

Insights

The Business Plan: Your Path to Success

Because I am committed to helping you get your book published, this year I've decided to offer you a 12-part series which analyzes the book publishing process from start to finish. The topic for December concludes this series by addressing the business plan you need to create for your book. Keep in mind, however, since your book is to be integrated with your business, this business plan needs to address your entire company, not just the book itself.

The Business Plan serves eight critical objectives in your business:

1. Becomes your roadmap to building and sustaining a profitable business
2. Allows you to make day-to-day and business critical decisions with confidence
3. Provides a pro forma revenue model
4. Can be used to attract investor funding
5. Gives you much greater credibility
6. Defines the mission and vision for your company
7. Incorporates by reference a marketing plan
8. Allows you to attract business partners, JV Partners, and affiliates

When you take our course, the ***Entrepreneur's Guide to Book Publishing Profits***, we actually cover the detailed content of a Business Plan. While space here precludes us from doing that, I do want to address three primary considerations of a business plan.

- Pro Forma Revenue Model
- Marketing Plan
- Other People's Money

Pro Forma Revenue Model

The revenue model you create for your business should be a forward-looking document which forecasts the income and expenses for the next 12 to 24 months. I prefer 24 months because sometimes it takes a business 6-8 months to turn a

recognizable profit and so you want to present a realistic picture of the company's long-term growth strategy – which is easier to do by depicting the 24-month revenue schedule

When creating your revenue model, be as realistic as possible in stating your expected income and expenses. This is no time to “pad” your income or discount actual expenses.

Marketing Plan

Oftentimes, a Business Plan will incorporate a marketing plan by reference and then include the marketing plan as an appendix. Since developing the business plan will require a significant time investment on your part, it is a good idea to address the marketing strategies at the same time.

By now, you should realize while it is tempting to believe you can write your own business and marketing plans, it is actually much easier to hire this out and lead your team in writing them for you. Not only can a good team get these plans written in less time than you could, but the overall quality of your plans will also be better.

Other People's Money (OPM)

Many times clients come to me and say they've just spent their last \$500 on a coaching program and now want to know how to start their business with no money left. The business plan is one option!

If you have a clear vision which resonates with other potential business partners or investors, you can use your business plan to attract OPM – other people's money! Of course, it is a requisite your business plan must have a professional appearance before it can ever perform this function: a poorly written business plan will most assuredly scare off any potential investors you could otherwise have attracted. You can solve this problem by having a professional business plan writer write your business plan.

Homework

Now, let's take a look at your business. Have you ever had a business plan created for your company? If not, ***by when*** will you create a business plan?

Who will you bring onto your team to help you complete the business plan? **Who** will hold you accountable?