

6.4. Tips and Tricks around Business Planning

Writing a business plan can seem daunting if you've never done it before. However, it's something you can't afford to put off or ignore. Having a sound business plan is crucial to the survival and development of your business ([see also Chapter 4](#)).

6.4.1. Tailor your business plan to your audience

The starting point for any business plan is audience. Who is going to read it? What is the purpose of the plan - is it to secure funding? Maybe you need to attract a business partner. Although key facts and figures will remain the same, tailor different versions of your plan to specific audiences' needs. For example, a potential investor will be looking for a clear explanation of how they will get a good return on their investment. A bank manager will seek proof you can afford to pay back a loan before they provide funding

6.4.2. Research your market thoroughly

As viewers of the BBC's Dragons' Den series will know, prospective investors place great emphasis on market knowledge, which is why your research must be thorough. Information about your market must be detailed in your business plan, and you must show great awareness of your opportunities and threats, which requires considering your strengths and weaknesses.

6.4.3. Identify your competitors

To understand your market, you must recognize all competitors - who they are, their strengths and weaknesses and the likely implications for your business. All businesses face competition - your plan should show you have a clear strategy for dealing with all your competitors.

6.4.4. Pay attention to detail

Your business plan should get to the point, but it must include enough detail to ensure the reader has the information they need to understand your business. Your plan should make people believe in your ability and professionalism, which means there shouldn't be any spelling mistakes, errors, unrealistic assumptions or fantasy figures.

6.4.5. Focus on the opportunity your start-up offers investors

If you're seeking investment, clearly describe the opportunity. Why would somebody invest in your start-up as opposed to another? What is your unique selling proposition - what makes you special? Why will people buy from you? Your plan should answer all these key questions.

6.4.6. Don't leave out important facts

Basically, your plan must describe your products/services, customers, competitors, management team, operations, financials, development goals and strategy. If you miss out key facts, it will not reflect well on you when you present your plan to others.

6.4.7. Get your financial information right

Your business plan's financial information will face particular scrutiny. Cash flow should be documented in full, and your sales predictions need to be well founded. While costs are easier to predict than sales, both must be included. If figures really aren't your thing, seek assistance when producing your business plan, perhaps from an accountant or other trusted adviser.

6.4.8. Make your executive summary convincing

Arguably, your executive summary is the most important part of your business plan. More experienced readers will read it first, so they can quickly find out key facts and figures. If your executive summary doesn't engage them and encourage them to read on, the battle is lost. An executive summary provides headline figures and condenses your strategy into key points. Although it appears at the front of the document, leave writing it until last. By all means, make it engaging and impressive - but keep it realistic.

6.4.9. Seek a second opinion from a business Coach

Once you've completed a draft of your plan, have it independently reviewed. Choose someone who can offer independent, constructive criticism - perhaps an accountant or business adviser. Your local Chamber of Commerce or Enterprise Agency might be able to help. Their review might prompt questions you need to address in a revised draft.

6.4.10. Implement your business plan properly

A business plan should be a tool you use to judge performance and guide your strategy and the development of your business. It should contain specific goals, deadlines and responsibilities. It must be reviewed and updated regularly. A winning business plan will help ensure your business stays focused on what it needs to do to achieve its key goals.

6.5. Success Factors

It's very important to choose the right indicators in the evaluation of the startup: actionable indicators and not vanity indicators. For example, a supermarket can set a vanity indicator - number of customers, but an actionable indicator is the volume of revenue per day. The number of customers may increase, but they can buy considerably less in time.

6.6. Ten Tips and Tricks to be successful as an Entrepreneur

Here are our best 10 tips and tricks to help you make it as a successful entrepreneur. We used this [blog source: https://www.santam.co.za/blog/business-advice/10-tips-for-becoming-a-successful-entrepreneur/](https://www.santam.co.za/blog/business-advice/10-tips-for-becoming-a-successful-entrepreneur/)

6.6.1. Do Solid business planning

Planning plays a crucial role in any business success. A business plan (see also previous paragraph and [chapter 4](#)) is a good place to start – defining your skills and weaknesses, what you offer, how it's unique and how you plan on growing your offering. What's more, try to prepare yourself mentally and practically for anything that could go wrong and how you would deal with it. For example, what happens if you get injured? What if clients pay you a month late? What if a weather disaster affects you? Or a trusted supplier goes bankrupt?

6.6.2. Prepare for Financial Challenges

Cash flow was by far their biggest challenge when starting up a business (source: [survey Santam](#)). Deal with cash flow blows by saving for a month's worth of expenses or by getting creative with how you lower your overheads. You could offer clients a discount if they pay a deposit or the full amount upfront, or even an incentive – e.g. pay 10% less if you deliver your product or service a week earlier. Whatever you do, be extremely careful of debt – this is one of the biggest killers of small business success.

6.6.3. Be Cautious - Remember you're starting up a business

Resist the temptation to splash out on fancy offices, expensive equipment and over-the-top marketing. Your company's livelihood depends on what's in your wallet so every rand and cent must be triple-checked. Maintain a low overhead and manage your cash flow effectively. For one of our 1001 days survivors Jamie Pike, this meant foregoing a physical shop at first and selling his wares at a market; for design duo JesseJames it meant sharing their premises with other small businesses.

6.6.4. Ask for help!

There are loads of resources out there for networking, knowledge sharing and advice. Networking is not just for new business opportunities; it can be a wonderful source of support and fresh ideas. Attend events of your industry and regional business networks. Ask for advice from those around you (such as your intermediary, bank manager, landlord or neighbouring businesses), or online forums and Facebook community groups in your area.

6.6.5. Put your faith in a trusted mentor

It can be a family member, former boss or colleague or even a trusted online source or blog. A mentor is an invaluable sounding board – someone who’s been where you are; someone with whom you can have regular, non-judgmental check-ins. 61.9% of respondents in our survey didn’t have mentors – however those that did said that they found mentors to have a significantly positive impact on their businesses.

“My mentor pushed me beyond my biggest fears”, said one female entrepreneur who took part in our survey. “It’s not somebody who will take over”, agrees Cooked Inc’s Mariam Jakoet Harris. “It’s someone who’s going to nurture and help you.”

6.6.6. Marketing on a small budget

Marketing your new business is extremely important but doesn’t have to cost too much. Social media is your friend – creating your business page on Facebook or LinkedIn is free and will help your online search ranking. So is submitting your website URL to search engines like Google and Bing – it’s completely free.

Also keep an eye out for community Facebook groups – some will require a small advertising fee while others allow you to advertise your business on certain days of the week. The bottom line with marketing is to try anything and everything. You won’t know what will work for you until you try it.

6.6.7. Look after number one

Entrepreneurship is a lifestyle – the days of 9-to-5 are over. That’s not to say that you must work yourself into the ground. Exercise regularly, eat healthily and find the time to relax or you’ll end up being less productive. Of Entrepreneurial respondents, 64% said that they had to give up precious time with their family and friends due to work responsibilities ([source Santam](#)). Working on your time management skills will help you clear enough time in your day to spend with loved ones.

6.6.8. Build a team that shares your vision

It’s simple: great people make a great company. As your business grows, you might need to hire staff. Firstly, take the time to interview people thoroughly to ensure that they fit your culture and share your values. Secondly, it can be hard to let go but it’s important to learn how to delegate tasks. Finally, don’t expect people to be your clones. Be open to new opinions and suggestions. It’s always good to get fresh perspectives on old ways of working.

6.6.9. Life Long Learning

Starting your own business is a constant process of growth and learning. It's important to enrich yourself with both practical and emotional skills. Take a look at free or low-cost e-learning resources such as the Hubspot Academy, Udemy and Inc.edu.

Sharpen your project or time management skills, learn a new software programme or teach yourself how to run your own social media campaigns. You can also work on your management, presentation and motivational skills. If you travel a lot, podcasts and things like TED talks are great ways to inspire and educate yourself.

6.6.10. Safeguard your venture

The best entrepreneurs don't seek risk, they seek to mitigate risk. Small business insurance is one of the best ways to look after your livelihood, and it's more affordable than you think. Make sure that your precious stock and premises are covered in an emergency such as a fire or theft.