



A business plan is not a one-size-fits-all document. Gone are the days of filling in a template by industry or writing a 50-page manuscript. Your business plan should reflect your business at its core: what makes it special/unique and should fill whatever purpose you need it to fill.

For established businesses that need might be to identify new target markets or investigate new avenues for growth - for new ventures, the more traditional start-up business plan may be what you need to lay the framework for the future. When researching different types of business plans (and yes, there is more than one type), there seemed to be a few different answers to the question. Tim Berry, president of Palo Alto Software, Inc. identifies types of business plans based on its function/purpose and what stage of start-up or growth your company is in. The following identifies the types of plans and when/how to use each.

Types of business plans Because a business plan is a road map that helps guide you through the planning process, it is important to think about exactly what you'll be using that plan for. Are you starting a new business or trying to enter a new market? Depending on what stage your business is in can help you identify what type of business plan would work best for you.

- Start-up plan: what we may think of as more of a comprehensive traditional business plan, a start-up plan covers all topics relevant to new venture creation, such as company information, markets, forecasts, strategy, management team and financial analysis
- Internal plan: because this type of plan would be used internally and not for outside parties, it would not necessarily need the management team breakdown and detailed company analysis, but cover where the company intends to go and how (without all of the background information and company overview)
- Operations plan: used mostly as an internal plan, it may include specific benchmarks, such as milestones, dates, deadlines and responsibilities of managers and/or teams
- Strategic plan: another internal type of plan, a strategic plan focuses on high-level opportunities and setting priorities for the organization, rather than on specific dates/responsibilities of the team
- Growth/expansion plan: this type of plan may focus on a specific area of business or a subset of the business; new investments or loan applications may require a detailed growth plan as part of the process, while you may want to use a growth plan internally; this plan should include comprehensive forecasts of sales and expenses for the new venture/product/etc.



- Feasibility plan: when considering a new start-up, a feasibility plan is used to evaluate the idea and whether it's worth pursuing; it should include a summary, missions statement, elements of success, market analysis overview and an analysis of costs, pricing, and probable expenses. Once you identify the purpose of the plan you need, it will be easier to get started. Remember - for new ventures and start-ups, a more 'traditional' and comprehensive start-up plan should be used. When evaluating internal operations and systems, you will want to use a type of internal plan that will allow you to identify the new markets/financials without detailing company history that you and your team are already familiar with.

No matter what type of plan you're writing, it is an important element of the entrepreneurial process. To read more about Tim Berry's function-based business plan types, visit <http://articles.bplans.com/writing-a-business-plan/the-different-types-of-business-plans/48>. As we investigate the world of business plans/planning over the next few weeks of the blog series, we'll review the elements to writing/updating a business plan, why it's important to have one, and alternatives to traditional plans. Let us know what type of plan you have and why it works for your business!

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