



Business Planning Session

On our way to the future!

SAM ALBRECHT

21 MAY, 2016

Introductions/Expectations

- About Sam Albrecht, CAE



Approach

- Why business planning?
- Survey data
- Alignment
- What a business plan is not
- About business planning
- Resources



“If you always do what
you’ve always done,
you’ll always get what
you’ve always got.”

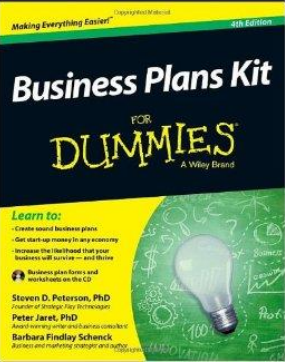
- Henry Ford

Why is a Business Plan Important?

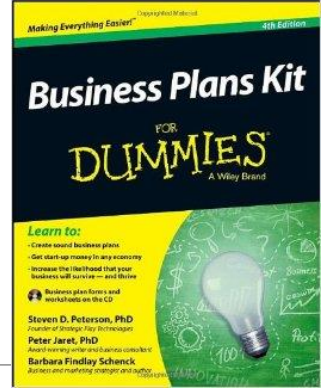
By [Steven D. Peterson](#), [Peter E. Jaret](#), and [Barbara Findlay Schenck](#) from [Business Plans Kit For Dummies, 4th Edition](#)

Nearly all business experts agree on one thing: the importance of drafting a business plan. Yet plenty of companies plunge into the competitive arena without a formal plan. Why? We've heard plenty of excuses posing as reasons.

A lot of new businesses are carried away and figure their passion and optimism are enough to build a successful company. Others say they were just too busy to develop a formal business plan. But operating without a plan can prove even more time-consuming in the long run.



The benefits of having a business plan



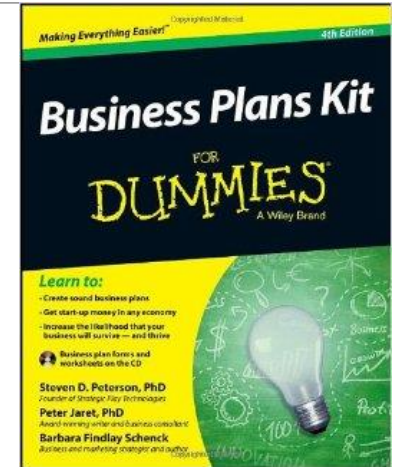
The time you invest in your business plan will pay off many times over. Some of the most obvious benefits you can gain from business planning include

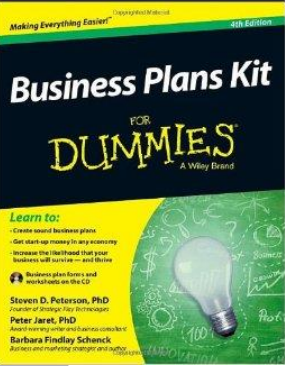
- An opportunity to test out a new idea to see if it holds real promise of success
- A clear statement of your business mission and vision
- A set of values that can help you steer your business through times of trouble
- **A blueprint you can use to focus your energy and keep your company on track**
- **Benchmarks you can use to track your performance and make midcourse corrections**
- **A clear-eyed analysis of your industry, including opportunities and threats**
- A portrait of your potential customers and their buying behaviors
- A rundown of your major competitors and your strategies for facing them
- An honest assessment of your company's strengths and weaknesses



The benefits of having a business plan (2)

- A roadmap and timetable for achieving your goals and objectives
- A description of the products and services you offer
- An explanation of your marketing strategies
- **An analysis of your revenues, costs, and projected profits**
- A description of your *business model*, or how you plan to make money and stay in business
- An action plan that anticipates potential detours or hurdles you may encounter
- A handbook for new employees describing who you are and what your company is all about
- **A résumé you can use to introduce your business to suppliers, vendors, lenders, and others**





What can go wrong without a business plan

The many benefits of having a business plan should be enough to convince you. But in case you're still wavering, consider what can go wrong if you don't take time to plan. You risk

- Running out of cash before you open your doors because you haven't anticipated your start-up costs
- Missing sales projections because you don't really know who your customers are and what they want
- Losing customers because your quality or service falls short
- Becoming overwhelmed by too many options because you never took the time to focus on a mission and vision for your company
- **Going bankrupt because you don't have a rational business model or a plan for how to make money**

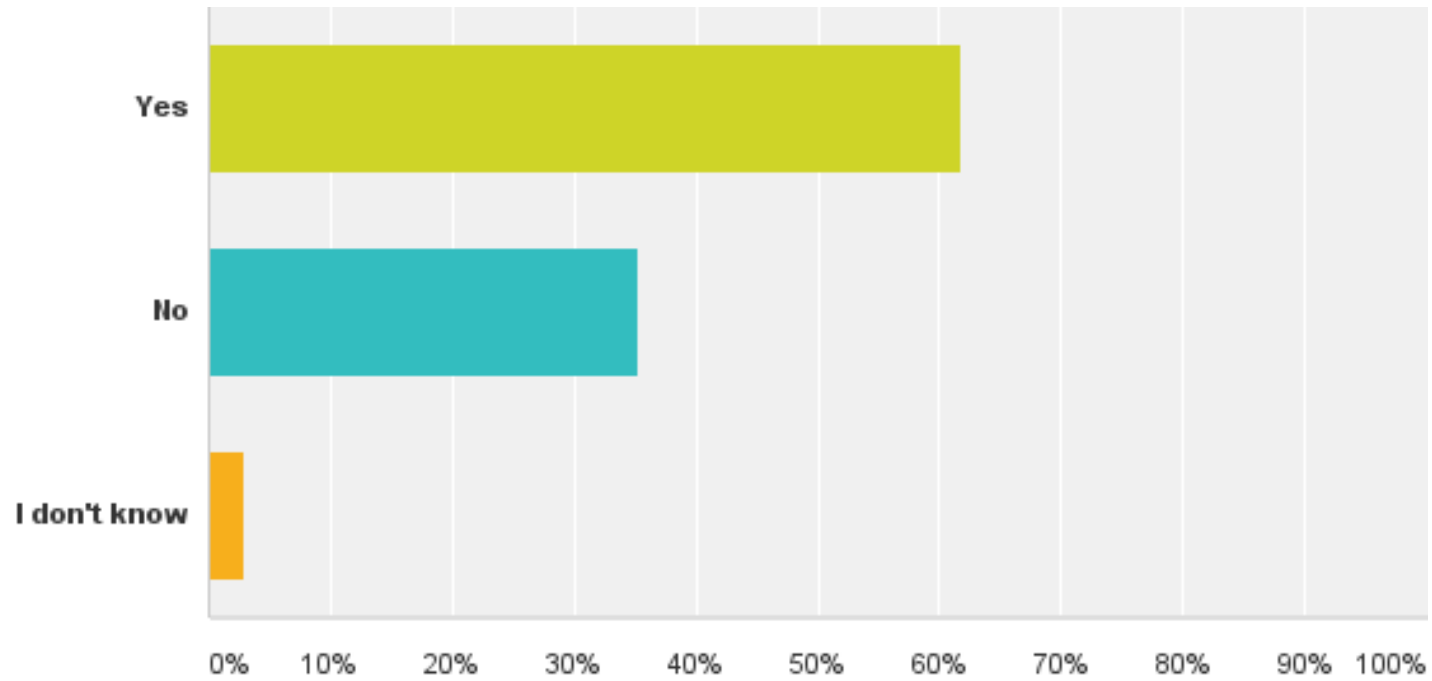


Strategic & Business Planning - Region 5

Wednesday, July 22, 2015

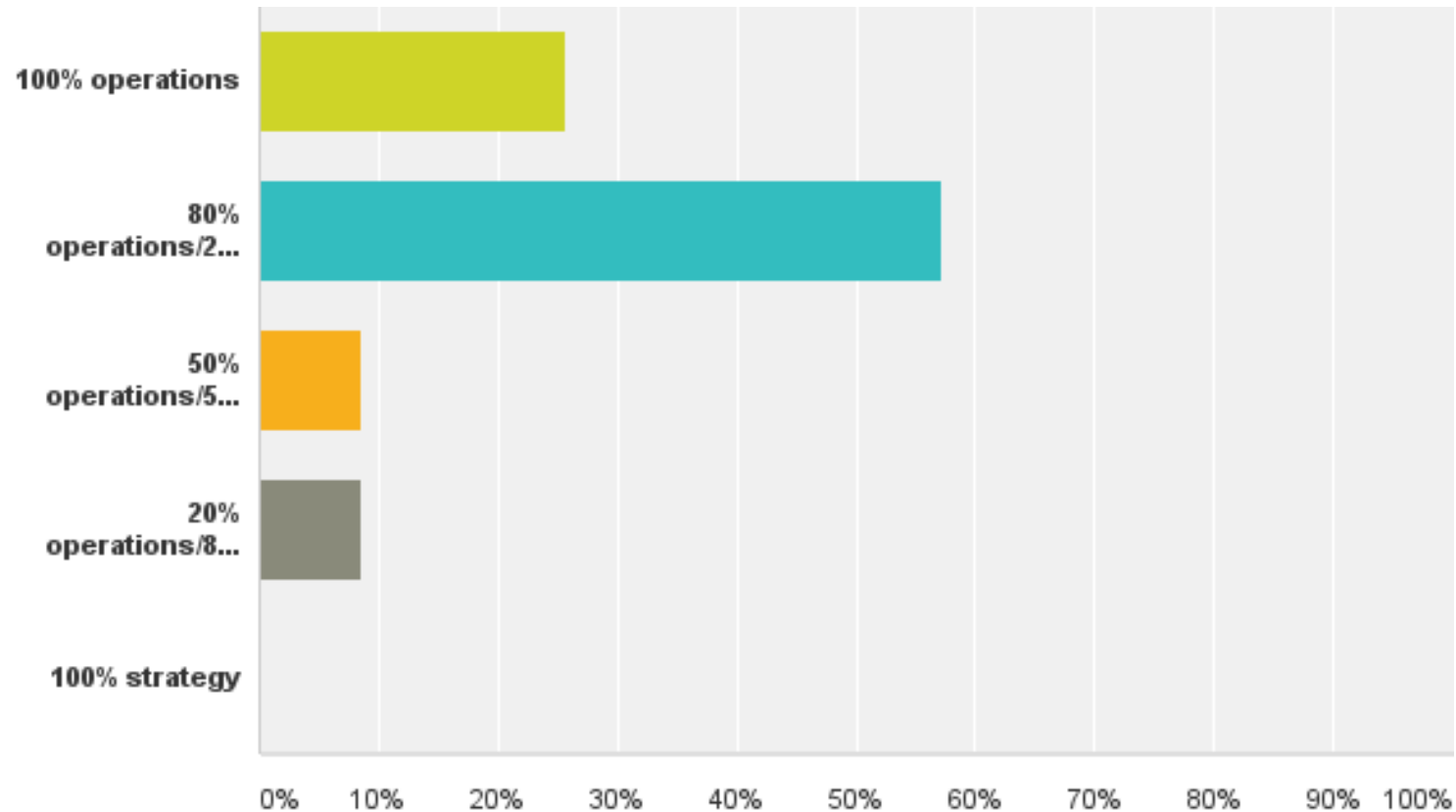
Q1: Does your center have a business plan?

Answered: 34 Skipped: 1



Q7: What ratio of time do you spend on "operations" versus "strategy or strategic thinking"? Please pick the option that most closely approximates your answer.

Answered: 35 Skipped: 0

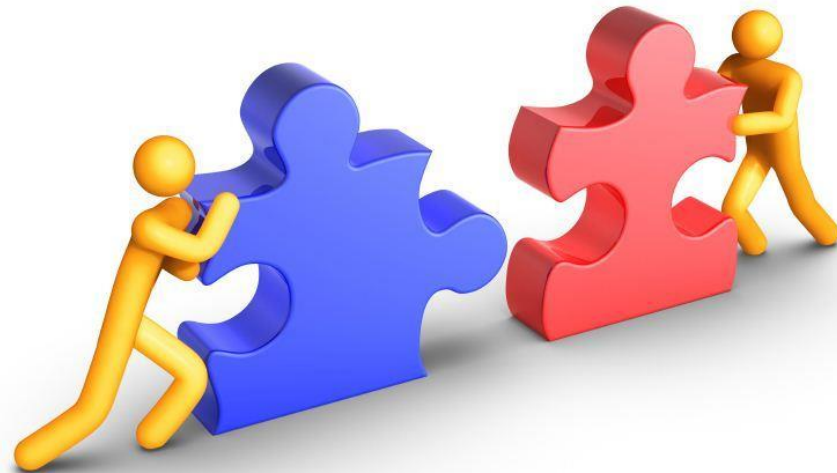


Plan, Align, Execute, Review



Alignment

- The plan must be in writing
- The goals must be clear
- The goals must be measurable
- It must add value to your organization
- It must put the pieces together



The Planning Process





THE BUSINESS PLAN

FOR
CREATIVES

① EXECUTIVE SUMMARY

a one page nutshell
your mission, your vision, your purpose

② TARGET MARKET

who are your products/service intended for?
send a survey to gather demographics, interests + budgets

③ COMPETITORS

define your competitors - their strengths + weaknesses
determine your competitive advantage - why are different?

④ HUMAN RESOURCES

will you need additional staff to run your business?
what will you pay them? how much experience? what skills
do you they need to have?

⑤ VENDORS/SUPPLIES

will you require outside sources or projects to operate?
what about supplies that you will be using on a regular basis?

⑥ MARKETING PLAN

how will you get your products/services in front of ideal clients?
how will you communicate your message?

⑦ OPERATIONS

how are you going to run your business?
determine the most efficient way to get the job done

⑧ FINANCIAL PROJECTIONS

how much money do you need to start/run the business?
determine the profitability of the company

Do you have a business plan?



Budgets 201

Cash or accrual

Cash flow

- Income & expenses
 - Think about big items
 - Think about timing (quarterly payroll taxes, lease payments, etc.)
 - Think about seasonality and break weeks
- Budget versus actual

Depreciation

Capital budgeting

- Does it make sense (\$\$\$) to buy a new piece of equipment/horse/arena/location/truck?
- Plan for new equipment/capital – horses, trucks, roofs, etc.

Budget analysis

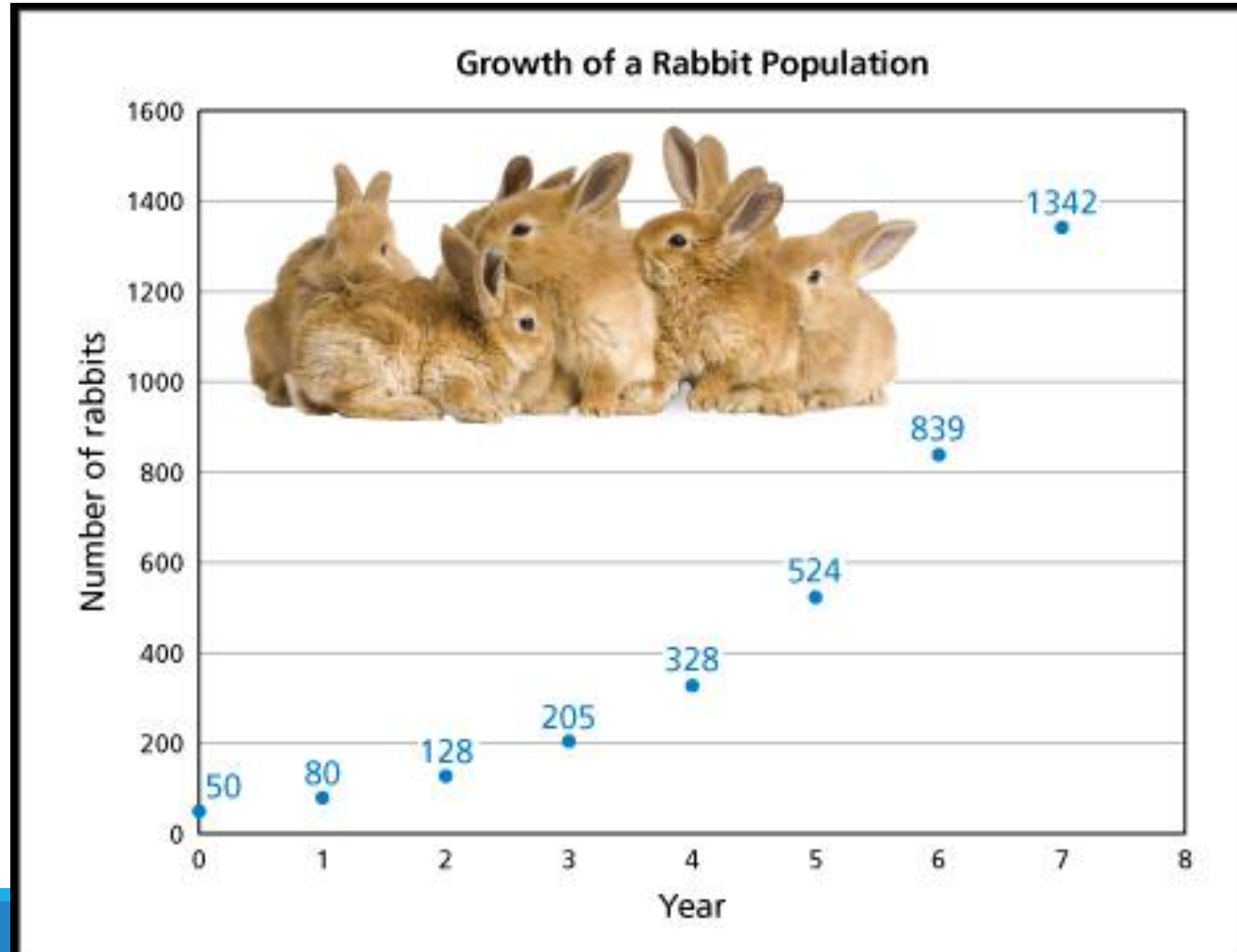
- Revenue types
- Major expense types
- Contingency?

What gets Measured Gets Done



Objectives must be graphable

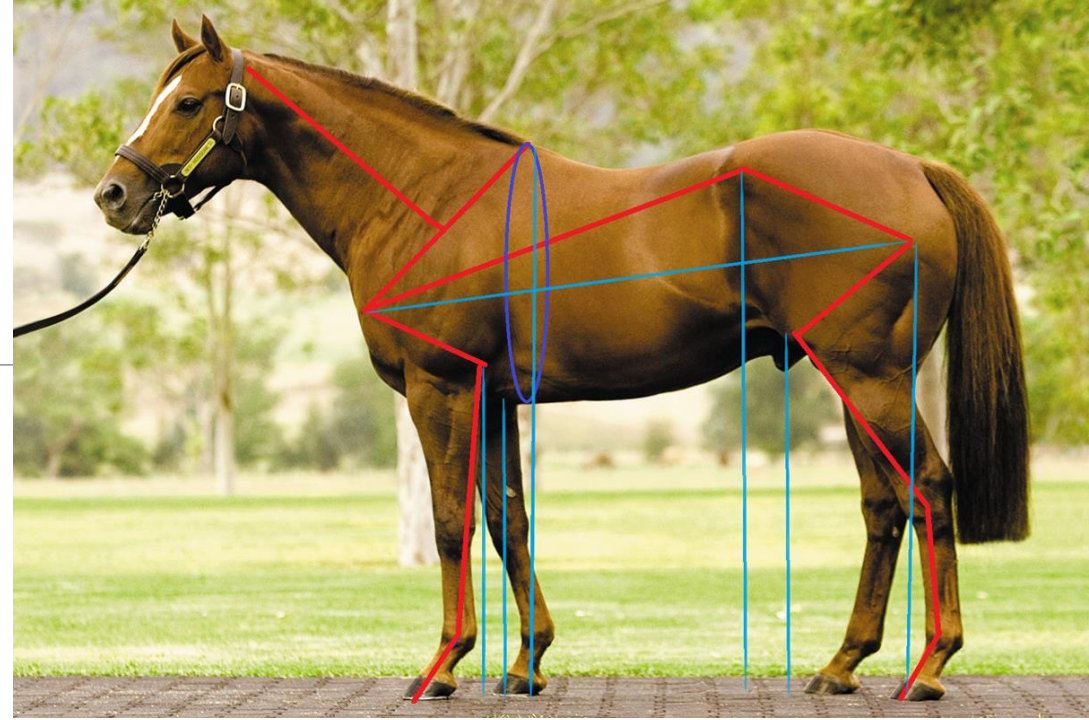
- Income/Expenses/Net
- By month!
- Compared to budget
- Compared to previous year(s)



How to measure

- How close/far are we from our target?
 - Why?
 - How can we do better next year?

- How do we compare to others? (benchmarking)
 - Why?
 - How can we do better next year?

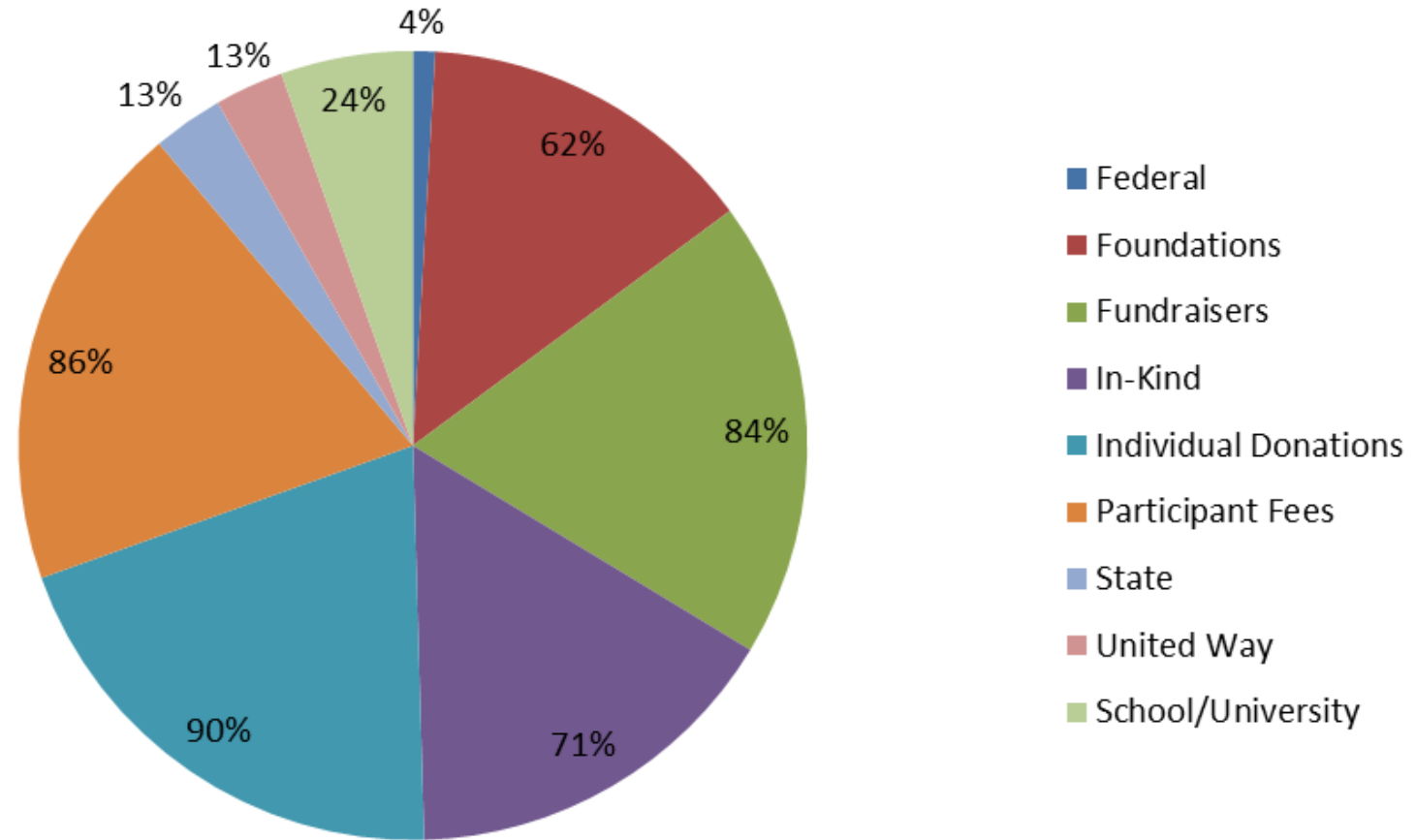


Measurement Examples

- Average number of lessons per participant
- How long do your volunteers stay
- Fundraising revenue/expenses/net
- Total equine cost
 - Cost per equine
- Program revenue per equine

Measurement Examples

- Revenue Sources



Program revenue per equine

18 centers with revenue from \$34,000 to \$762,000

- Average: \$4,751
- Low: \$1,612
- High: \$9,409



Pipeline Management

- Participants
- Volunteers
 - Board
 - Lesson
 - Others
- Staff
- Equines

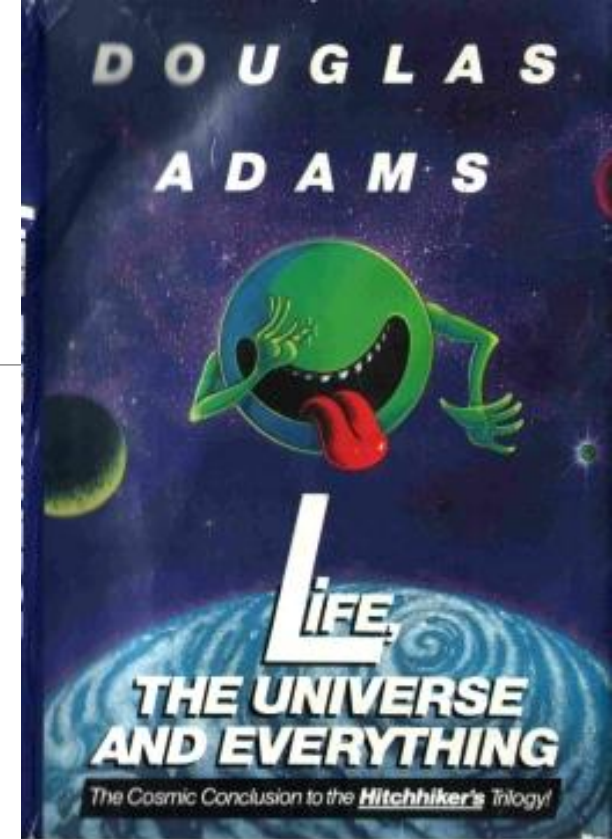


This is not a business plan



What a Business Plan is NOT

- The answer to Life, the Universe, and Everything
- A Strategic Plan
- A static document
 - (Think annual updates)
- A bookend



Where to get one

1. Do it yourself
2. Hire an expert
3. Find an intern
4. Have a volunteer do it
 - Board member
 - SCORE
 - Pro bono management company/consultant
 - LinkedIn, United Way, AARP

Resources

1. Business Plan Templates:

<http://www.pathintl.org/images/pdf/conferences/national/2014-handouts/Thursday/C1-The-Business-Plan-The-Foundation-for-Your-Success.pdf>

2. How to Start an EAAT Center/Program (PATH Intl.)

3. <https://www.councilofnonprofits.org/tools-resources/business-planning-nonprofits>

4. <https://www.score.org/resources/business-planning-tools-nonprofit-organizations>

For Non-Profit Organizations

The The Fastest, Easiest Way to Write a Business Plan One Page Business Plan[®]

USED BY
OVER 5000
NON-PROFITS
WORLDWIDE

Desktop Planning CD Included!

Jim Horan

FOREWORD BY TOM PETERS



Professional Association of
Therapeutic Horsemanship International



How to Start an EAAT Center/Program



*Ensuring excellence and changing lives through
equine-assisted activities and therapies*

What Every Successful Entrepreneur *Knows*

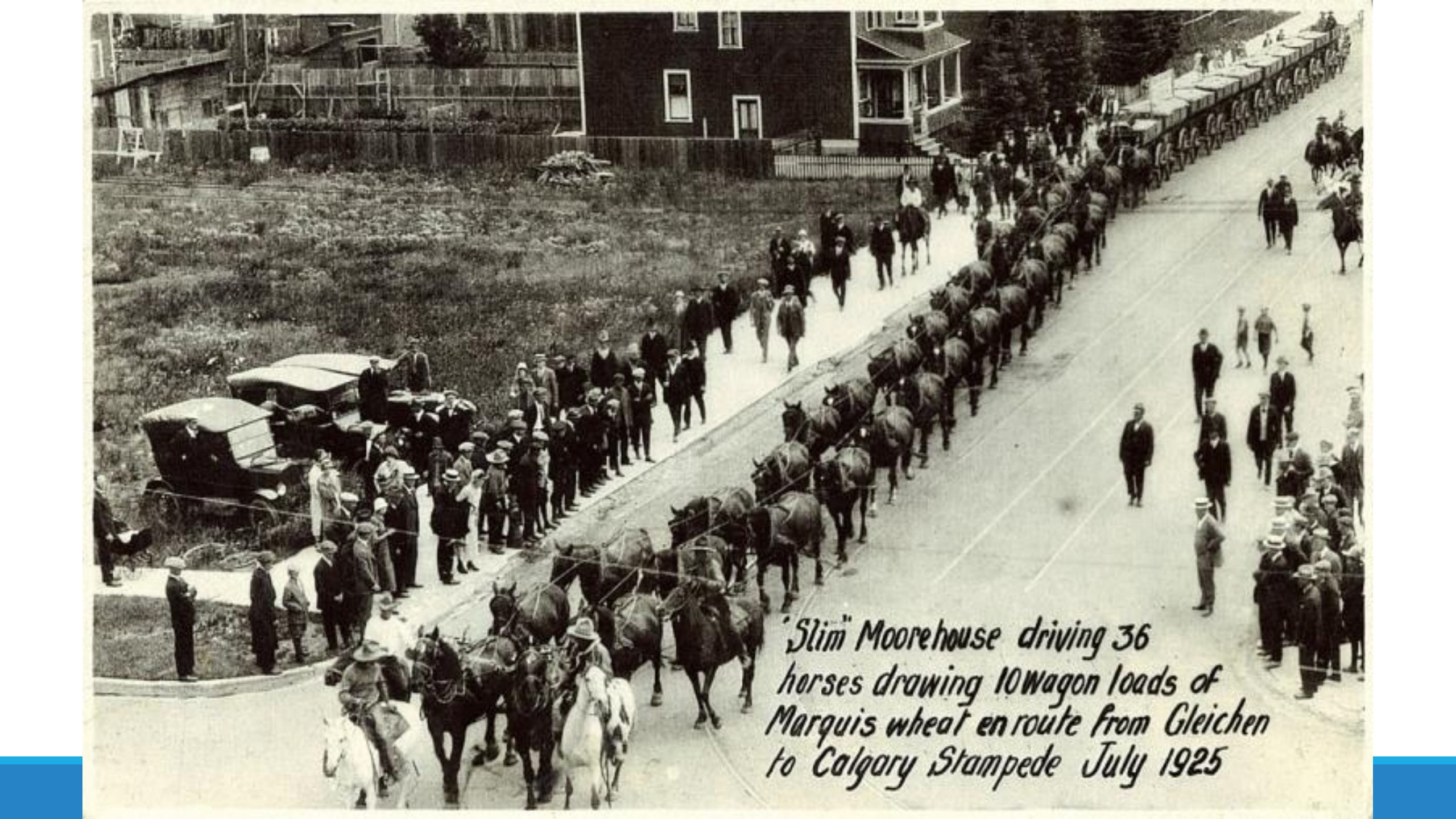
**More than
one million
copies sold!**

The E Myth
Revisited

Why Most Small
Businesses Don't Work
and What to Do About It

MICHAEL E. GERBER

The World's #1 Small Business Guru



*'Slim' Moorehouse driving 36
horses drawing 10 Wagon loads of
Marquis wheat en route from Gleichen
to Calgary Stampede July 1925*

Thank You!

Questions?
