

# BUSINESS PLANNING



**Kreston Dormers**

Understanding Vision Delivery

It's surprising how many business people resist formal business planning. They seem to think that because actual outcomes so often depart from those in the plan, the whole process is a waste of time.

They're wrong. Here's why.

## UNDERSTANDING THE VIRTUES OF PLANNING

A business without a plan is like a sailor without a chart. Indeed, even the naysayers usually have some kind of business plan, even if it's only the one they carry around in their head.

The virtue of a formal written business plan is that it disciplines your thinking about the business. It also allows you to convince other people of the viability of your business objectives — think investors, bank managers, employees.

- Planning clarifies what you want to happen in the business and allows you to identify any potential or actual impediments to the realisation of your intentions.
- Planning encourages you to set measurable goals, helping you to determine the resources required and to monitor your progress.
- Planning moves you on from wishful thinking to wish fulfilment, forcing you to verify the potential of your business and allowing you to make informed investment decisions.
- Planning forces you to evaluate your business and its prospects against the performance of your direct competitors and the market in general.

*"Conquerors estimate in their temple before the war begins. They consider everything. The defeated also estimate before the war but they do not consider everything. Estimating completely creates victory. Estimating incompletely causes failures. When we look at it from this point of view, it is obvious who will win the war."*

## TURNING YOUR GOALS INTO REALITY

One reason why people are reluctant to plan is that they're unsure of how to go about it, while those who start planning often do it badly. They're both areas where Kreston can help.

Kreston Dormers can introduce you to a formal, but practical planning process that's suited to the individual characteristics and needs of your business. Importantly, we try to make it no more complicated than it needs to be. We show you how to monitor, review and revise your plan, which are vital steps in getting the most from it.

Fortunately, one of the things you'll quickly discover about business planning is that it's a lot like cooking ducks — the more often you do it, the better you get at it.

Sun Tzu – Art of war

