

Why You Need a Strong Business Plan

A business plan is the cornerstone of starting a business as well as a significant tool for monitoring the progress and growth of your company. There are a number of reasons you should have one, but the number one reason is to have a guide for developing and running your business. Other key reasons are to:

1. **Examine the Validity of Your Business Ideas:** by writing a business plan and outlining each aspect of your business, you can determine if your idea is actually viable.
2. **Define the Infrastructure:** A business plan will provide an overview of all aspects of the business - day-to-day business operations, costs, and projected profitability.
3. **Establish Milestones:** By forecasting where your business will be three to five years, you can set realistic milestones for yourself, your partners and your employees.
4. **Learn About Your Target Market:** Researching, analyzing, and writing about the market not only provides you with an overview for the business plan, but also, gives you greater insight into the overall market.
5. **Determine Your Financial Needs:** The process of writing your business plan will force you to analyze your financial picture.
6. **Monitor Your Business:** A business plan should serve as an ongoing business tool that you can use to monitor your progress.
7. **Develop Contingency Plans:** While business plans often include some contingency plans, by virtue of having the document available, you can see how and where you can make such changes relatively quickly if, and when, necessary.



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