

BUSINESS PLANNING GUIDE

Design and write an effective business plan



What is a business plan?

- A document summarising your group's objectives (goals) and strategies for achieving them
- A guide for your group's policies and strategies that is updated at regular intervals
- A document that is useful for funders detailing the past, present and future performance of the organisation

Why is a business plan important?

- Ensure your group understands its purpose
- Help you to think strategically
- Assess the feasibility of a new idea or project
- Clarify what resources you need
- Allow you to review progress and make changes
- Demonstrate a professional image
- Help you in completing applications for funders
- Identify problems before they start
- Improve engagement with members and volunteers

Standard headings

The following headings are standard sections contained within a comprehensive business plan. You can use this as a guide in order to tailor your business plan to meet your needs, including the amount of detail that is relevant for each section.

In addition, you may also wish to use some sections of the plan as standalone to focus on a particular element or issue – e.g. your financial position including the relevant financial document templates which we have provided links to below.

Ideally, we recommend this plan isn't completed by one person. It should be a result of discussion, collaboration and problem solving from a few people within your organisation who know it well. To really make the most of the process we recommend you get in touch with your Spotted local contact or the Spotted Network Services department to develop the plan and/or elements of it.

The purpose of this guide is to provide background information and context for completing our [Business plan template](#) or developing your own business plan.



Executive Summary



Where are we now?



Where do we want to be?



How will we get there?



Action plan to implement this plan



Appendices





Executive Summary

In this section you will give an overview of your organisation. This will be the foundation upon which you build your business plan, covering why you have set up and how you currently operate.

Who are we?

Summarise what you do as an organisation, being as concise as possible.

Our club is based at Sported stadium and currently has over 120 members between 14 and 20 years.

We support the youth and wider community of Glasgow and strive to deter young people from anti-social behaviour using sport.

Scale

Provide a snapshot of what you are currently delivering using the following sections:

- **Current activities:** What activities are you currently delivering? You can provide an overview of a weekly timetable and attach the full timetable in the appendix.

If you are an organisation that has multiple purposes, you could briefly describe how it is structured and how the physical activity fits in.

- **Size:** Number of participants and sub-groups/section
- **Location:** What area does your organisation operate in (local, regional, national)? Provide the main address(es)/location(s) for the delivery of your activities.

Detail the facilities you use (e.g. gym hall, pitch, park) and whether you rent or own the space (include lease arrangements, planned asset transfers, etc.).

Impact

A single sentence describing the big change you will make. How do you hope your community/target group will be changed as a result of your efforts. Try to describe what your desired environment would look like after a set period of time. You can include phrases such as 'a place where...'. Often called your 'vision'.

We won't give up until everyone experiencing a mental health problem gets support and respect – Mind

An active nation where everyone can have a lifelong enjoyment of sport - Sport Wales

Our vision for London is to be the most active city in the world - London Sport

All young people in the Northeast of England have the opportunities they deserve to get involved in their communities, enjoy their lives and achieve their potential. - NE Youth

Values

Describe what values and principles guide your work? Choose 3-10 words.

open, together, responsive, independent, unstoppable – Mind

simplicity, improvement, creativity – London Sport

We promote values such as integrity, honesty, respect and perseverance

Inclusiveness across our community is at the heart of what we do



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People

What is the staffing/volunteer structure and what skills are available?

- Who is involved in running the group?
- What are their roles? (e.g. management, coaching, admin)
- Are they full or part-time, paid or voluntary?
- It might be helpful to provide a chart showing the individuals and their skills (example below)

Name	Position	Experience
Person 1		
Person 2		
Person 3		

Legal structure

How is the organisation set up?

- Legal structure – e.g. constituted club, Charitable Incorporated Organisation (CIO), Registered Charity, Community Interest Company. If applicable, provide the number associated with the relevant regulator.
- Number and relationship of directors – e.g. trustees, committee members, board of directors.



Where are we now?

Strengths and weaknesses, opportunities and threats

Use a SWOT analysis table to outline the capability of your organisation. For your strengths and weaknesses, this is a chance to look in the mirror. For your opportunities and threats, it's a chance to look outside of your organisation.

Strengths (internal) What are you good at? (e.g. financial position, embedded within the community, staff skills, business model, current local policies)	Weakness (internal) What are you not good at? Where do you have opportunities to improve? (e.g. staff shortages, skill gaps, overreliance on grants, technology, administration)
Opportunities (external) Where do you see possibilities for your organisation? (e.g. trends, new projects, new audiences, new funding streams)	Threats (external) What do you see on the horizon as being potentially harmful to your organisation? (e.g. funding shift, demand change)

Following the completion of the table, reflect on how you will capitalise strengths and opportunities while mitigating weaknesses and threats.

Important note: We have placed the SWOT in terms of order, before the “aims” of the plan. This provides an opportunity to think broadly, without limiting the scope of the SWOT - it may bring to light things not previously thought of. We also recognise you might want to consider the aims first, that that the SWOT relates directly to these. We leave it to you and your committee to decide which approach you would like to take so feel free to change the order of your business plan accordingly.





Who else is in your space? (competitors)

Describe the market you are in and identify any key stakeholders. It is an opportunity to define your 'unique selling point' or the reason that your activities work well within the market.

Describe overlaps and differences with other organisations. In other words, there could be organisations competing for the same services or target groups. There could also be organisations that you could partner with.

- Who are they?
- Who do they target?
- What do they provide?
- What do they not provide?
- How is your service different?

Local context

Why is there a need for your organisation / project? What are the issues impacting on the local community and/or your specific target group? e.g. health, obesity agenda, anti-social behaviour, economic deprivation, local policies and government initiatives.

How have you identified this need? e.g. through consultation with local community, partners, young people. Local and national research and statistics, levels of deprivation etc. Local & regional strategies. Some of this can be moved to appendix and referred to in main body of business plan



Where do we want to be?

Based on the above, 'Where are we now?', list the key issues/opportunities (aim for between 5-7) that your organisation has to focus on over the next 12 months.

These are going to be crucial in progressing your action plan. They may be obvious, but the aim is to get clarity and get staff and volunteers united around this. It's also a good exercise to outline the rationale for choosing them. Examples might include:

- There is a shortage of volunteers, and key individuals are taking on too much.
 - The rationale for inclusion being if we look at where we have gaps in skills and strengthen our management team, we will be able to offer more, share responsibilities and retain volunteers better.
- We are about to design a fundraising strategy to develop our own facility, but we are set up as a voluntary (unincorporated) club, so we are considering changing our legal structure.
 - The rationale for inclusion being we would be personally liable for anything that went wrong with the facility, there are tax benefits to consider, access to capital funds, etc.

Identifying your key issues/opportunities to work towards for the next 12 months is crucially important. Consider working with a Spotted volunteer who specialises in strategy. Visit [the Spotted Hub](https://www.thehub.sported.org.uk) and fill in the short form.





How will we get there?

In this section you are going to take the issues/opportunities that you have identified one step further and plan how you will deliver on them. It's very important to look at each element of delivery, to ensure you have covered your bases and to instil confidence with external stakeholders.

Aims and Objectives

The first step in putting together a plan is turning your main issues/opportunities into actionable aims, as well as short term objectives for the next 12 months. Using the example above, see the breakdown below:

Issue/opportunity: Shortage of volunteers

Aim: Recruit more qualified volunteers to support our team

Objectives:

- Do a volunteer skills audit to establish what skills we have, what we need
- Review existing role descriptions to clearly define roles
- Develop a plan to recruit for specific skills

Issue/opportunity: Consider changing legal structure because of facility development

Aim: Identify the best legal structure for our organisation

Objectives:

- Review all potential legal structures with Sported
- Decide as a committee which legal structure you would like to be
- Develop a phased approach to legal structure change and appoint project manager

Risk analysis

Summarise any risks that you have identified throughout the business plan or within [our risk register template](#), which covers the type of risk, consequences, risk level, mitigating actions and early warning signs.

Attach the risk register as an appendix, but summarise the types of risk and any major items to note. Use the majority of this section to explain how you intend to minimise or control the risks that you have identified. See a partially completed example below:

Risk	Consequences	Risk Level	Mitigating Actions	Early Warning Signs	Other
Shortage of sufficiently qualified coaches	Sessions can't be run/sessions are poorly supervised – users stop attending	Medium	Develop existing coaches & suitable volunteers Utilise resources in partner orgs	Below 5	
Insufficient depth & breadth in management	Unsustainable strain on management tea/breakdown in relations with building users	Medium to high	Resources available from partners Work on governance with Sported volunteer	Fall in users Low staff morale	



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Poor governance	Won't be able to form contracts or apply for grants	Medium	Recruit trustees/directors from partners Work on governance with Sported volunteer	Rejection from grants	Compare to Tier 1 Good Governance standard
Unexpected problems within the fabric of the building	Unbudgeted and unaffordable costs/part of the building won't be usable Loss of income	High	Regular inspection and maintenance Insurance and sinking fund Develop reserves policy with a Sported volunteer	Visible signs Red flags identified during inspection	Pay close attention to the roof

☰ Action Plan to implement this business plan

In order to conclude the business plan, you can put together an action plan. It will allow you to detail the specifics:

- Who will take responsibility?
- When are you going to review progress?
- What are the timescales for achievement?

Community groups have constantly changing demands and capacity can fluctuate, so completion date changes are inevitable. But, you can put together a structured and unified effort for your management team to achieve its objectives.

Use our [action plan template](#) and either embed within this section or attach as an appendix (with a general summary) depending on length. See an example below, which develops an action plan for one aim. You should make sure to include all aims that you have identified in this business plan.

Action Plan from <i>December 20-21</i>					
Aim/ Objectives	Actions	When – target completion date	Resources required – people, finances etc.	Responsibility	Outcomes
Increase numbers of volunteers	Do a roles/skills plan of existing positions to view the current position of the organisation	Dec 20	Chair to communicate overall aim at full committee meeting to get support	Select one or two key staff to lead – Chair/Secretary/ volunteer lead	Everyone is informed and buys into developing club
	Map roles/skills gaps and prioritise where there is a	Feb 21	Gather and review existing job roles and talk to those people 1-2-1 about how they are	Jo/Mark	A good picture is known about current strengths and

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	particularly urgent need		getting on and what they need help with.		gaps in roles/volunteers Individuals are given the chance to share where improvements can be made
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Important note: The plan should be regularly reviewed at committee meetings. It can be changed or added to at any time.



Appendices

The appendices include anything that supports or expands on other sections, allowing you to keep the main body of the business plan clear, brief and logical.

A very common appendix is a strategy linked to specific actions mentioned within the business plan. We have outlined a number of common strategies that are included within a business plan, along with available templates.

Strategies

A very common appendix is a strategy linked to specific actions mentioned within the business plan. Having identified your key objectives, then outline how you are going to achieve these. We have included a number of common strategies that are included within a business plan, along with available templates.

Partnership Strategy

Are there any partners that you intend to work with in order to develop your organisation and/or achieve your objectives. Briefly describe the rationale for working with them, and what the partnership will involve (e.g. what activities/support they will provide or how you will link in).

These may be partnerships that are already developed/being developed or aspirational ones that you will work on over the next 12 months. Also, make sure to highlight any risks associated with relationships and describe how you intend to mitigate this risk.

Many community organisations work with others because:

- their target audience might be involved with other support organisations
- their staff may not currently have the skills required to support their target audience
- they are a small organisation and they want to bid for larger contracts
- they don't currently have the delivery capacity

Fundraising and Sustainability Strategy

Map out how you are going to fundraise for the additional funds required to develop your organisation. Whether this is for internal developments relating to staff or for extra delivery costs, you need to think strategically about what you will be doing differently/additionally versus what you have done in the past.

This could be through a mixture of income streams (e.g. identifying specific funders, sponsorship, fundraising activities, subscriptions from young people, development of volunteers to delivery session on a voluntary basis).



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If you have developed a full fundraising strategy with Sported, use this section to complete a summary and attach the full plan as an appendix.

Marketing Strategy

Outline a marketing strategy to support your aims and objectives. How will you promote the work of your organisation or this project? It is important to consider which mechanisms/channels will help you reach your target groups and what will be your key messages for this audience.

Consider questions such as:

- What mechanisms will you use to target the intended audience
- How will you promote the work of your organisation
- How will you use partners to promote your work
- How will you use digital platforms to achieve your objectives

If you have an existing marketing plan, developed a marketing strategy with Sported or used [our marketing plan template](#), you should include it here.

Finance Strategy: Costs & Income

You should write a brief (and positive) outline of your financial position. This can include an overview of your costs (expenditures) and the income you forecast for the coming years. If you do not have the financial expertise to complete this section, consider bringing in your treasurer/financial expert to take the lead.

Costs

Input a summary of your main expenditure costs and timescales here. When thinking about your costs, it's helpful to refer to "fixed" costs e.g. rent, insurance and "variable" costs e.g. minibus petrol and parking. Use this section to focus in on the short to medium term view and include extra detail within supporting documents.

Income

Summarise both secured and forecast income over the business plan time-period. Where you have been successfully awarded or received notice of a grant, reference the details so that it is evident you have secured the income. Likewise, separate and distinguish forecast income, such as participant fees or refreshment sales for the next season.

If you rely to a large extent on one income source, briefly describe your intentions and ideas around income diversification and safeguards/plans you have in place if one of your main sources was lost. If relevant, provide information around held or planned repayments like loans, social investments, etc.

If you have developed a cash flow statement with Sported or used [our Cash flow statement template](#), attach it here.

It is also recommended that you include an income statement and a balance sheet as an appendix to give a full overview of your financial position.

People Strategy

Outline any recruitment and/or development of staff and volunteers you will need to do to meet your objectives. This could be for a number of different reasons:

- additional coaches recruited or trained up to support the expansion of sessions you may deliver
- recruiting an additional trustee to help with the governance of the organisation
- training up a couple of young volunteers to lead on the social media elements for the club



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Technology Strategy

If you need to utilise or update technology in order to deliver your objectives, then add in here. Examples include:

- Moving over to electronic registers – using spreadsheets or specific apps.
- Updating IT equipment to enable organisation to have shared documents available across the team.
- Utilising Zoom for meetings, on-line engagement with your target group and subsequent need for tablets, laptops etc.
- Using your website to enable subscriptions and registration fees to be paid automatically.

Premises and facilities Strategy

If there is any need to adapt/refurbish or consider alternative/additional venues, then outline this here. For example:

- The need to create female changing rooms - to enable more recruitment of females
- Expanding current venue to meet demand
- Taking on an alternative venue

You may also wish to include other supporting documents - examples include:

Income Statement ([template available](#))

Cash Flow Statement ([template available](#))

Balance Sheet ([template available](#))

Risk Register ([template available](#))

Project Plan

Safeguarding Policy

Equal Opportunities/Diversity Policy

News articles featuring your group

Research

Weekly timetable

Governing document



[Download the Business Plan Template here](#)

A word document you can fill in directly with the guidance from this document

Need more advice?

If you have any questions about this guide or would like to develop your strategy further with a volunteer who specialises in business planning, [request Volunteer Support from the Sported Hub](#), or contact your Sported local contact to discuss further

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