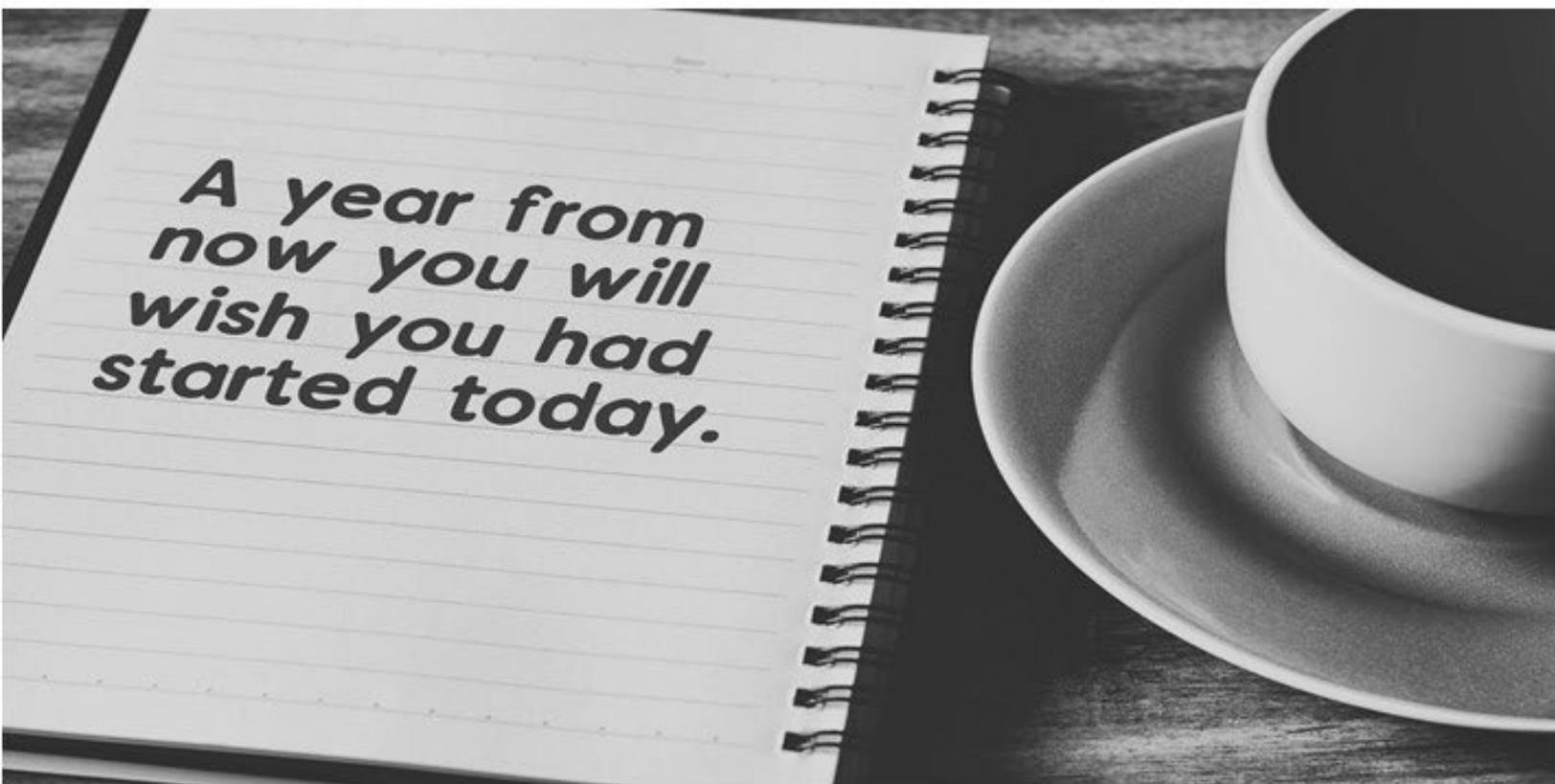


Checklist for Starting A Successful Business

For the Serious Entrepreneur Who is Ready to Start Their Business - - Use This Self-Assessment Checklist to Prepare Yourself Before Launching Your New Business!



*A year from
now you will
wish you had
started today.*

**Over 500 tactics and strategies
that will save you time and
money before starting
your new business**

**Retail Price: \$29.95
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The

Nitty Gritty, Down N' Dirty, Savvy Strategies®

START-UP A SMALL

BUSINESS

Self – Assessment Checklist

Over 500 tactics & strategies
to be considered when
starting a small business

Fifth Edition Published April 2022

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INTRODUCTION

Starting a small business is an exciting endeavor and is typically accompanied by very high expectations. However, it is usually undertaken with a lot of anxiety and trepidation as well. According to some sources, approximately 4 out of 5 businesses fail within the first three years of operation, and then an additional 4 out of 5 of the remaining businesses fail during the next few years of operation. How does an entrepreneur triumph over these seemingly overwhelming odds and avoid being included in these gruesome statistics?

There are, I believe, several keys to success. The first is the desire, belief, and expectancy that you can make your business successful. This generally requires an intense commitment and many hours of hard work which often involves forfeiting the pleasures of family events, hobbies, sports, TV, etc. Hopefully this sacrifice will be short lived as your business becomes more successful. The second key to success is to become educated regarding the process of starting a small business. This includes understanding your marketplace, financial management techniques, and operational strategies as well as a myriad of laws, tax consequences, and business structures.

This checklist for starting a small business is a self-assessment tool that will “educate” you regarding most of the key elements required to ensure the successful launch of your business. The evaluation process contained on the following pages is simple, yet thorough, and can point you in the right direction if conducted in a careful, thoughtful manner.

While many of the topics and action items discussed herein can be applied in most any type of business, all of them do not apply in all business environments. Some may be appropriate in a retail environment, others apply to a manufacturing business, and some of them apply only in very specific business situations. Some topics and action items are free, many have minimal cost, and others may require a substantial investment. Some require only an attitudinal change while others may require an investment in acquiring additional knowledge. However, all of these topics merit your consideration as you begin to develop a strategy for launching your new venture.

Helpful Hint: The assessment process is quite thorough and can require a considerable amount of time. However, it is important to emphasize that it is not necessary to complete the assessment in one sitting, in one day, in one week or even in one month. You can’t “do it all” at one time. You may want to consider a methodical process whereby you conduct the assessment using a different module each day or each week. Remember, this checklist is a reference manual that can be utilized time and time again on an as needed basis on your personal timetable.

Each module has a simple, two-part process. The first part of the process entitled “ASSESSMENT” is to take an inventory of all the attributes and actions necessary for success. This can be done quickly and easily and will rapidly identify areas that will require you to seek additional information or to conduct more research. In all areas where you are lacking information or business expertise, seek out the counsel of Attorneys, Bankers, Certified Public Accountants, or consultants with specific expertise. Some government agencies in your local area may also offer free information or counseling services. This process will no doubt consume a fair amount of time and generate much discussion between yourself and knowledgeable individuals. Take the time necessary to fully explore the knowledge that exists within this group of experts. This is a time to establish relationships that may be helpful if you “hit a few bumps in the road”. The second part entitled “IMPLEMENTATION” is your personal management tool for prioritizing, managing, and tracking the business start-up process for those questions to which you answered “NO” by including task completion due dates for yourself and individuals who may be helping you.

The “Keys” for conducting the self-assessment are as follows:

NA	=	This strategy is <u>Not Applicable</u> to your business at this time.
Y	=	<u>Yes</u>, this action item has been accomplished.
N	=	<u>No</u>, this action item has not been done, but does need to be completed to ensure the success of the business. Use the “IMPLEMENTATION” section to track your progress.
P	=	On a scale of 1 to 5 with “1” having the highest impact on getting started, ease of implementation, and achieving profitability. The highest <u>Priority</u> items should obviously be addressed immediately.
RP	=	The <u>Person Responsible</u> for implementing this strategy.
DD	=	<u>Due Date</u> for completion of this strategy.

In addition to the assessment process, we have included a Business Planning and Implementation section. This section of the checklist is designed to provide some guidelines for creating a business plan as well as help you both get started with launching your business and organize your operating strategies. There are many formats and software products for creating a business plan, hopefully this one will serve you well. If you decide to use a Business Planning software package, this format will help you organize your ideas first and get you started on all the research and info-gathering activities that will be necessary to complete your business plan. This section includes:

Marketing Research Sources – Table: Offers some sources for doing the necessary market research that will help validate the business opportunity for your product or service. Many of these sources are no-cost.

Funding Options – Table: This table provides some suggestions for funding sources that will supplement your personal assets. Google searches for your local area will reveal many local and state-wide opportunities for revolving loan funds, grants, and other sources. The time spent researching these finance programs can make an important difference for launching your business. Oftentimes, these organizations can provide additional technology resources and consulting services.

One Page Executive Summary – Format: This is a concise description of your business and why it will be successful. This is a document that can be used in many networking environments to pique interest and serve as the basis for a discussion regarding funding or seeking other resources.

Simplified Model for a Business Plan: This is a quick way to create a brief business plan and/or an internal operations guide. Done properly, it could serve as a basis for discussion with a private investor and as an operating guide for managing the business.

Guide for Developing a Comprehensive Business Plan: This is one of many formats. By following the instructions in this guide, you will be provided with a simple, time saving, step-by-step process for creating a business plan to help you start a new business, possibly secure funding for a new or existing business, or to serve as a strategic plan for managing your business more profitably.

Creating a Cash Flow Statement: No Business Plan is complete unless it contains a well thought out Cash Flow Statement based on realistic assumptions. This is a generic example of two (2) Cash Flow Statements, one without a loan and one with a loan. This is an MS Word™ table and NOT a spreadsheet and will not automatically update if you make any changes - - it is only an example.

Before you invest all your savings, tap your retirement account, forego the allocation of money into a college fund for your children, take money from your home equity line of credit, sell your investment portfolio, give up a vacation home, or quit your job, please carefully and honestly consider all of the topics of discussion in this checklist. Most individuals who have started businesses have never completed a self-assessment process, which is probably the reason for the high failure rates of new businesses. You owe it to yourself to complete this assessment process. You have made an investment by purchasing this document. Now conduct the assessment!

Comments, Critique, Recommendations, or Submittals:

Please direct any comments, critique, or recommendations to Jim O'Donnell of Jaguar Management Consulting Group, Inc. at the address on the cover page or via email. Your comments and suggestions are most welcome, will be carefully reviewed, and will be included in the next published edition. Your critique will help improve this self-assessment checklist for the benefit of all entrepreneurs and start-up businesses.

To review other self-assessment checklists for bringing your company to the next level of growth and profitability, visit WWW.Checklists4Business.com

This information contained herein does not constitute legal, professional, or commercial advice. The author, publisher, or sponsors of this self-assessment checklist/workbook are not engaged in rendering, by either the sale or distribution of this publication, legal, consulting, accounting, or other professional services. Users of this checklist/workbook assume full responsibility for all decisions made as a result of using this self-assessment process. The reader is encouraged to employ the services of a competent professional in all such matters.

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GOOD LUCK WITH YOUR VENTURE!

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C. PROFESSIONAL CONSIDERATIONS: (*Partial list*)

No.	TOPICS TO BE DISCUSSED AND EVALUATED:	ASSESSMENT			IMPLEMENTATION		
		NA	Y	N	P	RP	DD
1.	Is your job as bad as you really think it is or are you being overly concerned?						
2.	Can you identify why you don't like your job and why starting a business will solve this issue?						
3.	Does this business fit with your long-term personal and professional goals?						
4.	Have you determined what are you giving up in your career by starting this business venture?						
5.	Is this the right time for you? For your family?						
6.							
7.							
8.	How will non-compete, non-disclosure & confidentiality agreements impact your new business?						

If you have a business associate that owns or manages a restaurant, this Checklist will help them with their business. **Restaurant Self-Assessment checklist:** Restaurant owners and managers can now conduct a thorough “Self-Assessment” of where their operations stand today, and then, based upon the results of this analysis, implement sound business strategies for accelerating growth, reducing unnecessary waste, and improving their profitability. This unique management tool features over 1,350 tactics, strategies and action items for evaluating thirty- two different operational categories ranging from restaurant image to customer service to operations management; all designed to bring your restaurant to the next level of growth and profitability. For more information, go to [Restaurant Checklist](#) or <http://checklists4business.com/restaurant-checklist.html>

If you have a business associate or family member that owns or manages a retail store, this Checklist will help them manage their store. **Retail Store Self-Assessment Checklist:** Retail storeowners and managers can now conduct a thorough “Self-Assessment” of where their operations stand today, and then, based upon the results of this analysis, implement sound business strategies for accelerating growth, reducing unnecessary waste, and improving their profitability. This unique management tool features over 1,000 tactics, strategies and action items for evaluating twenty-five different operational categories ranging from store image to customer service to operations management; all designed to bring your retail store to the next level of growth and profitability. For more information, go to [Retail Store Checklist](#) or <http://www.checklists4business.com/retail-store-checklist.html>

II. Checklist for Starting a Sole Proprietorship.

No.	Key Action Items to Accomplish:	Owner	Accountant	Attorney	Date Completed
1.	Conduct market research to determine the viability of your products & services.				
2.	Determine business name.				
3.	Apply for Name Certificate with Secretary of State's Office.				
4.	File Form SS-4 to secure a Federal ID Number.				
5.	Apply for sales tax ID Number (if applicable).				
6.	Apply for state unemployment number.				
7.					
8.					
9.					
10.					
11.					
12.	Determine inventory and equipment needs.				
13.	Negotiate equipment leases.				
14.	Negotiate rental lease.				
15.	Secure financing & establish a banking relationship.				
16.	Develop job descriptions.				
17.	Develop an Employee Handbook.				
18.					
19.					
20.					
21.					
22.					
23.					
24.					
25.					
26.	Form a Management Advisory Committee & select members.				
27.	Select an Accountant.				
28.	Elect an accounting system, either accrual or cash.				
29.	Establish a "Chart of Accounts".				
30.	Become familiar with all state & federal tax requirements.				
31.					
32.					
33.					
34.					
35.					
36.					
37.	Select a web design firm to develop a highly functional website.				
38.	Select an online marketing agency to market your website.				
39.	Select a bank and open all necessary accounts.				
40.	Select an insurance agent and secure adequate protection.				
41.					
42.					
43.	Design a logo and a business identity.				
44.	Purchase Business Cards & Stationary.				
45.	Prepare a disaster recovery plan.				

III. Checklist for Starting a Partnership: *(Partial list)*

No.	Key Action Items to Accomplish:	Owner	Accountant	Attorney	Date Completed
1.	Determine name of partnership.				
2.	Select partners & record Social Security Numbers and personal data.				
3.	Identify all Limited Partners.				
4.					
5.	Select beginning date for operations.				
6.	Fully define the term and purpose of the partnership.				
23.	Purchase "Key Man" insurance for buy-out with a partner's death.				
24.	Formalize all understandings with a Partnership Agreement drafted by an Attorney.				

Note: These action items are to be completed in addition to the items in the Sole Proprietorship Start-up Checklist. As always, consult with both your Attorney and your Certified Public Accountant before making a final decision.

IV. Checklist for Starting a Corporation: *(Partial list)*

No.	Key Action Items to Accomplish:	Owner	Accountant	Attorney	Date Completed
1.	Determine corporate name.				
2.	Apply for Name Certificate with Secretary of State's Office.				
3.	Determine corporate directors & officers.				
4.	Assign a statutory agent.				
5.	Draft the articles of a corporation.				
6.	Set up meeting to elect officers, transfer agents, adoption of bylaws, adoption of seals, etc.				
23.	Set up group term life				
24.	Analyze pension/profit sharing plans				
25.	Establish auto benefits requirements				
26.	Establish a travel reimbursement policy.				
27.	Conduct regular Director and Shareholder meetings.				
28.	Conduct an annual meeting.				
29.	Keep the Corporate Record Book up to date.				
30.	File an Annual Report with the State.				
30.	File an Annual Report with the State.				

Note: These action items are to be completed in addition to the items in the Sole Proprietorship Start-up Checklist and the Partnership Start-up Checklists. As always, consult with both your Attorney and your Certified Public Accountant before making a final decision.

V. ENTITY TYPE SUMMARY

Nontax Factors	Proprietorship	Partnership	Ltd. Liability Company	C Corporation	S Corporation
Ease of Formation	No permission required.	By agreement of parties. Register name with state.	File with state.	File with state and IRS.	File with state.
Duration – continuity of existence	Dependent on owner.	Dissolved by partners.	Fixed length.	Perpetual.	Perpetual.
Ease of operation.	Few legal requirements.	Few legal requirements.	Some formal requirements.	Formal, Board of Directors, officers, annual meetings & annual reporting.	Formal, Board of Directors, officers, annual meetings & annual reporting.
Limited personal liability	Unlimited.	Unlimited.	Members not personally liable for debts.	Shareholders not personally liable for debts.	Shareholders not personally liable for debts.
Centralization of authority	Full control of operations and Management.	Each partner typically has an equal voice.	Members have an operating agreement.	Managed by a Board elected by the Shareholders.	Managed by a Board elected by the Shareholders.
Income taxes	Owner pays all taxes.	Each partner pays tax on their share.	Each member pays tax on their share.	Corporation is a taxable entity.	Each shareholder pays tax on their share.
Ease of ownership transferability	No	No	Possibly.	Shares of stock are easily transferable.	Yes, subject to consent.
Ability to raise capital	Difficult.	Partner contributions.	Subject to operating agreement.	Sell shares of stock to raise capital.	Sell shares of stock to raise capital.
Cost of creation	None.	Filing fee with the state.	Filing fee with the state.	Filing fee with the state.	Filing fee with the state.
Ease of division through subsidiaries	No	No	No	Yes	No
Second tax on distributions to owners	No	No	No	Yes	No
Underpayment of estimated taxes penalty	Yes	Yes	Yes	Yes	Yes
Accumulated earnings tax	No	No	No	Yes	No
Charitable contributions deduction (limited)	No	No	No	Yes	Yes
Ease of changing tax year	No	No	No	Yes	No
Losses available to offset owner's income	Yes	Yes	Yes	No	Yes
Organization expense deductions	No	Yes	Yes	Yes	Yes
Advantages Summary	Low start-up costs, full control by owner	Ease of formation, low start-up costs, direct sharing of profits	Flexible management, tax advantages of a partnership	Limited liability, easy to raise capital, separate legal entity, easy to transfer ownership	Limited liability, tax as ordinary income to shareholders, easy to raise capital, entity, easy to transfer ownership
Disadvantages Summary	Unlimited liability, lack of continuity, hard to raise capital, one person owner	Unlimited liability, lack of continuity, hard to raise more capital, bound by acts of partner	Little existing case law, expensive to form, limited transfer of interest	Expensive to form, double taxation, many more rules and regulations	Expensive to form, only one class of stock, max of 35 shareholders, calendar year tax period only

NOTE: This chart is intended to be a general overview of some of the aspects of various types of business entities and is not intended to be a detailed legal or financial review. A final decision on the type of entity selected should only occur after you have consulted with both your Attorney and your Certified Public Accountant.

VI. THE 13 WORST START-UP MISTAKES (*Partial list*)

As a business counselor who has worked with hundreds of small businesses, I have encountered a myriad of start-up mistakes. Some of these mistakes cause great difficulty for the business owner while others may even cause the business to fail. Prevention is the best cure. Being aware of pitfalls will help an entrepreneur avoid them, or at least be able to plan for them in advance.

1. Undercapitalization: The primary reason most businesses fail is because of the lack of funds. This is due to underestimating the required start-up costs, underestimating the need for working capital, and failing to think about how to obtain additional capital should it be required.

2. Shortage of Cash: Entrepreneurs typically underestimate the amount of cash needed to operate the business. They overestimate the speed with which customers pay and when funds fail to come in on schedule, the business is severely constrained. Small businesses need this cash to grow.

3. Incorrect Sales Forecasts: Many entrepreneurs are terminally optimistic and overestimate the number of potential buyers for their product or service, especially during the first year of operation. Without doing the proper market research, it is very difficult to accurately predict sales in a new market.

4. Improper Market Testing: Expecting to generate a lot of sales based on research obtained only by polling friends, neighbors, and relatives is a big mistake. If your product or service is not quite up to par, they probably will not be completely truthful with you because they won't want to hurt your feelings or be too critical. The larger and broader based population needs to be polled. Applying limited time and resources toward this function is a prescription for disaster.

5. Weak Business Plan: Developing a well thought out and comprehensive business plan is the first real test of an entrepreneur's commitment to starting a business. The business plan is your road map for conducting daily operations, it is a vehicle to help you think through all the long-range implications, and it is a tool for measuring your progress. Without a plan, it will be next to impossible to raise start-up capital.

6. Improper Price Setting: Most new businesses price their products too low with the expectation that a low price will attract more buyers. A low price may have just the opposite effect because buyers may question the quality of your goods and services. Knowing what the market will bear and understanding competitive pricing is the key to generating profit. Start-ups typically underestimate the cost of producing or developing their products as well as underestimating the costs of sales, marketing and distribution. This causes low profit margins resulting in shortages of working capital.

7. Failure to Delegate Authority: One of the primary reasons an entrepreneur starts a business is because they want to be in control of their own destiny. Delegation is oftentimes viewed as giving up control rather than transferring responsibility. The business owner may fear being too dependent on others or fear that an employee will steal their ideas. The trap is that without delegating, the business will only grow to the point where the entrepreneur becomes personally limited by time, activities, and their skill sets.

#8. – #13 . . . Six Additional Major Mistakes to be aware of:

Without exception, every one of the clients I have counseled that is in some sort of trouble or is experiencing difficulty has neither developed a detailed business plan nor have they constructed a cash flow statement that was founded on good market research and a conservative sales forecast. Doing a thorough job on these two critical components would have prevented many of the start-up mistakes that were discussed above. Mistakes should be made and corrected during the business planning stage, not after you have opened your doors for business.

**The
Business Planning
and
Implementation
Process**

This section of the checklist is designed to provide some guidelines for creating a business plan as well as help you both get started with launching your business and organize your operating strategies. There are many formats and software products for creating a business plan, hopefully this one will serve you well. If you decide to use a Business Planning software package, this format will help you organize your ideas first and get you started on all the research and info-gathering activities that will be necessary to complete your business plan. This section includes:

Marketing Research Sources – Table: Offers some sources for doing the necessary market research that will help validate the business opportunity for your product or service. Many of these sources are no-cost.

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Creating a Cash Flow Statement: No Business Plan is complete unless it contains a well thought out Cash Flow Statement based on realistic assumptions. This is a generic example of two (2) Cash Flow Statements, one without a loan and one with a loan. This is an MS Word™ table and NOT a spreadsheet and will not automatically update if you make any changes - - it is only an example.

How To Use The Business Planning Guide

1. Read the entire guide from start to finish familiarizing yourself with the content, format, topics, questions, and the required action items necessary to help you successfully create an effective business plan. By following the instructions in this guide, you will be provided with a simple, time saving, step-by-step process for creating a business plan to help you start a new business, possibly secure funding for a new or existing business, or to serve as a strategic plan for managing your business more profitably.
2. Review the section entitled **The Business Planning Process** to gain an understanding of what a business plan is, to understand both the internal and external benefits of a business plan, to explore some guidelines for how long a business plan should be, and to gain some helpful hints for writing your plan.
3. The section entitled **Business Plan Outline** provides an overview of the most important sections to be included in your business plan while the section entitled **Business Plan Outline - Description** provides a narrative of what belongs in each section of the outline. There is a one-to-one correlation between the generic outline and the narrative.
4. Go to the section entitled **Expanded Business Plan Outline** and read it again in more detail. The **Expanded Business Plan Outline** is the “heart and soul” of your business plan and is the document you will utilize the most when developing your plan. The outlines were developed to be generic and cover many different types of businesses. Therefore, everything in the **Expanded Business Plan Outline** will not directly apply to your business. Once again, there is a one-to-one correlation between the **Expanded Business Plan Outline** and both the generic **Business Plan Outline** and the narrative in the **Business Plan Outline - Description**.
5. After reviewing the **Expanded Business Plan Outline** section again, cross out all the sections and questions that do not apply to your specific business. For the questions and action items that remain, answer each question with one, two or three sentences as is necessary. Some questions may only require one sentence to answer while some questions may require two, three, or more paragraphs to answer. Do NOT include the questions in your paragraphs – use only the answers arranged in a logical and easily readable manner.
6. For those questions that you were unable to answer or that were answered incompletely, then do the research that is necessary to gather the information that will allow you to comprehensively answer each question. Utilize a research library, review directories, talk with other business owners, contact trade associations, conduct internet searches, and/or seek the advice of accountants, attorneys, or consultants. See **VIII. Market Research Sources** for additional reference sources.
7. Based upon this additional information, complete all the questions that were previously unanswered and expand upon the answers to any of the other questions as needed.
8. In your research you will discover there is usually more than one way to accomplish your objectives. There will be many choices related to marketing and sales strategies, distribution channels, office location, and a wide range of costs for goods, services, and supplies. Make efficient and cost-effective choices.

9. Every strategy, tactic, or decision has a resource associated with it in terms of time and money. Start translating these choices to a Monthly Cash Flow Statement. Creating this Cash Flow Statement will tell you if this business or project is viable. It may be necessary to re-work this schedule several times making alternative choices, compromising some goals, changing marketing strategies, or seeking lower cost suppliers of goods and services. You should be able to make a profit within a reasonable time frame, and, if not, then you should seriously re-consider entering into this venture. See the section **XIII. Creating A Cash Flow Statement** for two examples. This is an MS Word™ document and NOT a spreadsheet - - it is only an example.
10. It is now time to start writing the plan in earnest. Using the previously answered questions and information, arrange the sentences in logical order to create paragraphs according to the outline. As stated earlier, do NOT include the questions as part of your paragraphs – use only the answers arranged in a logical and easily readable manner. Proofread and make grammar changes.
11. Have an independent third party review your plan to determine its validity, business sense, catch grammar errors, and ask the "tough questions" that either a banker or a private investor might ask. Jaguar Consulting can provide this service for you at a reasonable cost – see the section entitled **Services Portfolio**. If you are starting a retail store or a restaurant, you might want to consider purchasing the **Retail Store Self-Assessment Checklist** or the **Restaurant Self-Assessment Checklist**. The checklists have many helpful hints to ensure a successful start-up or to help bring an existing business to the next level of growth and profitability. Visit www.Checklists4Business.com for a portfolio of helpful checklists for successfully managing your business.
12. Based on this review, do any additional research, and re-write as necessary.
13. One key element to consider is the type of business structure under which you will conduct operations. See the section **V. Entity Type Summary** for some general pros and cons for each type of business entity. This is a general guide only and ***YOU SHOULD CONSULT BOTH AN ATTORNEY AND A CERTIFIED PUBLIC ACCOUNTANT (CPA)*** before making the final decision on the type of business structure to utilize.
14. If financing is required to implement your plan, the section entitled **IX. Funding Options** will provide some ideas to secure traditional sources of money. Remember that all lending sources will expect you to take most of the risk. A well thought out Business Plan combined with a realist Cash Flow Statement will help gain the confidence of the financing sources.
15. Review the section entitled **VII. The Worst Start-up mistakes**. Your business plan should provide strategies and tactics that will minimize any of these typical mistakes.
16. Good luck with your venture!

The Business Planning Process

What is a Business Plan?

- Conveys an objective understanding of the business opportunity.
- The written result of the data collection and market research process.
- Describes every process and strategy for the business.
- Describes the company's plan for both the short and long term.
- Determines the financial needs of the company at various stages of growth.
- Identifies potential obstacles and risks.
- Identifies market solutions and potential opportunities.
- Establishes milestones for continuous and timely evaluation.
- If done properly, it is the primary document for managing the business.
- A dynamic document that is an integral part of the on-going planning process.
- It is a communication vehicle for both internal and external purposes.
- *Writing the plan is the first major test of the entrepreneur's commitment to the business.*

The External Benefits of a Business Plan:

- Helps to sell the company to external environments.
- Facilitates the process of securing both debt and equity financing.
- Helps to establish distributor or trade supplier relationships.
- Creates the credibility that can help land an important or major account.
- Serves as the "comfort factor" for establishing a strategic alliance.
- Helps to provide the justification for a merger or an acquisition.

The Internal Benefits of a Business Plan:

- A management tool that provides a framework for decision making.
- It is a blueprint or the road map to guide the company's operations.
- Helps the senior management team make decisions in an orderly manner.
- A tool to monitor the progress of the business and keep it on track.
- A vehicle for comparing expectations with the actual results.
- A tool to ensure that both employees and managers understand the company's objectives.

How Long Should It Be?

- The length depends on the objective for writing a Business Plan.
- Do whatever it takes to satisfy your objective(s).
- The following suggestions are general guidelines only.

Personal: Long enough to justify an investment of your time and money to either start, purchase, or expand a business.

- Operations plan: For a small business, ten to twenty written pages (plus financial statements and an appendix) for a one-to-three-year plan.
- Bank loan: For a small loan of up to \$50K, then six to ten written pages (plus financial statements and an appendix) should suffice. For \$50K to \$100K, then ten to twenty pages (plus financial statements and an appendix). For more than \$100K, then twenty to forty pages (plus financial statements and an appendix).
- Private Placement: A Private Placement Offering Memorandum for \$500K+ of equity capital typically requires forty to sixty or more written pages (plus financial statements and an appendix).

Tips for writing the Business Plan:

- Completing your plan can be a long and arduous process, especially if it is your first attempt at writing a Business Plan – **DO NOT GIVE UP!**
- With proper planning and a strong desire to succeed, it can be accomplished.
- Requires "drive" and "staying power" to complete.
- Many entrepreneurs get stuck because they generally dislike the writing process, they believe the process is too time consuming, or they know what they want to say, but just can't seem to translate the ideas to paper. Here are some strategies to overcome this obstacle:

Pre-planning... Use the information from the marketing research effort as the basis for much of the writing. Use the **Business Plan Outline** for organizing information.

Write a little at a time... Select a section and write only a few sentences to start. Understand that the plan doesn't have to be completely written in one sitting – it just simply can't. The most important objective is to get your thoughts on paper as quickly as possible without worrying about grammar, punctuation, or critiquing every sentence you've written.

Don't write a book... Wherever possible use charts, tables, and graphs to present and analyze information. A picture is truly worth a thousand words.

Correlate the information... A good plan contains most of the sections described in the **Business Plan Outline**, but the plan's logic, market opportunities, and financial projections are the most important elements. If the numbers don't work, then no amount of beautiful prose and presentation will make it a good plan. Additionally, if the numbers don't correlate to the text, then the plan will lose credibility.

Revise and edit... Take an objective view of what has been written and find opportunities to re-write sentences for clarity. Occasionally, some sentences as well as some paragraphs may be moved to a different location so that the plan reads easier. Correct all grammar, punctuation, and spelling in this phase.

Proofread... As suggested earlier, have an independent advisor read the plan. However, don't take the critique personally - it is much better to find the mistakes during this phase than to have a potential investor or a bank's loan officer find them later.

Polish the Plan... Make any suggested corrections, fill in the missing information, and do a final proofreading to polish the plan and make it presentable for your target audience.

Business Plan Outline

I. COVER SHEET

II. EXECUTIVE SUMMARY

III. THE BUSINESS OPPORTUNITY

- A. Description of the Business:**
- B. Product or service:**
- C. The Market:**
- D. Competition:**
- E. Sales:**
- F. Customer Service:**
- G. Location of the Business:**
- H. Management:**
- I. Professional Relationships:**
- J. Research, Design, and Development:**
- K. Manufacturing:**
- L. Business Risks:**

IV. FINANCIAL INFORMATION

- A. Pro-Forma Cash Flow Statements:**
- B. Pro-Forma Income Statements:**

C. Balance Sheet:

D. Sources and Applications of Funding:

E. Breakeven Analysis:

F. Equipment List:

V. APPENDIX

Business Plan Outline – Description (*Partial*)

In every business book you'll read or for each business seminar you'll attend, a different business plan outline will be presented. Typically, the Business Plan outlines will be quite similar and will mostly be variations in format. There is not one "right" business plan outline because they are all generally quite good. The only "right" Business Plan Outline for you is the one that creates the business plan that helps you make the right decision regarding starting up a business, helps you manage the business profitably, or secures the required funding to successfully finance the business. One example of such a business plan outline was presented on the previous page entitled **Business Plan Outline**. This section describes in narrative format the topics and information that should be included in your Business Plan. There is a one-to-one correlation between this narrative and the **Business Plan Outline**.

I. COVER SHEET

The cover sheet includes the name of the business, its address, telephone number, email address, and website URL. Any company logo or slogan/tag line should be artistically displayed on the cover page. Also included are ...

II. EXECUTIVE SUMMARY

This is a one-page (two page maximum) encapsulation of the entire business plan and contains only the most important information. The primary focus of the summary will depend on who the target audience is. Therefore, there may be different executive summaries for different audiences. The Executive Summary is only written after the business plan has been completed. A statement of purpose will explain why the business plan was written and why it is being submitted to the reader. Since this section is read first, then it must be clear, concise ...

III. THE BUSINESS OPPORTUNITY

This is the "heart and soul" of the business plan. It is the methodology for organizing the results of the market research and data collection process. Writing the business plan is an iterative process...

A. Description of the Business:

Describes in great detail what the business is all about. This section includes the mission statement as well as short- and long-term objectives...

B. Product or Service:

Describe the products and services that will be sold including the unique features, functions, and benefits for the customer. Answer the very important question of ...

C. The Market:

This section is typically the largest and most detailed section in the plan. Marketing decisions affect all other aspects of the plan in ...

D. Competition:

E. Sales:

F. Customer Service:

G. Location of the Business:

H. Management:

I. Professional Relationships:

J. Research, Design, and Development:

K. Manufacturing:

L. Business Risks:

IV. FINANCIAL INFORMATION

A. Pro-Forma Cash Flow Statements:

B. Pro-Forma Income Statements:

C. Balance Sheet:

D. Sources and Applications of Funding:

E. Breakeven Analysis:

F. Equipment List:

V. APPENDIX

Expanded Business Plan Outline *(Partial)*

Key Questions and Issues to Consider

I. COVER SHEET

- A. Name of the business.
- B. Names of the principals.
- C. Address of the business.
- D. Telephone number.
- E. Date.
- F. Logo
- G. Slogan, tag line, if any.
- H. email address & website URL

II. EXECUTIVE SUMMARY

- A. State the purpose, mission, and essence of the company.
- B. Include a brief history of the company, if any.
- C.
- D. Describe why the business will succeed?
- E. What does the business want to start (or change)?
- F. Concisely describe the products and services.
- G. Concisely define the size of the potential market.
- H. Describe the attributes that will make the business unique in this market.
- I.
- J. Concisely define the current and/or expected gross revenues.
- K. Concisely define the current and/or expected net income.
- L.
- M. Define the purpose for which the money will be used.
- N. What is the return on the investment?
- O. What is the payback period?
- P.
- O. Describe why this venture is a good risk?

Note: The executive summary is generally one to two pages maximum and is done only after the rest of the business plan has been completed.

III. THE BUSINESS

A. Description of the Business:

- 1. State the purpose, mission, and essence of the company in more detail.
- 2. Expand on the history of the company, if any.
- 3. What type of business is this (service, manufacturing, ecommerce, retail, etc.)?
- 4. What products or services will be sold?
- 5.
- 6. What type of opportunity is it (new, part-time, expansion, seasonal, year-round)?
- 7.
- 8. What is the growth potential?

9. How is this business unique?
- 10.

B. The Product or Service:

1. Describe, in detail, the product or service that will be offered.
2. What is the primary function of the product or service?
3. What are the products primary features?
- 4.
5. What makes this product or service different from all the others in the marketplace?
6. Why would someone buy this product or service from your company?
- 7.
8. What is the current demand for your product or service?
- 9.
- 10.
11. Where in the product life cycle is this particular product or service?
- 12.
13. What product is the business really selling?
 - a. Convenience.
 - b. Price.
 - c. Quality.
 - d. Service.
 - e. Status.
 - f. Security.

Action item: Make a chart that compares the features of the company's product to the features of the competition's products (price, quality, service, key functionality, etc.).

C. The Market:

1. Who or what is the company's market?
2. Who are the potential customers?
 - a. Where are they located?
 - b. When do they buy?

Continued for ALL Other Sections of the Business Plan Outline . . .

James S. O'Donnell - - Bio

Mr. O'Donnell is a Founding Partner of **Crevand, Inc.** a specialty Online/Internet Marketing Strategy company formed with his son, Dan, in 2008. Crevand's creative strategies uniquely enable businesses of all sizes the ability to leverage their online assets to out-market their competition and effectively manage their marketing campaigns for raising brand awareness, both online and offline. Crevand, Inc. is a trusted SEO agency with an expertise in Search Engine Optimization (SEO) and Search Engine Marketing (SEM) that offers its clients a customized range of proven marketing services that deliver results. With over ten years of experience optimizing and ranking web sites for increased search engine presence, online branding, traffic generation and top rankings, we provide clients with targeted search engine traffic and cost-effective SEO campaigns with a high ROI. Research and data are the backbone of every SEO campaign. In a continually changing search market, testing, data and knowledge is what drives our client success. As an innovative online marketing agency that emphasizes creative marketing campaigns through SEO/SEM solutions, targeted content marketing and data driven research, Crevand, Inc. will create a high visibility online presence for your business that will generate quality traffic resulting in increased business revenue. Crevand has two offices, one in Wolfeboro, NH and the other in Boise, ID.

He also founded **Jaguar Management Consulting Group, Inc.** in Kingston, NH in 1995 to counsel business owners and senior management teams struggling with growth and cash flow constraints. He provides practical, cost-effective traditional marketing and online marketing strategies, business development and growth strategies, financial management controls, and turnaround management methodologies to revitalize and reposition the business for profitability. Although he still consults, his primary endeavors are now focused on Crevand, Inc. In his consulting capacity, Mr. O'Donnell has counseled hundreds of businesses to effectively manage their bottom line, increase revenues, and implement cost control strategies.

Prior Responsibilities and Experience: Mr. O'Donnell has served both the Public and Private sectors and has consulted with companies of all sizes. He has completed a CFO/COO project to turnaround a telecom company where this company was restored to profitability as well as implementing a series of highly successfully Search Engine Marketing Strategies. Previously, he managed an eight-year, part-time consulting contract with the **City of Portsmouth, NH Economic Development Dept.** with services that included developing and implementing marketing strategies, business development processes, business planning, conducting productivity studies, financing strategies, and conducting business seminars for over 375 businesses. Concurrently, he also fulfilled a three-year, part-time consulting contract with the **City of Somersworth Economic Development Dept.** providing similar services as in Portsmouth to over 50 small businesses. Additionally, he proposed and managed a long-term, part-time contract with the **New Hampshire State Port Authority** counseling fisherman leaving the fishing industry to start new ventures.

Mr. O'Donnell was President of a publicly traded computer company that marketed software products and services for managing municipalities. This was a turnaround situation where the company was restored to a break-even position. Additionally, he held a number of senior management positions chartered with the mission of starting new international Consultancy, Professional Services and Customer Services divisions where he had complete P&L responsibility for revenue generation, business development, marketing and sales strategy, productizing intangible services, financial management, and building successful, responsive, and profitable organizations at **Prime Computer, Symbolics, Inc.,** and **Applicon/Schlumberger.**

Jaguar Consulting has developed a number of **Self-Assessment Marketing and Management Guides and Checklists** whereby businesses can conduct internal assessments for identifying both growth opportunities and areas of inefficiency. These products include a One Month Business Tune-up Checklist, Retail Store Self-Assessment Checklist, Restaurant Self-Assessment Checklist, Business Start-up Checklist, Employee Benefits Checklist and a Checklist for Selecting an Assisted Living Facility for Yourself or a Loved One.

Mr. O'Donnell has taught several seminars and workshops that include Starting a Small Business, Business Planning, Managing Through a Difficult Economy, Google is Your Friend, and various Internet Marketing Strategy topics.

Education: Mr. O'Donnell holds an MBA from Babson College, a Bachelor of Business Management from Merrimack College where he graduated with the highest-Grade Point Average in the Business Administration Program, and an Associate of Mechanical Engineering from Franklin Institute of Boston.

Community: He has served as a Board Member for the Kingston Children's Center for three years, Atlantic TurnKey Corporation for two years, New Hampshire State Port Authority's Fisherman's Revolving Loan Fund for three years and the Society of Professional Consultants for four years as well as Management Advisory Committees for several small businesses, the Advisory Board for the University of New Hampshire's CEO Forum, a member of US Senator John E. Sununu's Small Business Advisory Group, the Portsmouth Chamber of Commerce's Business Development and Technology Roundtable Committees, three years as a judge to annually select the Top Ten Best Company's in NH, and for four years was the New Hampshire State Director for the nationally known FastTrac™ Business Planning Programs. He also received an "Excellence in Business Counseling" award at the NH Economic Development Conference in December 2000. In May 2017, Mr. O'Donnell was appointed to the Town of Wolfeboro's Economic Development Committee as an Alternate Member for two years.

Personal: Mr. O'Donnell has been married 50+ years, and to the same great lady. He enjoys spending time with his four adult children and his grandchildren. Leisure time activities include traveling, hiking, walking on the beach with his wife, snowshoeing, kayaking, classical music and reading. Recently he has taken up swimming and participated in the swim leg of the NH Granite Man triathlon the past three years. One of his goals is to have a part-time business with each one of his children and grandchildren for both fun and profit.

Other Business Checklists - - Descriptions

Retail Store Self-Assessment Checklist: Retail storeowners and managers can now conduct a thorough “Self-Assessment” of where their operations stand today, and then, based upon the results of this analysis, implement sound business strategies for accelerating growth, reducing unnecessary waste, and improving their profitability. This unique management tool features over 1,000 tactics, strategies, and action items for evaluating twenty-five different operational categories ranging from store image to customer service to operations management; all designed to bring your retail store to the next level of growth and profitability.

Restaurant Self-Assessment Checklist: Restaurant owners and managers can now conduct a thorough “Self-Assessment” of where their operations stand today, and then, based upon the results of this analysis, implement sound business strategies for accelerating growth, reducing unnecessary waste, and improving their profitability. This unique management tool features over 1,350 tactics, strategies, and action items for evaluating thirty-two different operational categories ranging from restaurant image to customer service to operations management; all designed to bring your restaurant to the next level of growth and profitability.

One Month Business Tune-up Checklist for Large and Medium size companies: Re-energize and re-focus your company with this “Do It Yourself” turnaround management tool for performing an enterprise wide “Tune-up” of your company’s operations. This self-assessment tool is designed for the serious management team that truly wants to evolve their company to the next level of growth and profitability in ONLY one month. Utilizes a unique daily process featuring over 550 tactics, strategies, and action items for evaluating all operations within your business over a 30-day period. In every company, opportunities abound for improvement. Utilize this checklist to re-vitalize your company by eliminating time-wasting activities, inefficient processes, and the unproductive patterns and tasks that many companies slowly and unknowingly become immersed. Turn around your business now!

Checklist for Selecting an Assisted Living Facility for Yourself or a Loved One: Contains over 650 items to be considered when making this critical family decision. If you have a family member, friend, relative, neighbor, or business associate considering an Assisted Living Facility lifestyle for themselves or a family member, this checklist will make the decision-making process much easier. This checklist is based on our family’s four years of personal experience with selecting an ALF for my Mother-in-law, handling several of her medical emergencies at the ALF, and working through several management changes at the ALF.

Employee Benefits (Employee Motivation) Checklist: Motivating employee’s and keeping them motivated is one of the most difficult, and most rewarding, activities of a senior manager. Even in the most difficult of economic times, we know that employees have choices regarding the company, and the culture, in which they prefer to work. This checklist is designed to be a self-assessment management tool for conducting an evaluation of your company’s employee benefits and employee motivational strategies. Offering over 475 ideas, this self-assessment tool is designed for the serious management team that truly wants to evolve their business to the next level of growth and profitability via the strategy of employee satisfaction.

Start-up a Small Business Checklist: With over 400 insightful questions and action steps, this checklist will educate you regarding the key elements and considerations required to ensure the successful launch of your new business. This checklist is based on the author’s experience with hundreds of small businesses.

Business Anniversary and Celebrations Checklist: This checklist has nearly 400 ideas to help your business enjoy its important milestones and celebrate its employees and customers. Many helpful marketing and fun activities for restaurants, retail stores, children themed stores and numerous ideas for any other types of business. Have fun!