

BASIC BUSINESS PLANNING CHECKLIST

Market Research

- Make a list of the products and/or services you will be providing, along with pricing. Carefully research any potential competitors or other companies operating in a similar space. What are their strengths/weaknesses?
- Understand what makes you unique in the marketplace (ie. what is your competitive advantage)? If you're not clearly offering something that is different from, better than, and/or at a better price than the competition, you may want to reconsider your plans to start a business.
- Determine who will be interested in buying your goods/services (ie. your demographic), as specifically as possible. Who are they, where can you find them, how many of them are there, what are they willing/able to pay for what you have to offer? Why will they purchase from you instead of your competitors?
- Talk with friends, mentors, and other trusted contacts. Do they see the appeal of the products and/or services your company would provide? Would they pay the price you will need to charge in order to turn a profit?

Marketing

- After choosing a [name](#) for your business entity, investigate whether it's [trademarkable](#).
- Find an available [good url](#) for your business; [purchase the domain name](#). Note that in some cases a Facebook page may be adequate for getting started; a dedicated website can come later.
- Determine social media handles and check their availability (if applicable).
- Does your company have a mission? If so, clarify it and make it part of your marketing.
- Work on your branding assets (name, tagline/mission, logo, color palette).
- What specific types of marketing will you do to get the word out to potential customers (social media, print, radio, sponsorships, etc), and how much will you spend on each type? What types of free marketing are available to you? Write this all down in detail.
- Create your written marketing plan for at least year one. Make sure that your marketing costs are accounted for in your financial projections.

Human Resources

- If you will have at least one employee, it is recommended that you take these next steps BEFORE hiring that individual.
- Write job descriptions for each employee (including yourself). These descriptions can change over time, but it is highly advisable to have them in place so that expectations are clear.
- Determine how much you will pay for the position. Consider what your company can afford, as well as what people make in similar positions in your geographic area.
- Make sure that you are accounting your labor costs in your financial projections. If you cannot

afford to hire employees, you will need to do more yourself until the business grows.

- Consider your values as an employer. Ideally, write these down. This could be just for you to see, to keep you aligned with your values, or you could choose to share them with your team as Company Values.
- Decide how you will attract qualified talent, and determine how you will create a positive work culture in order to retain your employees.
- Create an employee handbook that clearly outlines company policies and benefits (attorney review is recommended).
- Create a performance review process that reflects your company's values, along with clear guidelines for employee performance. Determine your process for handling any potential performance issues with employees.
- Review OSHA guidelines for the size of your business and ensure compliance with applicable safety regulations. If your industry has additional health, safety, or labor regulations, ensure that you are compliant.

Financial Planning

- Make a list of the products and/or services you will be providing, along with pricing. How many of each do you think you can sell in a week/month? Why do you think this?
- Create a financial projection spreadsheet for your first 3-5 years of business. For your expenses, be sure to include both start-up costs, and ongoing operational expenses. Break expenses down into fixed expenses (ex: rent doesn't change if you are selling less product), and variable expenses (such as cost of goods, which will vary based on how many units you sell). For your incomes, make sure your projections are substantiated by market research, and are not overly optimistic.
- Determine how much capital you will need to start up, and where you will get that from. In most cases, you will need to come up with the funds yourself, or take a "shoestring" approach, meaning that from Day One the business generates more income than your expenses.
- Even if your intention is to start on a shoestring, determine where you can access capital in the event of an emergency. Many early-stage businesses fail due to lack of adequate capital. Friends and family loan? Home equity line of credit? Angel investment groups? Local organizations that support economic development? It is difficult to get bank loans until you have at least two years of profit and loss statements to show.

Miscellaneous

- Additional requirements, such as certifications, professional licenses, and permits, may exist within your industry. Be sure to research your industry standards, and follow all best practices.
- Consider hiring an experienced small business consultant to assist you during the envisioning and/or start-up phase. A skilled consultant can enhance your efficiency, saving you both time and money while you tackle the numerous tasks involved. They also offer valuable insights on business operations, boosting your knowledge base and confidence as a fledgling entrepreneur.