

Business Planning for Innovation Projects



About Innovator International



Innovator International provide support to entrepreneurs and organisations seeking growth through innovation. The company brings together the expertise of a team of experienced business advisors and successful entrepreneurs, spanning a wide range of business sectors and disciplines.

Over the last 30 years, our team have written, supported, assessed and helped deliver thousands of business plans. Over this time, we've developed an excellent working knowledge of what makes a good business plan, but also, how to determine the prospects for any opportunity from the plan.

We are currently one of the UK Home Office's Endorsing Bodies, assessing business plans from international entrepreneurs who wish to seek entry to the UK through routes including the Innovator Founder Visa route. This guide has been developed primarily for prospective applicants to that route, but the document should provide direction to any entrepreneur or business owner requiring a business plan, whether it's for strategic direction, promotion or other means.

We hope that you enjoy this guide, and wish you all luck on your entrepreneurial journeys.

SECTION 1: Welcome!



**"I keep six honest men serving men, they taught me all I knew
I call them What and Where and When and How and Why and
Who"**

Rudyard Kipling



This section will cover:

- About this guide
- What is a business plan?
- Our assessment process
- Helping you prepare



ABOUT THIS GUIDE

Welcome to our guide, designed to help you prepare the best plan possible for your new business venture.

To gain support for most Innovator International programmes, you need a detailed business plan that we can evaluate and approve. We see many business plans which don't include the information we need to conduct a full and fair assessment, which can result in the application being refused. By completing this guide, you will know what to include, what to avoid, and will have a template to help you ensure your plan is the best it can be.

Before you proceed, please do ensure that you've downloaded the application pack on our website www.innovatorinternational.com, read it in detail, and you've watched the video on what we look for (and look to avoid) in a business plan. It's now up to you whether you want to read this guide from cover to cover or just reference the parts you need.

What this guide DOES and DOESN'T do

This guide is designed to help you turn a good idea into a good business plan.

It will:

- Help you develop a plan which addresses all the key aspects of your business
- Make you consider aspects which possibly you haven't thought about previously
- Maximise your chance of having a successful business
- Help you clarify if your idea is suitable for endorsement under the Innovator Visa programme

It will not:

- Help you to develop a new idea
- Turn a bad idea into a good plan
- Guarantee a successful application to any of our programmes

This plan will expose the problems in your idea – but don't worry, this is an important part of the process. When you know where the weaknesses are, you can address and strengthen them, and ultimately develop a plan which gives you a greater chance of success.



This guide has 9 sections:

- 01 INTRODUCTION
- 02 MARKET ASSESSMENT
- 03 PRODUCT FIT
- 04 MARKETING AND SALES
- 05 PEOPLE AND SKILLS
- 06 OPERATIONAL PLANNING 1
- 07 OPERATIONAL PLANNING 2
- 08 FINANCIAL PLANNING
- 09 FINAL REVIEW



As the guide progresses, you will have a series of questions to guide you when you write your business plan. Think about these when you are making notes to create your business plan. Collect your ideas and answers, and you can use these to compile and complete your plan through the duration of this guide. We also have some templates available to help you.





WHAT IS A BUSINESS PLAN?

We work with many different entrepreneurs with many ideas, and each will develop and submit a different business plan. The process of developing your business plan is about so much more than your Endorsement application. If you can prepare a good plan, you've maximising the chance of having a successful business.

To do this you need to do be honest with yourself through the business planning process. Honesty now, will save some big challenges in the future.

✓ **Think: Who is this plan for? What do you think we want and need to see?**

The plan we're helping you to create is for support programmes managed and assessed by Innovator International. For this, we need to see certain information in the plan that you provide. This guide will help you create a strong plan.

What makes a good business plan?

A good plan reads like a story because it captures the excitement of your plan, and it keeps the reader's attention. It provides an introduction, good content, and an ending. It needs to give our team enough information to be able to approve your application based on the assessment criteria.

- We often see plans which lack detail, and others with too much information. The best business plans provide the right information.
- We need to see the potential problems in your plan, and that you are aware of these. We also need to see that you have plans to address any potential problems.
- Good business plans don't use the document as a sales pitch.
- You can improve your business plan if you remember to include customer research and financial forecasting.

OUR ASSESSMENT PROCESS

When we assess plans for our support programmes, we read your application documents to ensure that the proposition meets the criteria for 3 main factors essential for success - Innovation, Viability and Scalability. We then consider six further factors that are crucial to build a successful business.

It is essential to ensure that every section is addressed as completely as possible.

These are the first questions we ask to get a feel for the potential within your plan:

Is it Innovative?

- Summarise the solution and how it differs from existing products or services.
- Who benefits from the offering and how?
- Is there regional, national, or international competition?
- What is the current stage of development of the product or service?

is it Viable?

- Does the project have a strong chance of succeeding in the UK?
- Does the innovator have the skill set to make the project a success in the UK?
- Does the innovator have access to (or a sufficient plan to access) the intellectual, physical, and financial resources to make the project a success in the UK?
- What is the estimated financial requirement for this project, and how are these funds being provided?

Is it Scalable?

- How will the project establish itself and grow within the UK (including recruitment)?
- How will the project establish itself and grow internationally (including recruitment)?

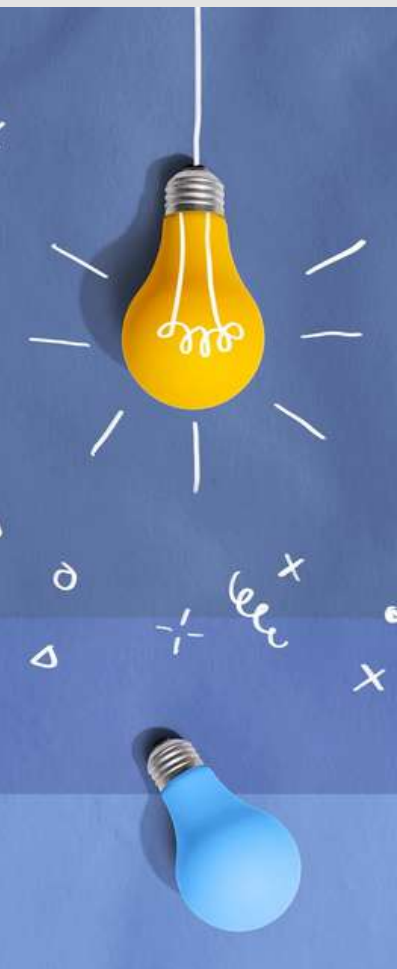
 **Top tip: It is essential you give us the information to answer these questions, and that the answer to each is complete.**

We'll present this as a checklist at the end, so you can review your plan based on this list.



After we've addressed these points, these are the 6 further aspects that we consider. You need to include all of these in your business plan so that we can assess them.

- 01** Market Assessment: Do you have a good working knowledge of the market, including evidence that there is genuine need (or opportunity) for this to be a success in the UK?
- 02** Product Fit: Is your solution a good fit for the marketplace - does it clearly address and solve a problem, and can it be developed at scale within the limitations of the business?
- 03** Marketing & Sales: Do you have a clear and achievable route to market, which includes the capability to identify, develop and achieve the sales targets as your business grows?
- 04** People & Skills: Do you have relevant skills and experience to make this a success, and is there a sufficient growth plan for the recruitment of more people into the business?
- 05** Operational Planning: Do you have a plan which details how to achieve the key objectives within the timeframe? This should detail the required resources (including a technical development plan where necessary), together with partnerships and a growth / scaling strategy.
- 06** Financial Planning: Do you demonstrate how the business will meet all the financial requirements including contingency in the event of low sales, and how realistic are your key assumptions?





HELPING YOU PREPARE

Imagine your business plan is you, at an interview. How would you want to look? How would you want to sound? What message would you want to get across? How long would your answers be?

Your business plan should be similar – it's representing your ambition at an interview!

Some basic points to remember:

- 01 Your business plan should be the right length - 30 pages is a good length to communicate your story, depending on your style of writing.
- 02 What's most important is the quality of the content, not the length. It's OK to send a little more if you need to provide additional information, but you might consider placing it in an appendix or additional reference document.
- 03 It should be succinct and easy to read, like a good book. Open with a strong executive summary (which we'll cover in section 9 of this guide), and take the reader on a journey. Anyone reading your plan wants to be as excited about your idea as you are.
- 04 Add pictures where necessary. A picture can help your reader visualise what it is you're trying to achieve and make the document more readable and engaging.



05 Pick an appropriate font in a good size. Don't write everything in bold, but do use it on key points that you want to highlight.

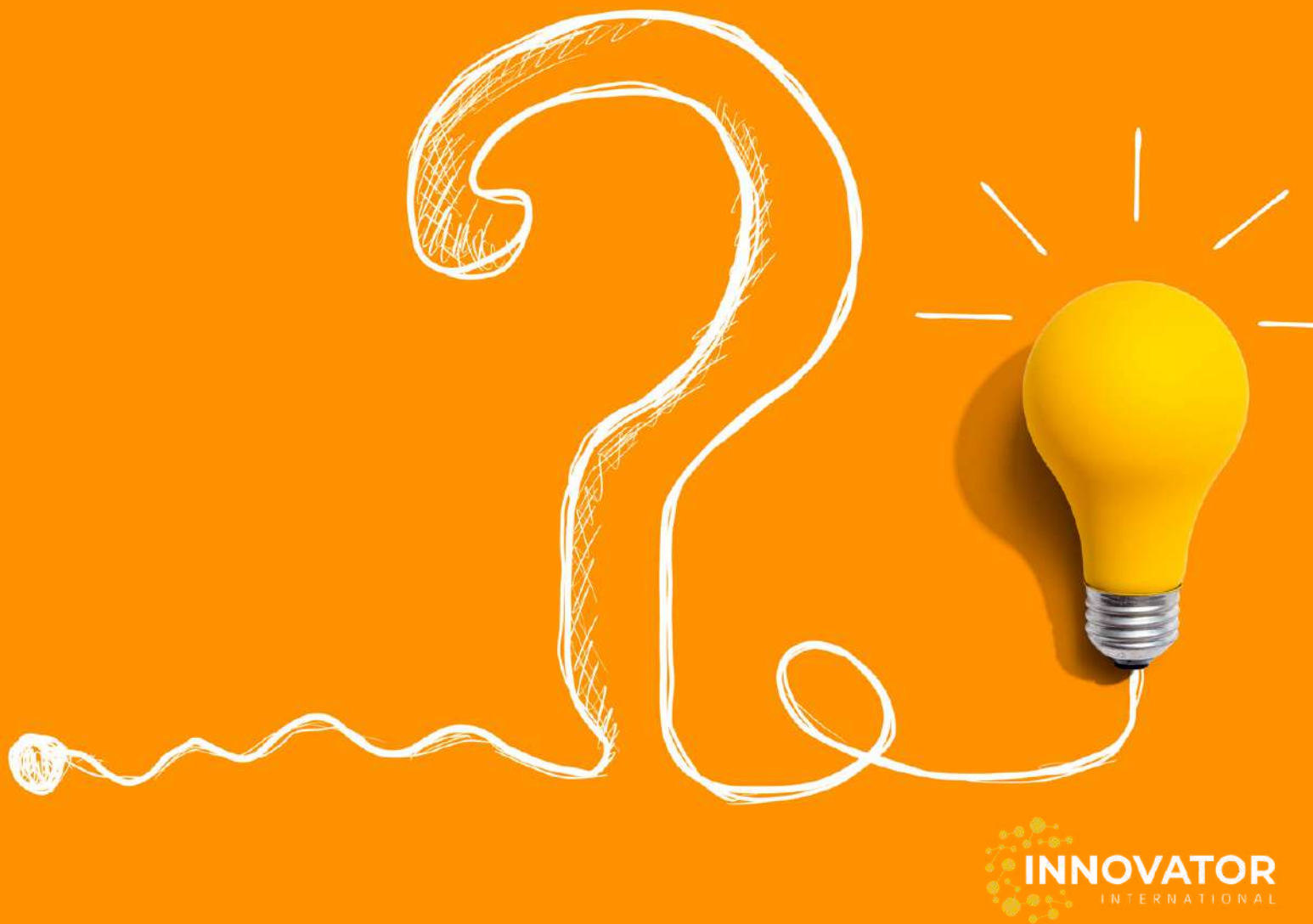
06 Provide the information that the reader wants, but don't use too many words. Every section should be short, impactful and allow the reader to fully understand the situation without tiring them. You want to keep their attention.

07 Include attention to relevant detail. We don't need to know if you're spending £500 on a printer, but if you're developing a product or software, we need some insight on the process, timeframe and costs. Tell us what matters.

08 Pay attention to your timeframe and ensure it's realistic. You're highly unlikely to achieve your optimum sales targets in Month 1. Especially if you have to develop something which takes 4 months.

09 Take the time to get your financial forecasts right – we need to know your assumptions, and how everything comes together to turn your idea into invoices.

Save your document as a PDF, not a word document – it's easier to access and no-one can change it!



- At the end of each section you will find a series of questions which will guide you as you create the content for your business plan.
- Use these 'action points' to start developing ideas and making notes for your plan as you work through each section.
- Don't leave it all until you have finished the guide – completing your notes as you proceed will help you think and build upon your ideas as you proceed.

Section 1: Summary

SECTION 2:

Market Assessment

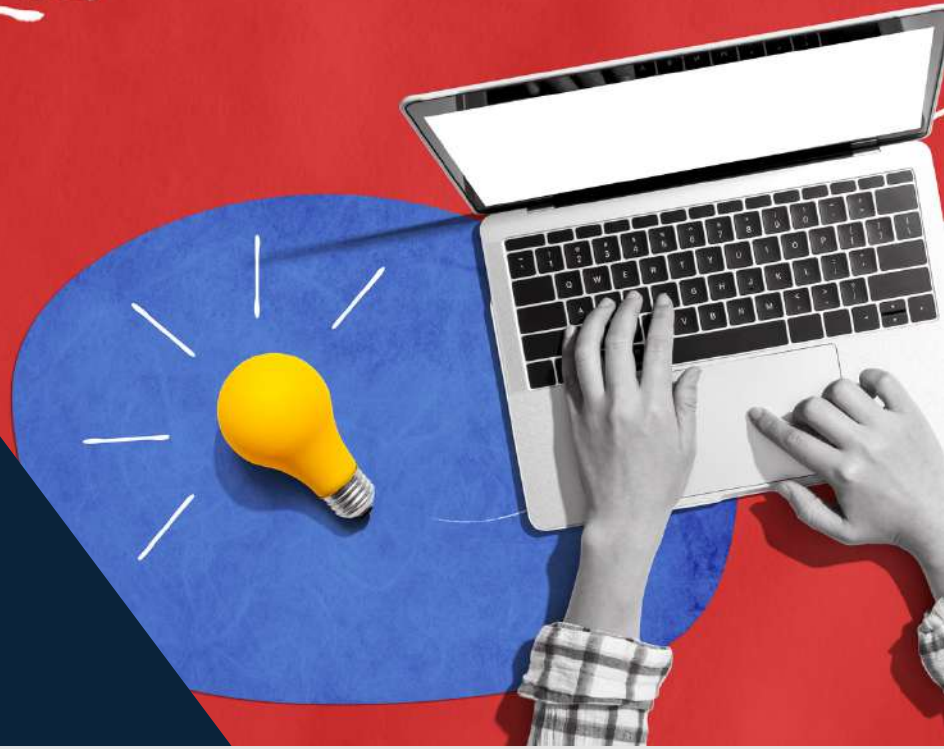


Do you have a good working knowledge of the market, including evidence that there is genuine need (or opportunity) for this to be a success in the UK?



This section will cover:

- The Problem
- The Market
- Your Competition



OVERVIEW

This is a section which is regularly lacking in business plans, yet it's one of the most important. It's the part that shows you are addressing a real problem, and that you have real customers who will pay for your offering!

What we really need to see from you in this section is:

1. There's a real problem
2. This problem causes your customers a 'pain'
3. This pain causes your customers a 'cost'
4. You know what your customer's other options are

THE PROBLEM

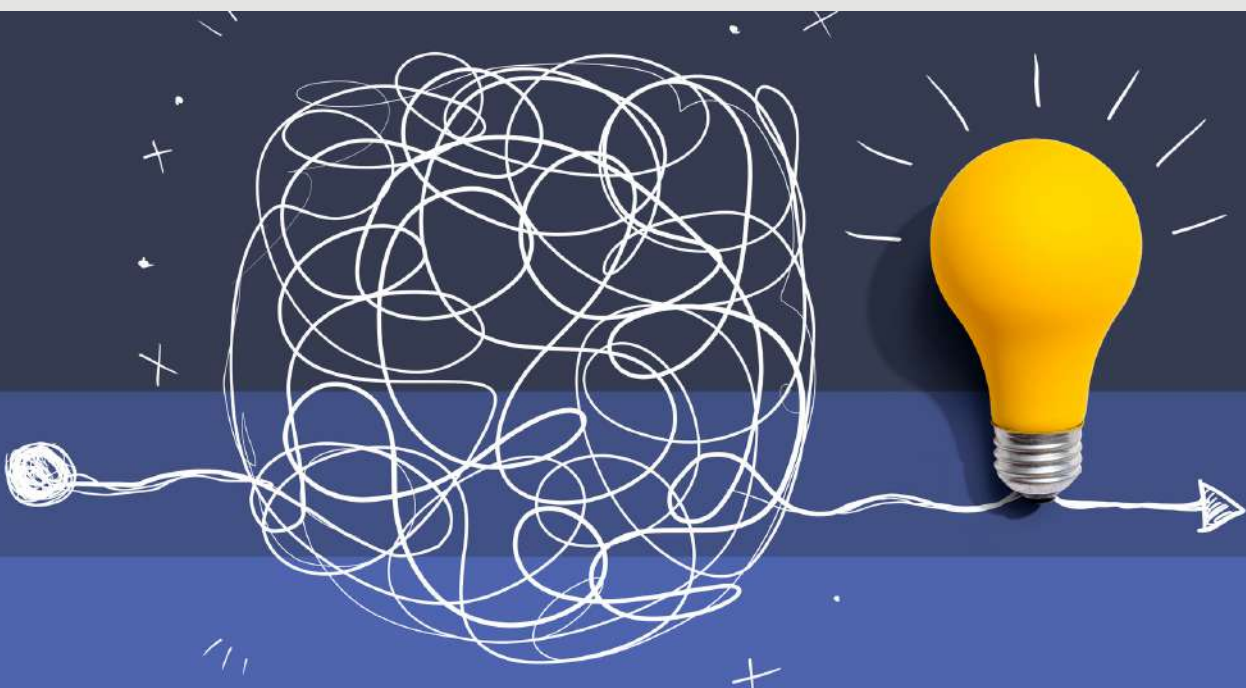
Sometimes we see ideas for products and services, but they do not provide a solution to an actual problem. This makes them a luxury rather than something which adds value. It might fill a gap in the market, but not for something that people really want or need.

The best businesses tend to solve a problem. We call this problem a “pain point” because it causes a user some pain – whether that’s a financial pain, a resource pain, an intellectual pain or some other pain. These pains are associated with a cost – so a financial pain may cost money, while a resource pain may cost time (people or the additional use of equipment).

The first step is to start to tell us what the problem, pain and the cost of the pain is. Try to substantiate your pain with real numbers – for example, can you tell us how much money, or how many days lost time the pain costs?

Getting this right now is crucial. Take the time to do your research well and provide us with enough information to understand and appreciate the opportunity you’ve identified.

✓ Think: What is the pain that you’re solving? What’s the cost of that pain?



THE MARKET

It is good to provide an overview of the global, national or regional market statistics through desk-based research. However, it's much more valuable to provide specific detail about your precise market and demonstrate how you have engaged with potential customers to develop and validate your proposition. The best ideas usually solve a problem that someone has.

Understanding your potential customers and your competition will help create a good understanding of the real market opportunity.

 **Top tip: Use examples of the UK market where you can - It's likely to be quite different from the market in other countries!**


Your Prospective Market

Ask yourself, is this problem specific to certain people? If so, who are these people – are they in certain business sectors or certain workplaces? Tell us as much as you can about these potential customers – this is your 'customer profile'. Investigate what's changing in this market and what changes people are predicting in the coming years.

Many plans include too many statistics and try to tell us why the problem exists without talking to the real people who they want to buy their product. To make your proposition stronger, speak to real people and get their feedback about your specific offering.

How do you contact someone?

You can use a range of online tools and options. Some ideas include: LinkedIn, email, Twitter, and other platforms. However, the easiest method is to use your established networks, or the networks of people you know who have access to your potential customers.

 **Top tip: Collect answers which tell you "I'd like this product because... and I'd pay...", you are starting to collect evidence that your idea has potential customers.**



YOUR COMPETITION

You really need to understand your competition. Please don't tell us there is no competition – your customer ALWAYS has other options, because we will be analysing this, too! You have to make their life better, at a cost they are prepared to pay.

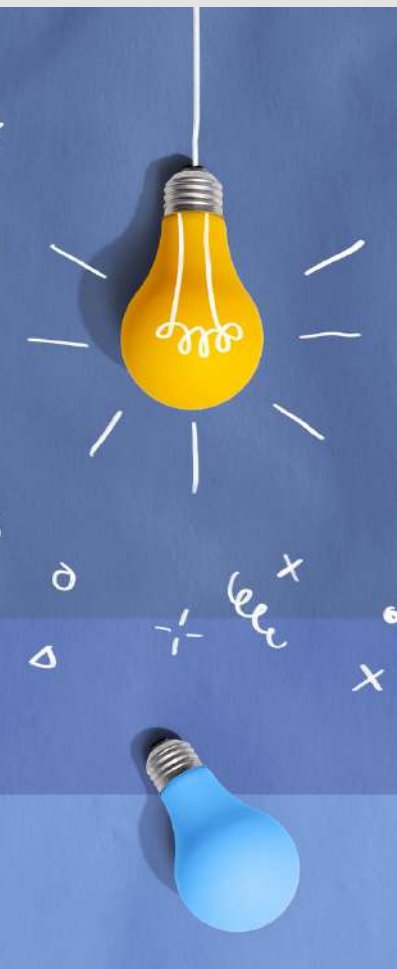
✓ **Think: Even “doing nothing and living with the pain” is an option to your clients.**

We want to see that you clearly understand the competition in your market and that you have considered how you can differentiate yourself from them to gain a competitive advantage.

Some questions to help you think about the competition:

- Who is currently working in the market which you want to enter? You need to consider other companies (big and small) and understand what they offer.
- Why are they successful and where do they have weaknesses?
- Where are the gaps that you could use to your advantage?
- How are they taking their product or service to market?
- Which areas are they selling into?
- How happy are their customers?

There will be many more questions, but these are some to help you start.



ACTION POINTS

Now, ask yourself the following questions:

- Can you summarise the problem you intend to solve?
- Who has this problem? These are your target customers...
- Have you spoken to them to clarify that this really is a problem to them?
- Can you summarise the pain point to the user?
- What is the cost of this pain to the user?
- How do your target customers currently solve this problem?
- Would they pay for a solution to this problem?
- What does the competition look like?
- What can you learn from the competition?
- What are their strengths and weaknesses?

SECTION 3: Product Fit



Is the solution a good fit for the marketplace? Does it clearly address and solve a problem, and can it be developed at scale within the limitations of the business?



This section will cover:

- Solving the pain point
- Validating your solution
- Design to Distribution



OVERVIEW

This section helps us to visualise what your solution looks like. It describes how you are going to solve the problem you've identified, how it improves your customers' lives, and how you are going to develop and deliver it.

A problem is something that people need a solution to. It's important that you complete the work in section 2 well before you start this section!

SOLVING THE PAIN POINT

In the previous section, you identified a pain point, and the cost of the pain. Even if you've developed something new, you're solving a 'pain' by giving your customer the ability to do something which they couldn't previously do. It must be something that actually adds value to their lives.

Now, it's time to tell us about the solution you've developed to this pain.

🔥 Top tip: Saying that the solution “doesn't yet exist” is not justification for demand. It might not exist, because research has shown no-one wants it! We do need to know why it's different, but more importantly, we need to know why people want to buy it. This is usually because your solution solves their pain.

Telling us about the solution

When describing your solution, start with a basic description of what it is that you're offering. It's good to use images and diagrams, as long as they're easy to understand. A picture is great, but a diagram showing electrical schematics may be too complicated!

Once you've told us what you've developed, explain how it solves the problem. What does it do? How does it work? What is the benefit to the user? Most importantly, how does it solve their problem?



When we can visualise what the solution is and how it helps your customer, you can then provide a summary of what their world looks like once their pain has been cured. What is now easier for them? What savings have they made? Have they saved money, time, or even gained something new?

🔥 Top tip: Cost alone is not a sufficient innovation.

Simply telling us that your solution is cheaper is not sufficient. Cost may be your major differentiator, but where is the innovation? Why is it cheaper? Do you have a better manufacturing process?

Some ideas to help explain why your solution is good include:

- It's a cheaper solution that still provides the same detail and tools because...
- It involves less risk for clients than using a competitor because...
- It's a gadget that makes it more fun and engaging than competitor products, and this could be a big attraction for different audiences (e.g. children) because...

🔥 Top tip: Link the solution to the problem.

Say things like "... this will help solve the problem because...". Let us know what you're doing that's really different, and how you're solving the pain points!

✅ Think: What's the end benefit to the user? This needs to be very clearly articulated.





VALIDATING YOUR SOLUTION

Validating (or proving the value) of an idea, is an essential step in the developmental process. The biggest mistake that anyone can make in business is taking a product to market without checking that people actually want this product.

If you've followed the guidance in this plan so far, you will have identified a problem which causes people pain. You will understand the "cost" of that pain, and you will then have developed a solution which addresses the pain and eliminates the cost.

Hopefully you'll have started to think about the "new cost" of your solution to your client base. Clearly, your client will have to pay something to you for your solution. Are there other costs? Will they have to change anything (physical, process-wise or cultural) to implement your solution? Will there be a cost of integration or implementations? Will people need to learn (or be taught) how to use your solution?



Go back to the potential customers who helped you understand what the problem and pain was. Present your new solution to them and ask them for feedback.

 **Top tip: Don't try to sell to your research group! At least, not yet...**

Let your research group know that you're only seeking feedback from them. If you try to sell to these people at this point, or they think it's going to be a "sales pitch" they may be less keen to help you!

You might want to ask them questions such as:

- What do you think of our solution?
- Would this solution help you?
- What challenges do you see with this solution?
- What would you be willing to pay for this solution?

You're now starting to collect information which is essential to your marketing campaign too. Hopefully, some of your research group will also be interested in helping you test, and maybe even purchase your solution when it's ready.

DESIGN TO DISTRIBUTION

Every product and service needs to go through a whole process, which includes design, development, production and distribution.

Where are you in this process? What have you done so far to design and demonstrate your solution? It may still be an idea, or you may already be selling the solution in the UK or another country. Tell us what the solution currently looks like, and what steps you're planning to take as your business builds.

You might want to think about the following stages:

Design

How are you going to design the product, especially with production and distribution in mind?

Development

How are you going to develop the product from an idea into something which performs well and looks great? What testing will you need to do – alone, and with potential clients?

Demonstration

How are you going to show your solution to the world, along with the benefits it brings? This will tie in to your future marketing plan!

Production

If your solution is a physical product, how are you going to make the first ten? And then the first thousand? How will you make enough for global demand?

Distribution

How are you going to deliver your service to your clients? Can you take it to them, or do they have to come to you?



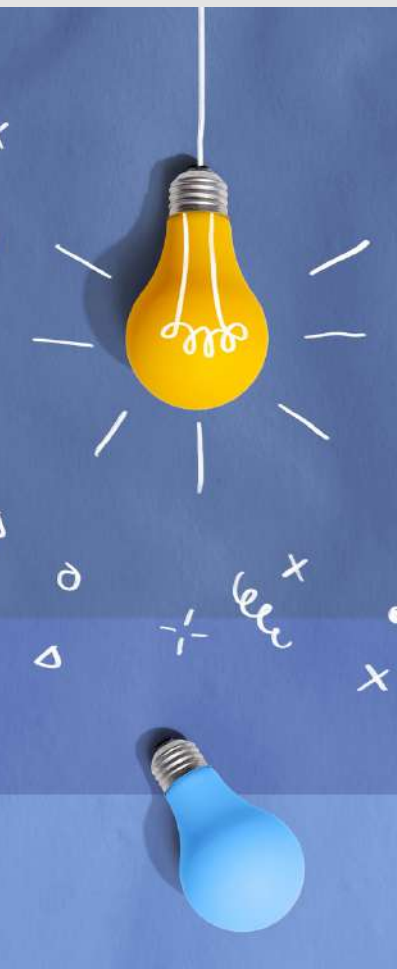
Within each of these stages, you should be starting to think about three major resources – knowledge, time and money.

Knowledge: Do you have the knowledge and skills to complete each of the stages? If not, who do you need to work with in order to help, and what sort of working relationship will you have?

Time: How long will each stage take? Are there other things you can be doing before the product is ready for launch?

Money: What will each stage cost? Have you included all of these costs in your financial plan?





ACTION POINTS

Now, ask yourself the following questions:

- Tell us about your idea, and why it's a good idea
- How does the solution solve the problem and pain point?
- What does the customer's world look like with your solution?
- Who have spoken to about your solution?
- What did you learn?
- Do you need to change anything as a result of these discussions?
- How do you plan to create or manufacture your idea
- How do you plan to distribute your idea to your customers
- How do you plan to scale production and delivery as you grow
- How long will this take and what will it cost?
- How will you get your solution to your customers?

SECTION 4:

Marketing and Sales



Is there a clear and achievable route to market, which includes the capability to identify, develop and achieve the sales targets as the business grows?



This section will cover:

- Marketing strategy
- Communicating your message
- Turning interest in to sales

OVERVIEW

How you plan to take your product or service to market is the part which brings you money. If you don't have a strategy to obtain customers, you won't get any income.

This section helps you understand how to identify and engage with your target market, and then – most importantly – how to turn this interest into sales.

MARKETING STRATEGY

Before you start to develop your marketing and sales strategies, you need to think about some basics. While an earlier section asked how well you know your market, this section asks how you will engage them. Entrepreneurs often think that it is much easier to engage their clients than it really is! This is why you need a clear client proposition.

You might want to start asking yourself questions such as:

- Where is the best place to make first contact with my customers?
- Have I considered my existing networks or those of people I know?
- Will we be selling this directly, or through agents and distributors?
- Do we have the skills to sell this ourselves?

Many people think that it's enough to have a website and social media presence. These may be essential, but they're rarely enough on their own. The challenge with websites and social media is that no-one looks at them unless they have a reason to visit them.



This is where marketing techniques such as Google's Zero Moment of Truth (ZMOT) becomes so important, and provides a great example of how important it is to engage with potential clients.

The ZMOT is the moment that a potential customer decides to emotionally invest time in researching more about you. This is first big step in the sales process. To achieve this, typically they will have heard about you, read about you or seen you in several places. So, how and where are you going to let people know about what you do?

Many business plans we receive include comments in the marketing plan such as "I'll network". But this isn't enough. Think: Where will you network? With who? Why is this group or location good for you and what will it bring you?

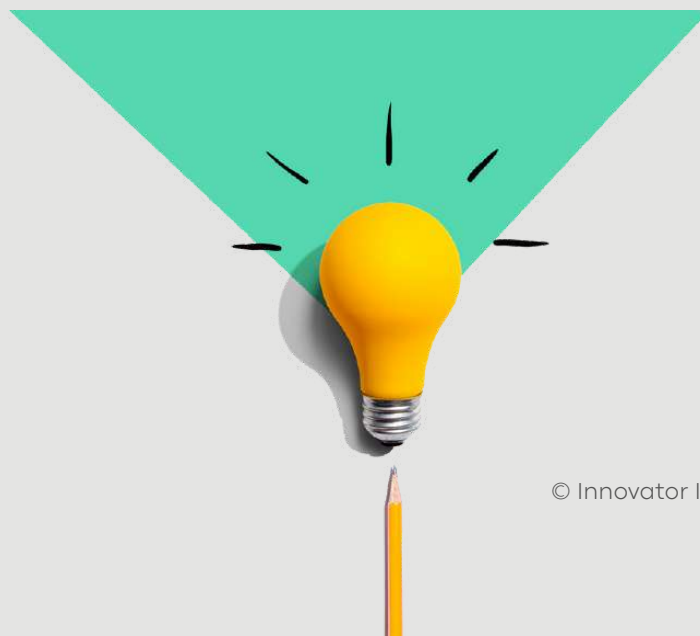
The worst business plans are those that provide information which is generic and could be part of any company's plan. The best (and most successful) are those which are specific to your target market.

🔥 Top tip: Let us know how you're doing to target your precise client base.

Think about your target market and client profiles. Ask yourself:

- Where do your target clients spend time?
- How can you get their attention?
- Do you know your client base already? If so, how – and how well?

✅ Think: Are there things you can do to make you different from the competition?





COMMUNICATING YOUR MESSAGE

Getting your message to customers is vital, but difficult. However, if you've been speaking to potential customers as a part of your research, this step will be much easier!

If you're struggling for ideas of what to ask and where to find people to speak to, look back at the previous sections – who are your target customers, and where do they 'hang out' – whether virtually or in person?

You might want to consider the following ways to meet your prospective clients:


- **Attending events – or even hosting your own**
- **Providing valuable content on social media platforms so people follow you**
- **Have a great website with strong SEO (Search Engine Optimization)**
- **Uploading videos on Youtube**
- **Collecting and sharing reviews and testimonials**
- **Asking customers to recommend other people who may want your services**
- **Having a website with a blog which you update frequently to include keywords**
- **Having an effective and active LinkedIn profile**
- **Email marketing (build up a mailing list, but be careful with GDPR rules)**
- **Becoming a member of the local Chamber of Commerce or business group**
- **Local or Social Media Marketing**
- **Lastly – traditional marketing... picking up the phone and calling people!**

This is not a 'menu' for your marketing plan, and there may be other areas you want to consider. Pick those which are relevant to your service, add your own thoughts, and tailor them to your business needs.

TURNING INTEREST INTO SALES

You've made people aware of what it is that you offer. You've got potential customers interested in your products or services. Now is your time to convince us you can sell - It's time to start closing deals.

Sales aren't something that you have to delay until you have something physical to sell. You should be thinking about sales from the onset – the first moment that you start to develop a product or service, or the first time you ask someone "what problems do you have?", you need to be thinking about how you turn these important thoughts and answers into sales.

 **Top tip: It's better to sell something you haven't yet made, than to make something you can't sell".**

A common challenge we encounter with businesses is when they are highly skilled in the areas where they are delivering a product (or service) to their clients, but they lack the basic sales skills to achieve their ambition or worth. To look at the previous quote in a different way, making it is the easy bit - the challenge comes in turning the idea into an invoice.

 **Remember: Without sales, business fails.**

Starting conversations can be tough, but closing sales is tougher! To help you with this, you need to consider selling models.


One model we can use for sales is the AIDA model:

Attention: get the clients' attention

Interest: keep their interest by providing more information

Desire: create a desire - we want them to need and like your offering

Action: close the sale

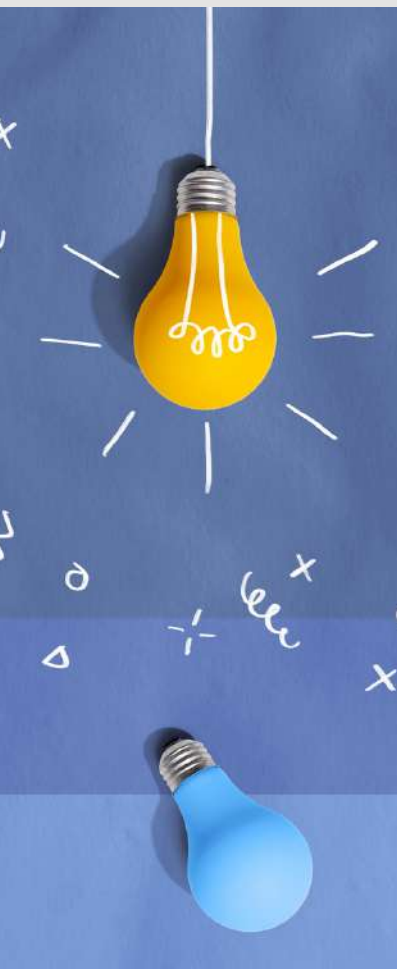
 **Top tip: You are the best person to sell your business. Don't outsource sales at this stage. Eventually, your market presence will sell itself, but not at first! You will really need to work hard to develop your early traction.**





Create your own sales model

- 01** Be very clear on who your potential clients are. Use the questions we've asked already: Who are they? Where can you find them? What is important to them? You need to be clear on this because it will allow you to focus your sales plan.
- 02** Make it easy for these people to buy from you. Is it easy for your clients to buy from you? Can they buy directly from your website? Will they need to go to a certain shop or distributor to buy your solution if it is a product? How can you make this process easier for them?
- 03** Make your clients aware of your offering – in every possible way. This should be clearly defined within your marketing strategy. How will your clients find you?
- 04** Close deals. Understand how you are going to turn that interest into the sales which will drive your business growth.



ACTION POINTS

Now, ask yourself the following questions:

- What skills do you have to sell this product in the UK?
- Where can you make contact with your potential clients?
- Which are the best marketing methods for your client base, and why?
- Which platforms do your potential clients use?
- How are you going to make people aware of your service or product?
- How are you going to make people want your product or service?
- How do you then plan to turn your interest into sales?

SECTION 5:

People and Skills



Do you have relevant skills and experience to make this a success, and is there a sufficient growth plan for the recruitment of further people?



This section will cover:

- About You
- What help do you need?


OVERVIEW

A business proposition isn't just about the quality of the opportunity and the solution. The person developing and running the business must show that they have the appropriate knowledge and competencies to make it work.

This section tells us more about you, your background, and why you're the right person to make this opportunity work. It also lets us know a little about your plans to bring more people in to the business to help you grow.

ABOUT YOU...

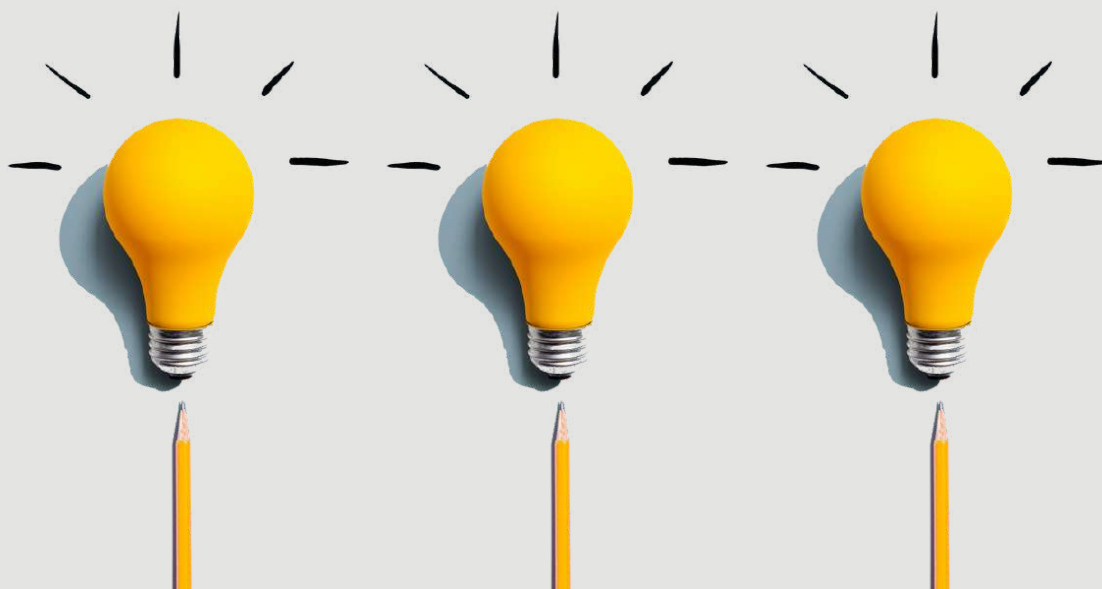
In this section you're going to start by telling us a little about you. What's your background? What skills do you have that are relevant to this project? Have you done anything like this before? What was the outcome?

 **Top tip: It's also good to add a summary of your CV, or even add your whole CV in an appendix.**

Why are you the right person to make it a success. To help us understand this, please tell us:

- What is it about this service or product that excites you?
- What led you to this idea?
- What is it about you and your background that puts makes you the ideal person to lead and make this project a success?
- What connections are there between you and the project, including your experience?

Once we have a clear picture of why you chose this project, tell us a little more about the business skills you have, linking this to the first section where you told us more about yourself. What skills do you have that are relevant to this project, or transferrable (such as marketing or sales). Keep it relevant and relate your knowledge and skills to the capabilities required to make the business a success.



You might want to tell us:

- What skills you have which are relevant to the application.
- What jobs you have done previously which bring relevant experience.
- Personal interests which have brought you relevant experience.
- Which skills you think you will need to develop to make the business a success.

When we're assessing your skills, we consider two separate areas:

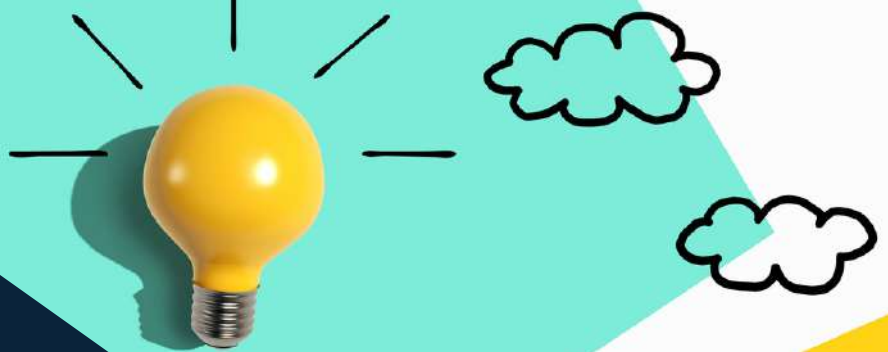
1. Your skills related to the service or product that you're offering
2. Your more generic business and entrepreneurial skills

The first element questions your ability to understand and deliver the product or services that you've developed. For example, if you're starting a business in HR for the engineering sector, we'd expect you to have either a good level of understanding of HR processes, a good knowledge of engineering businesses, or ideally, a good understanding of HR in engineering businesses.

The second element addresses whether you have the skill set you need to run the business and make it a success. Do you have any entrepreneurial or business management skills? Are you particularly good at making sales? Do you have other core skills which will help make the business a success?

✓ Think: These elements are key in determining the viability of the business.





WHAT HELP DO YOU NEED?

Nobody expects you to do this alone. The best entrepreneurs know their strengths and weaknesses. They use their strengths, and work with others to support their weaknesses.

What does the business need that you can't, don't want to, or are unable to provide?


This might include help coding, manufacturing, marketing or selling. It might involve administrative support – keeping records, managing accounts and payments, and so on. There are many areas of a business which need to be addressed, and you won't be able to do all of this by yourself – especially when you start to grow and scale your business.

So, as the business builds, which roles will you need to bring in? And at which stage?



In-house or outsource?

Now you know what skills you need, but should you employ someone to do this, or would it be better to outsource the task to a third party? If you employ someone, you have specific responsibilities to them. If you outsource the work to another person or business, you have fewer responsibilities but it's likely to be more expensive.

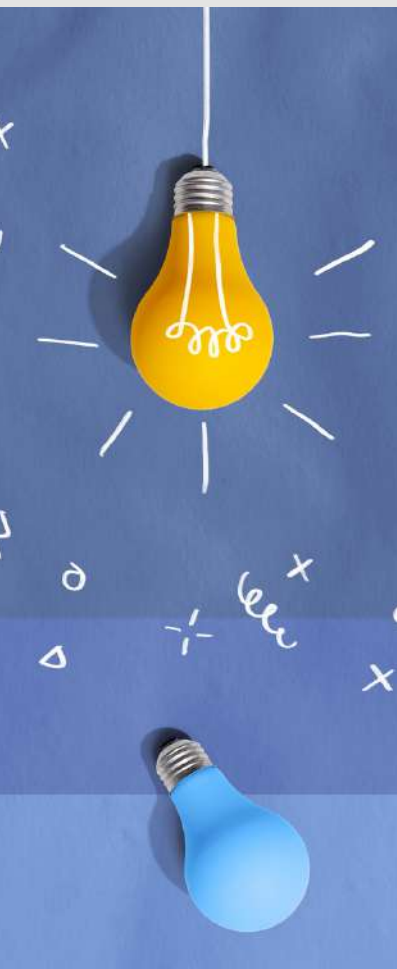
 **Top tip: You don't need to employ everyone. There will be some roles you can outsource.**

Consider areas like app development, for example, which can be completed in a few months and doesn't require a long-term full-time member of staff. You might not want the cost of a full-time web or app developer in the business, so outsourcing would work well here.

Outsourcing is a good model for some areas of your growth. It's preferable to outsource work for shorter projects so that you don't have lots of staff who are surplus to your requirements.

Outsource the things that are not in your core skill set – this will enable you to focus on things that you're good at, and activities that will add the most value to your business.

Don't just focus on things you enjoy – focus on the things that will develop your business!



ACTION POINTS

Now, ask yourself the following questions:

- What skills, knowledge and experience do you have that are relevant to this project?
- Why did you choose this project?
- Outline other areas and skills the business will need as it grows.
- Consider when these will be necessary for the business.
- Are you going to employ these skills or outsource the work?
- What do you think this will cost you?

SECTION 6: Operational Planning (1)



Is there a plan that details how the key objectives are going to be achieved and in what timeframe? This should detail the required resources (and a tech development plan where required), along with partnerships and growth/scaling strategy.



This section will cover:

- The Kipling Method
- Defining Tasks
- Identifying Resources
- Milestones and Deliverables
- Timeframe



OVERVIEW

There's an old saying which reflects the importance of this section: Failing to plan, is planning to fail.

This section lets us understand how you're going to make this business work. It tells us what you need to do, what resources you need to do it, and the time in which it needs to be done.

Each of these sections should fit together (with your financial plan) like a jigsaw, so every step is clear, and the finances follow your actions.

THE KIPLING METHOD

We're going to start this section by describing a technique which helps you consider all of the things you need to think about when making a plan. To do this, we're going to ask you to consider the words of Rudyard Kipling, who was a famous British author and poet born in India. Like many of you, he too was influenced by different nations. Some of you may know his famous works, 'Kim' and 'The Jungle Book'.

In his book "The Elephant's Child", he wrote a poem called "I keep six honest serving men":

**I keep six honest serving men,
They taught me all I knew.
I call them What and Why and When,
And How and Where and Who.**

This poem is a great reminder of the 6 questions you need to be asking yourself at every step of this process:

- 1. What am I doing?**
- 2. Why am I doing this?**
- 3. When will I do it?**
- 4. How will I do it?**
- 5. Where will I do this, and where does it fit within the whole project?**
- 6. Who is it for, and who will action this?**

This is often referred to as The Kipling Method, or the 5W's.



DEFINING TASKS

It's great to paint a picture of what you want to achieve. However, an idea without achievement will always remain 'just an idea'. Now, it's time to think about what we need to do to make the idea a reality.

The best plans consist of a series of main tasks. Each of these main tasks will be broken down into a series of more manageable subtasks. Completing all of the subtasks results in the completion of the main tasks. And, as the main tasks become complete, your business becomes a success.

You can start developing your task list by asking yourself, what are the main things you need to do to make your business a success? You might include things like:

- Market research
- Product / service development
- Technical developments
- Website / social media management
- Planning for production
- Marketing campaign
- Building your team
- Business growth / internationalisation

These will be your main tasks. Now, for each main task, make a list of the specific things that you need to do in order to complete that main task.

For example, for the task "market research" you might include the steps:

- Desk research to understand market and dynamic
- Identifying 20 companies for consumer research
- Understanding more about the target companies
- Clarifying the problem with research group
- Identifying key competitors

Once you have this information, you've developed the foundation of a plan. Your main tasks and sub-tasks will provide the framework for you to understand what you need to do in order to turn your idea into a viable and scalable business.





IDENTIFYING RESOURCES

Now that we have built a picture of the tasks and your skills (from a previous section), we can consider the resources that you may require. Let us know what resources you have, and those you will need, to make the business a success.

Resources typically include:

1. Knowledge to complete each task (this may come from other people)
2. Equipment to make, complete or deliver a product service (this may include software you're designing or machinery that you need)
3. Contacts you have (who may provide knowledge or perform tasks for you such as manufacturing, delivery, etc)
4. Financial requirements (the money you will need to make it happen).

🔥 Top tip: When thinking about the resources you'll need, take a step back and really think about everything that will be happening in the business. It's important you don't forget key areas. You'll need a complete list of resources because this is what will help you with your financial planning.

When thinking about the resources that you'll need, consider:

- What resources will you need for each of the tasks you've identified?
- What is the plan to access these resources?
- When will this happen?
- What will it cost and how will you pay for this?
- Do you need any dedicated partners or consultants to help complete any missing resource areas?

MILESTONES AND DELIVERABLES

Milestones and Deliverables are significant steps that you mark progress in your business. They're important, as they help you plan and let you know that everything is on track to be achieved.

A milestone is a point that you achieve which is of significance to you. Milestones may include things like "product successfully tested", "client surveys complete", or "10th customer secured". They're something that you pass on your journey, but they tend to be intangible – that is, they're not something you can typically see, touch or hold.

Deliverables are something you've developed, which are an important step in achieving your milestones. Deliverables may include things like "product or service fully developed and ready for launch", or "certification application complete and ready to submit". Deliverables are something that you could actually deliver to someone – they're tangible, and can be seen, touched or held.

Remember: You pass a milestone, but you deliver a deliverable.

You should set some key milestones and deliverables – these will be the most important milestones and deliverables that you want to track on your journey, to make sure everything is going to plan.

✓ Think: What do you need to do to develop and grow your business? What do you actually need to create and achieve on the journey, and which of these would give you a sense of progress or a moment of significant pride? These moments should form your key milestones and deliverables.



TIMEFRAME

You've defined what tasks you need to do, what resources you need, and your key milestones and deliverables. Now, you need to think about how long each step will take.

✓ **Remember: This part of your plan is all about the WHEN. This is where we start to get a complete idea of how your business will develop, and when you will be able to do what you're planning.**

For each of your tasks, think about how long this will take you. Remember, if you need the help of other people, they may not be immediately available when you need them – so make sure you given them plenty of time in your plan.

The best way to present much of this information would be in a diagram that is called a "Gantt Chart", like the one shown below:

Task Ref.	Task Title	Timeframe									
		01-Apr	08-Apr	15-Apr	22-Apr	29-Apr	06-May	13-May	20-May	27-May	
WP1	Initial Market Research										
	1.1 Development of questionnaire /target audience										
	1.2 Email questions sent										
	1.3 Physical surveys performed										
	1.4 Results documented for design spec										
WP2	IP Audit and Recommendations										
	2.1 In-house patent search										
	2.2 Spec developed for IP protection										
	2.3 Patent IP search										
	2.4 Findings and recommendations documented										

This chart is easy to develop on any spreadsheet package – it shows the key tasks and sub tasks and how long each will take. When you look down each column, you will see what you have to achieve in each period of time. This is particularly helpful, as you can make sure you've not given yourself too much to do in any time period.






It's also good to think about what we call “dependencies” – that is, what sub tasks need to be completed before another can begin. For example, in the diagram WP1.2 cannot start until WP1.1 has been completed. That’s because the specific task “email questions sent” can’t be achieved until the questionnaire has actually been created!

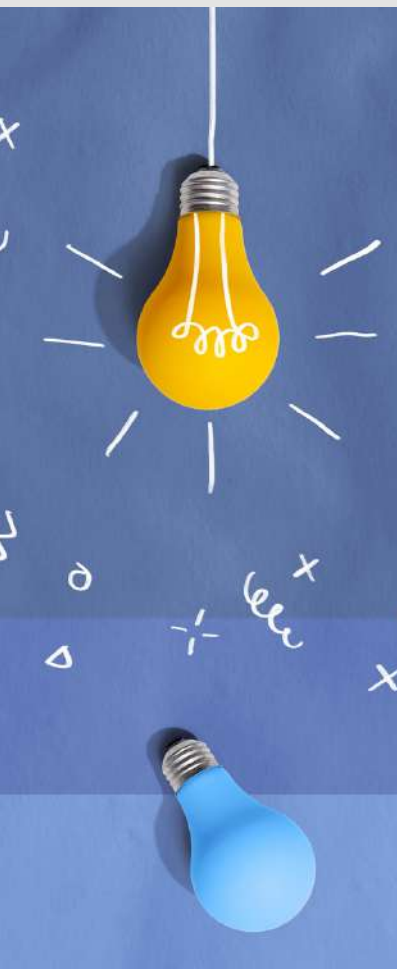
This type of chart – along with the dependencies - allows you to determine other information, such as when you will be in a position to make your first sales and raise revenue.

You can organise this chart in any way which feels logical to you. Keep it simple and clean, this will make it easier for us to read and evaluate. The key information it needs to include is:

1. Detailed tasks for each part of the project
2. Dates these tasks need to be completed
3. When each task is to be completed

When you’ve completed your Gantt Chart, you can look back at your milestones and deliverables, and estimate when you’ll be able to achieve each of these.

 **Top tip: Creating a detailed framework of your key milestones and deliverables will help to plan your financial plan effectively, so don’t rush this step! We’ll cover this in a later section.**



ACTION POINTS

Now, ask yourself the following questions:

- Create a list of the main tasks, and for each, a list of subtasks
- Create a full list of the resources you will need, including the cost of each of these.
- Create a list of the key milestones and deliverables in your project
- Create a Gantt chart which shows when you will need to complete these actions.
- Review this to make sure the order is logical, and that the list is complete.
- Ensure your project timelines align and reflect the detail in your financial plan

SECTION 7:

Operational Planning (2)



Is there a plan which details how the key objectives are going to be achieved and in what timeframe? This should detail the required resources (and a tech development plan where required), along with partnerships and growth/scaling strategy.



This section will cover:

- Scalability
- Risk



OVERVIEW

In this section, we're going to address the last two points you should consider in your operational plan. The first is scalability, which asks how you intend to grow your business. The second asks what risks you may encounter, and how you are going to address them.

Once you have completed this section, that's the hardest part of the plan complete and you should have a much better idea of how you're going to grow your amazing business!

SCALABILITY

The term 'scaling' usually refers to how your business can increase revenue at a significantly higher rate than its expenditure. It could also be summarised as increasing growth while improving productivity. Essentially, it means growing the business effectively and efficiently.

More generally, your reader might want to know how you will grow beyond a local market to achieve national and international customers, and how you will generate the opportunity to employ people in the UK. There are many ways to achieve growth, from expansion to franchising. We want to know a little about your plans.

Some questions to help you to start think about this:

- How are you going to take your business from national to international, with real impact, and clients?
- What do you need to grow nationally and internationally?
- How many people you are going to employ
- When you are going to employ them, and what their roles / salaries be
- How can you afford all of the above?

✓ Remember: Ambition is worthless without a plan and the means to achieve it!

🔥 Top tip: Your plan should make the best use of your history, knowledge and contacts to help you grow your business.

Can you start to expand your business into areas of the world you already know well? Think about the areas where you know the culture, language and ways businesses operate, or areas where you have existing links or contacts who may work with you.



RISK

The last part of the operational plan we're going to look at asks about risks. We don't mean compliance and workplace safety here, but instead we want to know what might go wrong, and what you're doing (or going to do) to assess and manage it.

The way to do this, is to consider two main factors – probability and impact. The probability is the likelihood that the risk will happen. The impact considers the effect the risk will have on your business if it did happen.

We measure each of these factors on a scale of 1 to 5, where 1 is very low, 3 is average and 5 is very high. We then calculate an overall risk score by multiplying the two numbers together. You've got two options here – you can either do this manually using the following instructions, or you might prefer to use the Excel risk register which we've included as a download with this guide (this calculates your overall risk for you).

PROBABILITY SCORE X IMPACT SCORE = OVERALL RISK SCORE



Use the following simple steps to assess risk:

1. List down everything which might go wrong. This might include possibilities like you becoming ill, competitors copying what you've done, or clients not wanting what you're offering.
2. On a scale of 1 to 5 (where 1 is very low, 5 is very high) estimate the probability of each risk happening.
3. On the same scale (where 1 is very low, 5 is very high), estimate the impact on your business, if the risk did happen.
4. For each risk, multiply your probability score by your impact score to get an overall risk score between 1 and 25.

You can now see how critical each risk is using the chart below:

Overall Risk Score	
Very Low	1
Low	2-4
Medium	5-9
High	10-16
Very High	17-25

If the score for any risk is between 10 and 16 the risk is high. If the score is 17 or above, the risk is very high. For each of the high and very high risks, you should add further information.






We recommend the use of the terms avoid, tolerate or repair:

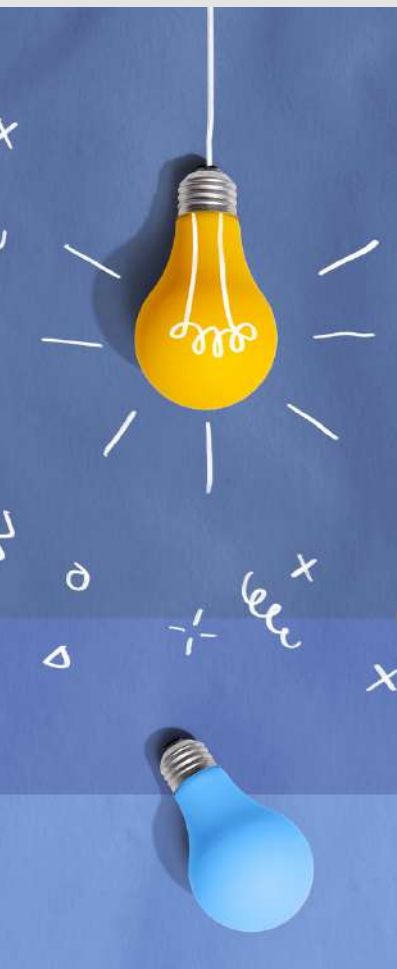
- Avoid suggests that you can do something now to avoid the risk happening.
- Tolerate suggests that if the risk does happen, you can continue to operate while you address the situation.
- Repair suggests that if the risk happens, you will need to take time to address the event and the impact caused.

Remember, when you take action you might want to re-assess that risk, as you will have most likely reduced the score, and hence the severity.

 **Top tip:** You might want to look at the additional risk register which is available as a download, and use this as a template. We've shown you how this looks below:

Innovator International: Risk Register Template										
Category	Reference	Description	Probability	Impact	Score	Total Risk	Response	Avoid Tactic (If relevant)	Tolerate Tactic (if relevant)	Repair Tactic (If relevant)
NOTE - The risks listed below are EXAMPLES. Please delete these and add your own.										
Proposition	P1	Takes longer than expected to develop	Medium	High	12	High	Avoid			
Proposition	P2	Costs more than expected to develop	Low	High	8	Medium	Avoid			
Commercial	C1	Sales aren't as high as expected	Medium	High	12	High	Tolerate			
Commercial	C2	Sales aren't as quick as expected	Medium	High	12	High	Tolerate			
Internal	I1	Circumstances leads to my lack of availability	Low	Very High	10	High	Combination			
Internal	I2	Can't find the staff we need within budget	Low	Medium	6	Medium	Tolerate			
External	E1	Covid19 leads to reduction in ability to operate	Medium	High	12	High	Combination			
External	E2	Competitors release lower cost alternative	Low	Medium	6	Medium	Tolerate			

In the business plan we need to see that you are aware of risks and have plans to mitigate them. There will always be risks. The key is to prepare for them.



ACTION POINTS

Now, ask yourself the following questions:

- How and when do you plan to grow nationally and internationally?
- Which specific regions will you target? Why? How?
- Are there any areas or people that you already know who can help?
- Which are the biggest risks for your business?
- What are your plans to manage the high and very high risks?
- How often will I review the risk plan?

SECTION 8:

Financial Planning



Does the plan demonstrate the need to meet all the financial requirements of the business, including contingency in the event of slow or reduced sales, and how realistic are the key assumptions?



This section will cover:

- Profit and Loss, and Balance Sheets
- Profit and Loss Forecast
- Cash Flow Forecast
- Funding your business



OVERVIEW

The financial section is where all your ideas come together, to show how financially viable the proposition is. This section can make or break a business plan.

We often see plans which make sense up to this point, and then tell us that they're going to make £25m in the first year's trading, or predict revenue way before they even have a product to sell.

This is crucial because if your forecasts are as accurate as they can be, you will have a good understanding of how much money you need to get your business to a sustainable position.

GET PROFESSIONAL HELP!

This area is so important, and it's easy to make mistakes if you're not great with numbers. That's OK – even some of the best entrepreneurs employ people to help them with the finances. The most important thing is that you have a good understanding of what's happening in the business.

If you need help constructing these tables, it's OK to seek professional assistance. There are many financial advisors who can help create these figures – but remember, they rely on YOU to provide the assumptions and key figures in the first place!

If you are competent with numbers and can prepare this information, then please do proceed. There will also be a lot of online resources that help you develop the information and tables that you need to show us. However, if this area is of concern to you, this is not a financial guide – so do seek help.



PROFIT AND LOSS, CASHFLOW AND BALANCE SHEETS

Financial statements typically consist of three main components:

A profit and loss statement measures the profitability of the business model. The figures are based upon your income and expenses, but at the point at which an invoice is generated or received. This allows you to calculate how much money you have theoretically made or lost in that month.

A cash flow statement is based upon the point at which money enters and leaves your bank account. This allows you to calculate your actual cash position at any moment in time. Given that you may invoice someone a month before they pay, this may be quite different from your profit and loss statement.

A balance sheet gives a snapshot of the business at a point in time. Balance sheets can be more complex to produce, so we only need your profit and loss, and cashflow for an application.

A statement shows actual figures – things that have happened and can't be changed. A forecast is your best prediction of what will happen. Forecasts are never 100% right but can be more accurate if based on good assumptions and historical statements.



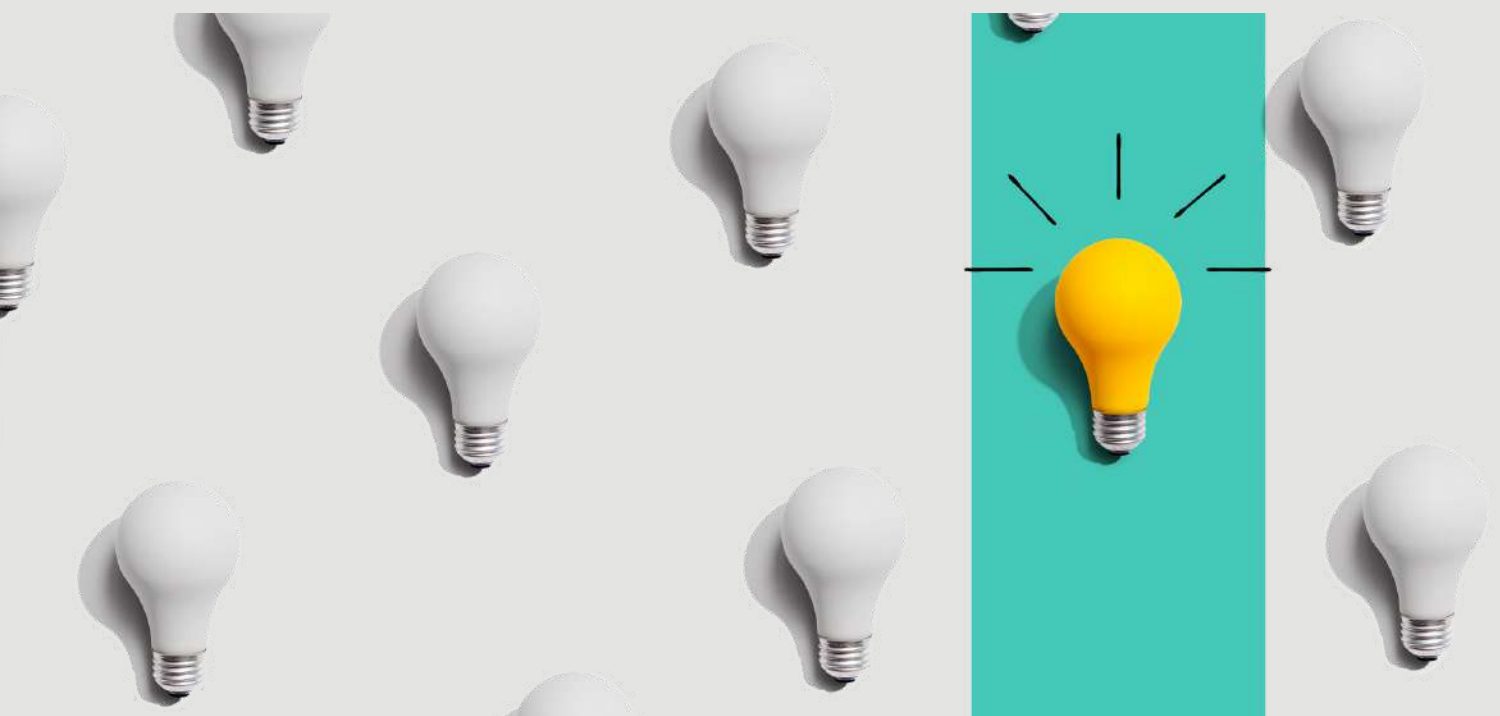
ASSUMPTIONS

Whether you're doing this alone or with help, you will need to develop a set of assumptions. This tells us about the building blocks for your financial model. What are you selling? How many items are you selling? What do you charge? When do you invoice people, and when do they pay you (this is key for your cashflow!)?

Always provide your assumptions, to prevent people from misunderstanding your business. If we see a figure in the monthly revenue for £4,000, we need to know whether that's one customer paying £4,000, or 4,000 customers paying £1!

It's the same situation with your costs. In your plan, you will have identified items or resources that you need - make sure you include these costs in your financial plan, and that they tie in with your Gantt chart. You'd be amazed at how many people have to buy something expensive for their project but don't include this in their financial plans.

This is the last step in showing us that you have a great plan, and you know what you need to do to make this business a success. It also shows us how much you need to spend developing your business, when you will start to raise revenue, and therefore how much money you need in order to get the business to a sustainable position.



PROFIT & LOSS FORECAST

Most people develop their financial forecasts using a spreadsheet such as Excel or Numbers. This is particularly useful, as the spreadsheet can do all the sums for you and it's easy to copy and paste the results into your business plan document. It's also easy to configure and amend, so if you must make a small change, the spreadsheet makes the corrections through the rest of the calculations.

Remember, if you're a new business with no historical figures to use, the less accurate your predictions are likely to be. That's OK – this is just a forecast. As things change, or you get more exact estimates, you can update your plan.

The first step is to prepare your spreadsheet. Your forecast can cover any period of time – we're going to suggest covering 3 years, presenting the forecasts for each month. We're going to have the columns representing each month, and the rows represent the income and expenditure. So, across the top of your spreadsheet either write the month names from the month you're going to start, or you might prefer a more generic header such as Month 1, Month 2, etc. It's good to leave a few spare rows at the end of each 12-month period, so you can sum up the totals for that year.





We're now going to start to list our income. Remember, you won't gain income until you have something to sell, so make sure this is consistent with your Gantt chart. In the header column, enter the header "Income" and under this, list your main sources of income. In each cell, enter your revenue for the respective month - the income from your main business should correspond with what you've told us in your assumptions, where you've detailed what you charge and how many customers you have.

🔥 Top tip: If you're great with spreadsheets, you can set this up so a lot of your calculations are done for you. This makes it much easier to make changes, without having to change each cell manually. You might want to set up your assumptions on one page and tie them in to your income calculations, for example. But, if you're not comfortable getting this right, then it's also fine to keep it all separate.

Also remember to include all sources of income, including grants or investment. You can add a row to show any cash amounts invested into the business. For a start-up this is usually at the start of the project (to fund early expenditure before income from sales arrive). Add up the total for each column to get your net income for each month.

	Month 1	Month 2	Month 3	Month 4	Month 5
Income					
Direct Sales	£0	£0	£4,000	£4000	£6000
Consultancy	£0	£1000	£1000	£1000	£2000
Support	£0	£0	£0	£0	£1000
Our Investment	£20000	£0	£0	£0	£0
Monthly Total	£20000	£1000	£5000	£5000	£9000



You've just worked out how much money is coming in, so now it's time to work out how much is going out. Leave a row under your income totals blank, and then (in the header row) start to write the things that you need to spend money on. You might want to include development costs, materials, salaries, rent, fees, marketing spend and anything else that you need to spend money on. Once you've listed everything you spend, add up the total for each column to get your net outgoings for each month.

Costs					
Platform Dev	7500	7500	2500	2500	2500
Salaries	2000	2000	4000	4000	4000
Premises	500	500	500	500	500
Insurance	50	50	50	50	50
Marketing	250	250	250	250	250
Other Costs	250	250	250	250	250

🔥 **Top tip: REMEMBER** – you're entering the values at the point at which the invoice is issued or received. NOT the point at which the cash enters your bank account, which may be different! That's information for the Cash Flow forecast.

You've now collected all of the key information! Leave another row under your expenditure totals blank and call this new row "Profit". For each month, take away your net outgoings from your net income. If you have a positive figure, you have more cash coming in than you're spending. If the figure is negative, you're spending more than you have coming in.

Finally, we'd add a further line called "Cumulative Profit". This is a sum of all the previous month's profit and losses, which shows your overall financial position regarding profit and loss. This will then help you understand how "financially healthy" your business SHOULD be. You should reset this figure to zero at the start of each financial year – this helps you analyse each year's performance on an individual basis.

	Month 1	Month 2	Month 3	Month 4	Month 5
Income					
Direct Sales	£0	£0	£4,000	£4000	£6000
Consultancy	£0	£1000	£1000	£1000	£2000
Support	£0	£0	£0	£0	£1000
Our Investment	£20000	£0	£0	£0	£0
Monthly Total	£20000	£1000	£5000	£5000	£9000
Costs					
Platform Dev	7500	7500	2500	2500	2500
Salaries	2000	2000	4000	4000	4000
Premises	500	500	500	500	500
Insurance	50	50	50	50	50
Marketing	250	250	250	250	250
Other Costs	250	250	250	250	250
Monthly Total	£10550	£10550	£7550	£7550	£7550
Profit	£9450	-£9550	-£2550	-£2550	£1450
Cumulative Profit	£9450	-£100	-£2650	-£5200	-£3750



CASH FLOW FORECAST

We're now going to create your cash flow forecast. This is a similar document but lets us see how much cash you've got in the business at any time, as a result of your actual income and expenditure.

Repeat the steps you completed to create your Profit and Loss Forecast. However, instead of stating the point at which you send and receive invoices, enter the point at which the cash will enter or leave your account.

In the Profit and Loss, you created lines called "Profit" and "Cumulative Profit". On your cashflow, you're going to call these lines "Monthly Balance" and "Cash Balance". This shows your monthly and overall net cash positions. This will continue from year to year, as it lets you see how healthy your bank balance (or cash position) is.

	Month 1	Month 2	Month 3	Month 4	Month 5
Income					
Direct Sales	£0	£0	£4,000	£4000	£6000
Consultancy	£0	£0	£0	£1000	£2000
Support	£0	£0	£0	£0	£1000
Our Investment	£10000	£5000	£5000	£0	£0
Monthly Total	£10000	£5000	£9000	£5000	£9000
Costs					
Platform Dev	7500	7500	2500	2500	2500
Salaries	2000	2000	4000	4000	4000
Premises	500	500	500	500	500
Insurance	50	50	50	50	50
Marketing	250	250	250	250	250
Other Costs	250	250	250	250	250
Monthly Total	£10550	£10550	£7550	£7550	£7550
Monthly Balance	-£550	-£5550	£1450	-£2550	£1450
Cash Balance	-£550	-£6100	-£4650	-£7200	-£5750


This will also help you understand how much cash you need to raise to help the business get to a sustainable position. Look at your Cash Balance. What's the lowest figure? If it is negative, that's how much additional investment you will require to support the development of your business. That is, assuming that your assumptions are correct! We add a little more on this later in this section (see CONTINGENCY).



CONTINGENCY

Every business plan requires a robust set of financial figures based on solid assumptions. It is extremely rare for a business plan to include accurate forecasts, mainly because entrepreneurs often assume sales will arrive faster than in reality.

One way to account for this is to include a level of “contingency” - a delay or percentage reduction which considers the things which inevitably go wrong, which aren’t seen or planned for in advance.

 **Top tip: Be realistic about your sales projections in the first few months and have contingency plans in case the cash arrives later than hoped for.**

FUNDING YOUR BUSINESS

When you look at your net cash position, it’s likely that in the early months it’s negative while your expenditure is bigger than your income. Your business will reach a point where your income becomes greater than your expenditure, and at that point, the deficit will start to reduce, until you show a positive cash position. The largest negative figure that you can see, demonstrates how much cash you need to get your business to a sustainable position (assuming your income and expenditure forecasts are correct!).

You will need to provide at least this amount of cash to support your business. You must let us know how you are going to provide this amount of cash, with evidence that you have access to these funds. We cannot accept applications which are dependent upon a loan or investment which has not yet been secured.



✓ **Think: What are you going to do if your cash flow falls behind the plan? This needs to be part of your risk management plan.**

🔥 **Top tip: We really want to see the amount of funds the business needs to get up and running and how quickly the business will become self-sustaining.**

It is important to predict how much money you'll need to make your business viable. Your cash flow will show you what you need, and when you need it. Timing is crucial in terms of cash being spent and sales revenues coming in – make sure you are realistic in your forecasts and have contingencies in place!

THE SOURCE OF YOUR FUNDS

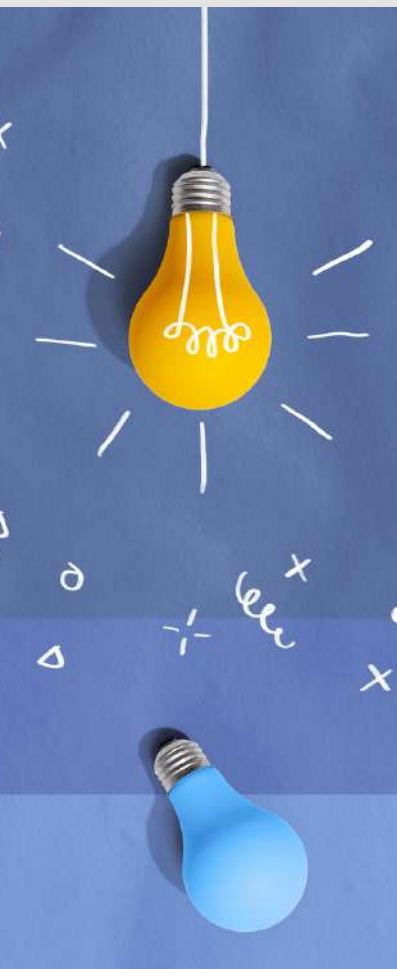
Depending upon who your plan is for, you might want to consider mentioning the source of your funds. This is essential for Innovator Founder Visa applicants, as we need to know that the funding is easily accessible, from an ethical source, and that it can be transferred to the UK.

It's good to provide some basic information on how you've obtained your funds, where they're stored, and how you intend to inject the money into the business.

In addition, are there any conditions related to these funds? If they're from a family member, friend or investor, have they been provided in return for any equity or other conditions? Are they repayable, and in what timeframe?

It's essential that you tell us as much as possible about your source of funding - not doing so may delay any application process,





ACTION POINTS

Now, ask yourself the following questions:

- Decide – are you going to develop this section yourself or do you need help?
- What assumptions have you made about costs and sales?
- What money will you have coming in to the business?
- What money do you need to spend?
- Use these figures to create a Profit and Loss, and Cashflow forecast
- From this, can you see how much money will you need to finance the business?
- Where will you secure this money?

SECTION 9: Final Review



Your plan is almost complete. But, it's worth reading it a few times to make sure it's the best that it can be. Little changes can often make a big difference, and you may have a lot depending upon what people think of your plan.

This section will cover:

- Reviewing your plan
- The document format
- Final Steps



OVERVIEW

You're almost there! You've collated all the information you need in order to complete your plan – now, you just need to turn that information into a story which is easy to read.

This section helps you review your plan, and make sure it's in the best possible format for us to understand – and enjoy! Remember this one key point we mentioned in the first section - we need the right information, not a lot of information!

REVIEWING YOUR PLAN

It's important that you check your submission against the key questions we provided in Section 1. These are the exact questions we ask in the pre-assessment:

To ensure it is **Innovative**:

- Summarise the offering (the solution) and how it differs from existing products or services.
- Who benefits from the offering and how?
- Is there regional, national, or international competition?
- What is the current stage of development of the product or service?

To ensure it is **Viable**:

- Does the project have a strong chance of succeeding in the UK?
- Does the innovator have the skill set to make the project a success in the UK?
- Does the innovator have access to (or a sufficient plan to access) the intellectual, physical, and financial resources to make the project a success in the UK?
- What is the financial requirement, and how are these funds being provided?

To ensure it is **Scalable**:

- How will the project establish itself and grow within the UK (including recruitment)?
- How will the project establish itself and grow internationally?

All of these answers need to be present in the plan so that we can assess it correctly.



THE DOCUMENT FORMAT

The plan needs to read well. Like a good story or book. We want to be engaged, and we want to enjoy reading this. So now is the time for you to review your plan and add some character and warmth. We don't want an overly formal, cold plan. If we can really understand who you are and what your project is, that's beneficial for you and for us.

As you put all of your content together, you'll also need to include these sections:

- Index and contents page
- Executive summary
- Appendices

Of course, you'll also need a cover page – we've included an example in the template.

Let's now look at these other sections:.

Index and Contents Page

You will need to include a contents page or index at the start of your business plan. This helps guide the reader through the document, and also allows them to find information they need quickly and easily.

The index or contents page needs to have the main document headings, and the corresponding page number. You can automatically generate this section using the "insert table of contents" function on Word which will save you time.





Executive Summary

This is a summary of your whole plan in no more than a couple of pages. This should be the last thing that you write. A good method is to write your whole plan until it feels just right. Then go back through each section, copy the most important points and paste it here. Finally, read through this new section with all of the pasted points and make it more fluent to read, rather than just having a section of pasted bullet points.

When you edit the content, think:

- Does it make sense?
- Is it a good representation of your plan?
- If someone read this and nothing more, would they have a good idea of what you're trying to achieve?

That's what your executive summary should be: something that someone can read to decide if they want to read the rest of the document. This is your first impression.

✓ Remember: If you make it interesting and compelling, you will make the reader excited about the rest of the document, and wanting to know more!

Appendices

The appendix is where you can include all the additional documents and data that you didn't include in the business plan.

As we mentioned, this might include things like screenshots of your software to support the reader in understanding your product, data collected from speaking with potential clients, or other documents.

You might have this information in different formats:

- Illustrations or images of your products
- Any marketing material you want to demonstrate
- Market research, for example the conversations you have with potential clients
- Competitor information (and possibly screenshots of their social media or websites if this is relevant)
- Charts, graphs or tables, demonstrating ideas you have included. For example an organisational chart to show the growth of your company as you recruit.

You might also prefer to include the full versions of your financial planning and risk management documents and use only snippets of these in the main body of your business plan document.

There is also space here to include any additional legal documents which may be relevant. These might include licences or trademarks, for example.

🔥 Top tip: Do you have any awards, achievements, or other relevant? You might want to include these here to support your application and demonstrate some of the ideas you have mentioned.





FINAL STEPS

Check your business plan template for grammar and spelling. Don't submit a document with errors if you can avoid it.

You also want to check it reads well and includes all the relevant information. Is there any information that is surplus? Remove this. Remember: we want the correct information, not too much information.

If you remember back to Section 1, we presented a list of tips to help you review the content before you submit it. You might want to look back at this list – here's a summary of the key points:

1. **Document Size:** 30 pages is a good length to communicate your story.
2. **Quality:** Focus on the quality of the content, not the length.
3. **Readability:** It should be smart and easy to read, like a good book.
4. **Images:** Pictures can help your reader visualise your project.
5. **Text:** Pick an appropriate font in a good size.
6. **Attention:** Every section should be short, impactful, and easy to understand.
7. **Relevance:** Include attention to relevant detail. Tell us what matters.
8. **Timeframe:** Pay attention to your timeframe and ensure it's realistic.
9. **Finances:** Detail your assumptions, and how you turn your idea into invoices.
10. **Format:** Save and send your document as a PDF.



CONGRATULATIONS!

When all of this is complete you are almost ready to submit your business plan.

Make sure you read your plan – and then, read it again. Make sure you’ve answered all of the key questions and provided the information we need to see. Why not have a friend or colleague read it for you? Ask them if there are sections they don’t understand, or where they would like further clarification.

When you’re finally happy with it, save it (it’s best to save in PDF form) and submit your application.

We thank you for reading this guide and hope that you have enjoyed it. We wish you luck and really look forward to seeing your great plan!



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