

4) Types of business plans — when to use each

• **Startup / investor plan** (the traditional business plan.): A full, detailed plan created to secure funding from venture capitalists, angel investors, or banks. Includes: market analysis, competitive landscape, business model, go-to-market strategy, detailed financial forecasts (3–5 years), team bios, and risk analysis.

When to use it: - When launching a new startup that needs outside capital. -When an existing business is planning a major expansion and seeks investment.

• **Operational / internal plan:** A practical plan focused on internal operations—processes, teams, budgets, KPIs, production, and workflow improvements.

When to use it: -For department planning (marketing, operations, HR). - For annual operating budgets and performance reviews. - For aligning teams on execution after the strategic direction is set.

• **Strategic plan:** A high-level, long-term plan (typically 3–5 years) used by leadership to set direction for the entire organization. Includes: mission, vision, long-term goals, strategic initiatives, market positioning, and resource allocation priorities.

When to use it: -Board meetings or annual strategic retreats. - Planning major shifts (new markets, acquisitions, rebranding). - Aligning all departments around the same long-term goals.

• **Feasibility plan:** A short plan (often 5–10 pages) created to test whether an idea is worth pursuing before investing heavily. Focuses on: concept viability, market demand, preliminary financials, and key assumptions.

When to use it: - Before committing to a new product. - Before launching in a completely new market. - Before spending money on manufacturing, hiring, or research and development.

• **Pitch plan / executive summary + deck:** A very brief, persuasive version of the business plan—often a 1–2 page summary and a 10–15 slide deck. Focuses on: the problem, solution, traction, market size, business model, and ask (how much money you want).

When to use it: - Investor presentations. - Accelerators and pitch competitions. - First meetings with partners or stakeholder

Task1 : Write the correct type of business plan next to each situation.

1. The management team needs a document outlining staffing needs, workflow processes, and operational requirements for the next year. →
2. A business wants to analyze whether a new product line is technologically possible and financially worth pursuing. →

3. A new startup needs to outline how they will acquire customers, generate revenue, and structure costs before launching. →
4. A retail company wants to set long-term targets for expanding into online sales, improving logistics, and increasing market share. →
5. A founder wants to present their business idea to investors and convince them to provide funding. →

5) Anatomy of a professional business plan : Below is a recommended structure with purpose, content, writing tips and recommended length for each section. This is the source level detail students need to write substance, not just slides.

<p>a) Cover page & table of contents</p> <ul style="list-style-type: none"> • Purpose: identify plan, author, date, confidentiality notice, and add contact info. <p>b) Executive summary (1 page recommended; 250–400 words)</p> <ul style="list-style-type: none"> • Purpose: stand-alone capsule that convinces a reader to continue. • Must include: problem, solution (product/service), market (size + target), business model (how you make money), traction/validation, competitive advantage, team, funding ask & use of funds, key milestones. • Writing tip: write this last. Make every sentence count; avoid jargon. <p>c) Company description</p> <ul style="list-style-type: none"> • Legal form, history, mission, vision, current status (prototype, revenue), location, and milestones to date. <p>d) Market analysis (2–4 pages)</p> <ul style="list-style-type: none"> • Market segmentation, TAM / SAM / SOM estimates (with assumptions), customer personas, competitive landscape, distribution channels, pricing sensitivity. <p>e) Data requirement: cite sources for market size; if unavailable, show and justify assumptions. Use SWOT + Porter to synthesize competitive threats.</p> <p>f) Products / services & value proposition</p> <ul style="list-style-type: none"> • Features, benefits, IP, lifecycle, R&D roadmap, price points, and comparables. Include photos/diagrams if useful. <p>g) Business model & revenue model</p> <ul style="list-style-type: none"> • How you charge (unit sales, subscription, licensing), pricing logic, gross margin drivers, expected customer acquisition cost (CAC), lifetime value (LTV) — if possible. <p>h) Marketing & sales strategy</p> <ul style="list-style-type: none"> • Positioning, brand, channels, sales cycle, promotions, partnerships, 6–12 month launch plan. 	<p>i) Operations plan</p> <ul style="list-style-type: none"> • Production process, suppliers, capacity, lead times, quality control, location, inventory policy. <p>j) Management & organization</p> <ul style="list-style-type: none"> • Org chart, key roles, short bios for founders/executives, advisors and recruiting plan. <p>k) Financial plan</p> <ul style="list-style-type: none"> • 3-year (minimum) pro forma: income statement, cash-flow, balance sheet (top-level), unit economics, break-even analysis, sensitivity scenarios (best / base / worst). • State assumptions explicitly (how price, volume, COGS, capex, and working capital were derived). <p>l) Funding request & use of funds</p> <ul style="list-style-type: none"> • Ask amount, instrument (equity, loan), valuation (if applicable), use of proceeds by category (capex, opex, marketing), and milestone-linked tranches. <p>m) Risk analysis & mitigation</p> <ul style="list-style-type: none"> • Top 5 risks (market, operational, regulatory, financial, team) and mitigation plans. Investors value realistic risk assessments. <p>n) Appendices</p> <ul style="list-style-type: none"> • Supporting data: survey results, supplier quotes, patent docs, detailed financial schedules, CVs, sample contracts.
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