

## DEFINE

### Unit Seventeen The Business Plan for the Franchisor Business

#### **Purpose**

Develop a Business Plan for the Franchisor Business

#### **Actions**

**Action 1:** Understand the elements of a simple business plan

**Action 2:** Write the business plan for the franchisor business

#### **Guide**

G8. Business Plans

#### **External Resources**

##### **Internet**

[www.smallbiz.nsw.gov.au](http://www.smallbiz.nsw.gov.au)



## DEFINE

### Unit Seventeen The Business Plan for the Franchisor Business

#### Purpose

Develop a Business Plan for the Franchisor Business to guide development and growth over the next 3 to 5 years

#### Action

**Action 1:** Understand the elements of a simple business plan

**Action 2:** Write the business plan for the franchisor business

#### Action 1 – Understand the elements of a simple business plan Keep it simple

Now the overall planning for the franchise group has been completed and the marketing and budgets worked out, you will have a really good idea of how your franchise group will be structured and how it is expected to perform. So it is time to prepare a business plan for your new franchisor business to summarize where you are and set some goals.

Your franchisees should all be asked to prepare their own business plans for each outlet when they join and to review it regularly. This Unit only deals with your Franchisor Business Plan.

Don't waste time trying to create the 'perfect' business plan. Many businesses get bogged down writing huge documents which never get used. The key is to set a clear course of action which will be carried out. A brief plan covering just a few pages, implemented completely and reviewed regularly, will be best for your business.

If the plan is too complex, you may never get started.

#### The aim of a business plan

The business plan is really a summary of all the documents you have prepared to date. It identifies where you are now and where you want to be by the end of the planning period. It provides a measure against which you can see how your business is travelling.

A three-year business plan will have statements

- Giving the vision and goals for the business
- About where you are now
- And where you will at the end of years 1, 2 and 3 It pays to keep these statements simple but measurable.

#### Guides

There is a lot of help on the internet with good Guides on offer.

A great site which gives advice and clear Guides is [www.smallbiz.nsw.gov.au](http://www.smallbiz.nsw.gov.au) Visit this and check out what's available.

There is also a very simple business plan Guide available in our Guide package.

#### G8. Business Plan

There is no standard format for a business plan. However, a good plan will include:

- A list of business goals from your marketing strategy
- A management and financial plan based on the budgets you have completed
- A sales and marketing plan which is a summary of the planning you have completed in this area
- An operations plan which will refer to the various documents prepared
- A human resources plan showing who will do what and how the roles will be filled by new people as the organization grows
- An executive summary.

## **Action 2 – Write the business plan**

Use the Guide or something from elsewhere to write a simple business plan for your franchisor business.

### **On-going review**

Build in on-going review for the business plan, with time to update it every year.

Use this opportunity to also review the work you have completed in previous Actions and to check it against your initial Health Check and up-date that if necessary.