



# “HOW TO...” FAQ

## Create a Business Plan

### What is a business plan?

Think of your business plan as a guide as you start your journey as a business owner. The plan maps out each step in the process giving you a checklist that ensures you are taking each of the steps you need to be successful in the short and long-term.

#### Starting your business

Starting a business is a major endeavor and like any serious commitment, it requires planning. Is your concept viable? Will you need employees? Will you need local or state approvals and licensing? A business plan will help you answer these questions and the challenges you are yet to face, long before you invest precious time and money.

#### Resources are here

Our team at the New Jersey Business Action Center (NJBAC) is available to answer questions to help you formulate your business plan. They can provide outlines and samples to help you make the right business choices and guide you on how to make the best first impression to achieve your goals.

#### Keeping your business afloat

Many new business owners underestimate the amount of funds required to start and nurture a business. How will you finance your business? Will you self-fund, seek money from friends & family, or approach conventional lenders for financing? What about non-conventional lenders? Do you know who they are and how to contact them?

#### Pieces of the puzzle

When writing your business plan you may come across unfamiliar terms. Think of them as interlocking pieces of a puzzle. Together, these pieces help define your vision and build confidence in others about you and your business' ability to succeed. On the reverse side we have defined the most frequently used terms.

### Business Questions? We Have Answers!

#### Call Our Business Helpline 1-800-Jersey-7

Located within the New Jersey Department of State, the New Jersey Business Action Center is a business-first resource that can help you get answers from government agencies, direct you to appropriate officials or contacts, facilitate meetings and follow-ups with regulatory agencies and so much more, all at no cost and strictly confidential. Business support is one call away and we offer guidance in both English and Spanish.

**“We are from State Government and we’re here to help all businesses grow!”**



## The pieces of the puzzle - definitions

**Executive summary** – a one or two-page summary of the business plan includes information about the business including the products or services it offers, the market it seeks to fill, and why you want to be in business

**Business description** – business name, address, owner, goals, objectives, reasons to be in business

**Market analysis** – describes total market, industry trends, target market, customer base, competitors, products, brand names, unique features, competitive advantages and disadvantages

**Operating requirements** – equipment, facilities, people needed to operate, means of production, logistics

**Marketing strategy** – target customer, attributes to promote, advertising methods, pricing, sales, distribution, service

**Funding application** – financial needs, dollar amount requested, terms and timing, type of securities, earnings projections, exit strategy

**Overcoming Difficulties** – risks, potential problems, solutions

**Business Management Structure** – legal form of the business, board of directors, staffing, employee numbers, facilities plan, operating plan for one to two years

**Financial information** – profitability, start-up costs, expected return on investment or profit, financial history, financial statements, projections

**Appendix** – relevant documents, permits, credit history, product images

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