

# WHAT ARE THE MOST COMMON MISTAKES WHEN WRITING A BUSINESS PLAN?

Factsheet 4



Some common mistakes are classics. Others are reflections of the growing need for planning as steering and management tools: But they are all common pitfalls to avoid. Do your planning right and your business plan is always a powerful tool for quick decisions, rapid adjustment, and optimising management.

## Using a single static plan



If you write a plan and never revisit its contents, it was pointless writing the plan in the first place. Things constantly change within the VCSE environment. A good business plan is never truly finished. Undertake a lean plan and keep it focussed. Revisit it regularly and be brave enough to alter or amend if you think its right to do so.

## Losing the focus on Income



Income is often a dirty word in the VCSE Sector and whilst its not our prime reason for being it is vitally important. A business plan which does not mention income and expenditure or set out your funding requirements for now and the future is not a solid and robust plan at all.

## Skipping idea validation



Never overestimate the importance of the idea. Ensure your plan sets out the idea, how you came to the conclusions you did and what you require to execute the idea. Give this idea validation some critical thought. It may present your organisation with income generating opportunities or enable you to deliver more to many.

## Making the planning process overwhelming



Writing a business plan is not as hard as you might think. You do not have to write a doctoral thesis or a novel. A simple lean plan for example contains a few pages of bullet-point lists, tables, and essential projections. Never get tempted to make the business plan process overwhelming. If it becomes a purely bureaucratic process, then it's pointless.

## Vague Goals or Objectives



Leave out the vague and meaningless babble of business phrases (they mean nothing and confuse people). Remember that the objective of a plan is its results, and for results, you need tracking and evaluation. For results to matter though, you need well defined and robust objectives in the first place. If you cannot define these then some development work is required prior to the writing of any business plan.

## All business plans need to be the same



They should never be, and this statement should never exist. Each plan should be unique to the circumstances of your own organisation and tailored accordingly.

## Showing a distinct lack of care



Funders will see through poorly thought out or careless business plans. If you start from the premise of a plan being a good thing to do for the organisation, rather than a burden on the organisations time, your finished business plan should be robust, well presented, and full of useful and informative content.

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