

7 tips for creating effective business plans

[Business](#)



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A business plan is a written set of achievable goals and the means to attaining them. Business plans can be a great way to keep your business on track and maximize productivity in the workplace, but only if done correctly! In this article, we'll be going over 7 tips that will help you create more effective business plans.

1. Choose Your Audience

Before you even begin writing a business plan, you should decide who it will be targeted at. Business plans can be “externally focused”, which is to say that they target people outside of the company (e. g. investors or lenders), or they can be “internally focused”, which is to say that they target people inside the company (e. g. managers or workers). Knowing the target audience of your business plan will help you keep the information inside both relevant and appropriate to the reader.

You might like: [How to Use SWOT in Business Plans](#)

2. Build A Clear Vision

If you don't already have a strong vision for your business, then it's important that you build one before starting work on a business plan. A vision is an image of where you want your organization to be in the future (a goal, per se), which even determines the actions that you take. Naturally then, having a strong, clear vision is very important in creating a well-guided business plan.

3. Use Business Analysis

Using various different business analyses allows you to discover a number of different internal and external factors which you might have otherwise not considered. SWOT, PEST, and STEEPLE analyses, for example, can help you find gaps in the market, foresee various different threats, and leverage strengths and opportunities which you already have or face. For more information about this topic, be sure to check out this article about how these analyses are key elements of any good business plan.

4. Set Realistic Goals

While it's good to be optimistic, make sure that the goals you set are realistic and attainable. Not only will achieving more goals (even if they are a bit easier) improve the morale of those immediately inside the business, but it will also ensure that potential investors can see the consistent progress which you are making.

5. Consider Different Time Frames

Business plans are normally set over a certain time period. They explain what the organization wants to achieve, and how it will do it, over a predetermined time frame. When creating your own business plan, it can be valuable to take into account various different time frames to see which business plan would be of most value to external and internal audiences.

You might like: [What Is Strategic Planning?](#)

6. Be Logical, Rational, and Conservative

Similarly to point number four, your business plan should be logical, rational, and conservative. Aside from setting realistic goals, this can mean:

Properly supporting any claims or assumptions

Fully fleshing out the means to achieving goals

Considering the possibility of worst-case scenarios

Minimizing the amount of ‘ fluff’ or ‘ empty words’ included in the plan

7. Periodically Review Your Plan

Finally, you should periodically review your plan to make sure that your business is going in the right direction. Sometimes, your business plan might even need to be reworked if you see new opportunities or threats in the market. Either way, it is good to make sure that what your organization is doing is consistent with your plan, which should be both well thought out and up-to-date.

That concludes our list of 7 tips you can employ to help create effective business plans! If you’re looking for more information about business planning and analysis, be sure to read through the articles linked throughout this guide, explore our website, and subscribe to our mailing list on the left-hand side.

Have we left you with any questions or comments? Don’t be afraid to leave them just down below!

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