



SERVICE AGREEMENTS
PREPARING AN EFFECTIVE
BUSINESS PLAN

What is a business plan?

A business plan is any plan that allows an organization or business to look ahead, allocate resources, focus on key points, and prepare for challenges and opportunities. If you are interested in entering into a Purchase of Service Agreement with the County of Wellington, you will be required to submit a business plan with your application.

Why do I need a business plan?

A good business plan can serve several purposes:

- < It provides a framework
- < It helps the applicant think through the project in a systematic, step by step manner
- < It explains to funding partners and other parties why the project should be undertaken
- < It defines why the project represents a worthy expenditure of public funds

What makes a good business plan?

There are key aspects that you should consider when developing a business plan:

- < Set concrete goals, objectives, who is responsible, and targets to guide your business
- < Assign tasks to people and set milestones and targets for tracking implementation
- < Provide a forum for regular review and evaluation

While each business plan is unique and individualized to each project, certain elements are common. On the other side of this fact sheet outlines a basic business plan. If the business is already in operation and the business plan was developed previous to submitting your application, please submit the business plan that was used prior to the start of your business.

COMMON ELEMENTS OF A BUSINESS PLAN

Title Page

Outlining the title, project location, name of the business, contact person, phone number and mailing address

Table of Contents

List the major headings and the page to which each is found

Executive or Project Summary

This is highlights of the project. Be specific and write in clear, plain language. Tell why the project is necessary. Outline the benefits and costs. Summarize the most important reasons for recommending this project.

Organization History

Identify who you are, your legal establishment, and history. Identify who the management team is, including backgrounds of key members of the team, personnel strategy, and details.

Mission Statement and Objectives

This is a concise, general statement of what you intend to achieve, explaining what is to be done, for whom and why. Include in your objectives details of how many jobs are going to be created, how many children and/or families are going to be served.

Needs Assessment and Market Analysis

You need to know your market, customer needs, where they are, and how to reach them. Identify why the project is needed using statistics, needs survey results, etc. Just saying that you think it is needed is not enough.

Action Plan

Be specific. This will include all the jobs that need to be done. Describe the key activities with clear measurable timelines, who is responsible, and what resources are needed, leading up to the project being initiated and those that will require ongoing maintenance.

Financial and Capital Asset Management Plan

Financial viability is a main requirement to enter into and maintain a service agreement with the County of Wellington. You will be required to provide detailed budgets, sources of income, operating and administrative costs, cash flow statements and annual reporting. It is important also to clarify how your assets will be managed, and how funds will be raised for operating and for maintenance of the project/programme.

Appendix

To support and give validity to the project, provide copies of that substantiate what you have identified throughout the business plan.