Business Planning in the Voluntary Sector

Why plan?

- o to clarify and meet your aims and objectives
- o to spot potential risks and problems
- o to set out your goals
- o to measure your progress, keep on track, manage performance
- o to ensure you do not accumulate losses
- o to ensure you comply with legislation and regulations
- o to plan your approach and monitor your activities over time
- o to raise money for the organisation or specific projects. It can be shown to other people who might provide or lend money, eg funders, public bodies, the bank.
- o you can also use your plan to introduce new groups of people to your organisation, such as volunteers or funders. Health and safety is very important, and the standard of care imposed by legislation is much the same regardless of the size of the organisation.

What should our business plan say?

A business plan is a clear and documented account of the activities you have decided to undertake over a given period of time, why you're doing them and the cost of making them happen. It should cover objectives and strategies, and enable the organisation to deliver more effectively. An effective business plan would usually span 5 years.

Business plans are as individual as the groups that develop them, but these are the main elements to be included:

1. Executive summary (write this last)
- o Organisational summary (what your organisation does)
- o Market summary (who you're doing it for)
- o Financial summary – what we have, main sources of income, expenditure
- o What we need to make it happen (resources, people, money, etc.)

2. About your organisation
- o Vision, mission, values
- o History
- o Where we are now
- o Legal status
- o Our aims

3. What we do
o Products and services

4. Our market
o Beneficiaries
o Customers
o Donors, funders and supporters

5. Market research and testing (How you know your service is needed and not provided anywhere else)
o Research
o Testing

6. How we reach our market
o Marketing strategy
o Marketing plan
o Our brand
o Key relationships (stakeholders, beneficiaries)

o **7. Market analysis**
o PESTELE (Political, Economical, Social, Technological, Environmental, Legal and Ethical) analysis
o Competitor analysis
o Who are our competitors?
o Table of competitors
o SWOT (Strengths, Weaknesses, Opportunities and Threats) Analysis
o Summary

8. Operational plan (Not all points are relevant to all organisations)
o Milestones and timescale
o Resources
o Partners and suppliers
o Premises and equipment
o Transport and logistics
o Payments
o Legal requirements
o Insurance

9. People, management and governance
o Our team
o Our board

o   Management structure

10. Impact Summary
o   The change you want to make
o   What you plan to measure
o   How you will measure it
o   How you will use what you learn
o   How you will communicate what you learn

11. Budget
o   Costs
o   Income
o   Pricing

12. Financial forecasts
o   Cash flow forecast
o   Costs table

13. Risk Register (circumstances that could affect your organisation)
E.G Resignation of CEO, loss of regular or major funder, etc.)
o   Risk
o   Likelihood
o   Impact
o   Mitigation Tactics

14. Contact details

Remember who you are writing the plan for: your management committee, your staff, members, clients. You should be honest and realistic when setting out your aims and objectives and how you intend to deliver them.

The information supplied in the 'public version' of a Business Plan may be slightly different to the version you will use for yourself. You should consider the information you supply to any third party carefully.

Who should be involved in the planning process?

Depending on the size of the organisation, it is important to involve all key players in the development of the plan. In voluntary organisations it is quite common to consult with clients, service users or members, as well as staff and/or the management committee.

Sources used
CVS Cheshire East
https://knowhow.ncvo.org.uk/how-to/how-to-write-a-business-plan-for-your-charity