstorming to test this notion. You might want to get a friend to brainstorm with you.

List new products or services that could improve public health and will generate revenue.

Finished? Take a look at your list. If you don't have anything silly on it, keep brainstorming. Don't filter: put down all the ideas including the really crazy ones.

Applying Business Planning to Your Program

Remember, to have a business plan there must be a need in the community for a new service or product. The new project should generate revenue and be sustainable for several years.

Take a look at your list wearing your analytical hat. Some of these ideas are better than others. What are the one or two good ones?

Feasibility

Ideas are feasible for business planning if they look doable to decision-makers. Feasible ideas tend to have some or all of these:

- Sized right: not too big or too small

MAPP: Mobilizing for Action through Planning and Partnerships is a NACCHO-sponsored process to assess community needs.

- Based on a model you already know works (evidence-based)
- Lines up perfectly with your mission and current strategic priorities
- Harnesses a useful, energetic partner
- Harnesses the passions of a particular person or unit
- Testable: Look like you can pilot them first
- Phaseable: you can phase them in slowly to make sure they work

In other words, feasibility includes the likelihood that an idea is startable (you have buy-in, decision-makers are assured that the new idea will break even and be effective, there is a relevant need to address the issue), plus the likelihood that it is sustainable (a useful revenue source, passion, there is a market of people who need this idea).

Don't Reinvent the Wheel

Are there any other programs in your area that provide a similar service or product? Remember, you don't want to duplicate efforts in your same area. However, you can look at similar programs in other counties or states to get ideas or to learn about their business model.

Potential Partners

As I mentioned in What Is a Business Plan section, partnering is a crucial success factor in public health work. Find out which organizations share your mission and might be interested in partnering with you. Because resources are scarce, having partners will be more efficient and will improve sustainability. List some potential partners that might be interested in you the idea (or ideas) that you identified. Alternatively, you could identify potential partners that care about the same people you are thinking about serving. Include the names and contact information of key leaders in those organizations.

Sharing Your Plan

Next comes a critical phase in any business plan: sharing the idea. One of the main reasons for writing down the idea is so you can check your assumptions with others. Sharing your ideas at each step is crucial as you move through the feasibility stage and on to the full business plan. To get from idea to implementation, you will need perspectives from different audiences, permission and resources from decision-makers, advice from experts, and commitment from partners and implementers.

Summary

If you'll be doing a business plan, your next steps will be to brainstorm some ideas and then assess to see whether they are feasible. Can decision-makers safely say yes to the program? Is it relevant to your organization's mission? Will it be sustainable? Be sure to get a reality check from other people. You can't write a business plan by yourself. Share, listen to what others say, and be prepared to do lots of editing.

Module Summary

Why do business planning? Writing a business plan helps you figure out what your project will cost, whether there is a need, who your partners are and how you will work with them, and whether the project will be sustainable. The business plan is used as a planning document to determine how the program or service will be implemented. The business plan will be detailed enough so that you can hand it off to someone else and they would have all the information needed to implement the plan.

By demonstrating that you know how the program will work and that you can generate enough revenue to be self sustaining, you will have an edge with funding sources. Even if your plan doesn't get funded or you decide it's unfeasible, business planning is a great way to get an in-depth understanding of your project.

Remember, business planning is not a one-size-fits all tool. If your program doesn't need to generate revenue or the lifespan of the project is short, then business planning isn't appropriate. For the right type of program, business planning is key to a successful beginning.

This module has provided a brief overview of business plans. The resources section has links to more in-depth information about business planning.