

How do I know if my business plan is holding me back?

Experienced executives and experts share their advice and fixes for your challenges in business.

By Emily Kern
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While many believe creating a solid business plan is the first step toward achieving success in a business venture, some wonder if it's necessary to spend countless hours perfecting the strategy. We asked three planning professionals, "How do I know if my business plan is holding me back?" The consensus is that the plan should be analyzed, put into action, and then re-evaluated for effectiveness, rather than remaining on a shelf.

STEPHEN WATERS

Senior business consultant, Louisiana Small Business Development Center at Southern University

What we see on a daily basis at the Louisiana Small Business Development Center is that most businesses don't even have a business plan! If they do, it's something they have downloaded from the far corners of the Internet. Usually some financial institution wants to know if they should risk loaning would-be business owners capital on a business venture and that those entrepreneurs have done their homework.

The more important reason for a business plan is what it exposes—what it helps entrepreneurs discover about their business and about themselves. What are their goals? Who is their competition and how will they compete against them? Who will run their business? A good business plan exposes and causes entrepreneurs to contemplate situations that one would never realize could materialize during the journey called "Running a Small Business."

A business plan should reveal to entrepreneurs "How many widgets will I have to sell to break even?" and "Do I really need that insurance?" and "How much do I have to set aside for taxes?" The way to truly know if a business plan is not a successful one is by what it doesn't reveal. A business plan should alert entrepreneurs to the road ahead.

The LSBDC can help businesses, at no cost, with a host of challenges, including writing a successful business plan or simply revising an old one.

TIM STOLL

Owner, The Alternative Board-Metro Baton Rouge

If you have a written business plan, you are ahead of most business owners. But is it holding you back? I can assure you the plan is not.

Nevertheless, your plan might not contain a clear and compelling vision that tells your customers, employees and vendors why you do what you do and why they should care, but we really can't blame the plan for that shortcoming.

Business plans don't write themselves.

Also, the goals in your plan may be written so vaguely that nobody can tell if/when they are actually achieved. Knowing you and your organization have achieved a major goal is powerful medicine. So who is writing your goals?

How often do you review your plan during the year with your key team members? More frequent and regular reviews translate into more focus, alignment and accountability as well as smaller course corrections (if needed) during the year.

But the plan can't review itself.

No, your plan is not holding you back any more than playbooks and game plans win football games. It's all about execution and leadership. Realize the only thing holding you back is the person staring back at you when you gaze into the mirror.

JENNIFER FOWLER

Associate director, Louisiana Business & Technology Center

Business plans are excellent planning tools.

However, it is counterproductive to spend countless hours perfecting your lengthy plan, because that can hold you back from advancing your business.

The goal of writing the business plan is to ensure you have thought through the details of your business model, evaluated your options and accurately projected your financial needs. You want a record indicating the key areas are well thought out so you can confidently make decisions.

Once you have effectively accomplished the business plan's purpose, you can shift your attention to execution. Proper execution is the key to success and superior to creating the perfect business plan.



Jennifer Fowler