

Planning for the future



Michael Georghiou of independent accounting, auditing and consulting firm MGI Brisbane talks about the need for a no-nonsense business plan.

With Christmas fast approaching, many of you will have planned your holiday break. Determined the amount of time you will take off, made reservations, booked flights and thought about what you'll do for entertainment during your time off.

Despite all the planning for a holiday, many businesses fail or fail to live up to their potential because the amount of planning we do in our business is much less than what we do for a week away at the beach.

With the economy appearing to be heading for a downturn, it is vital for businesses that want to emerge from a slowdown to start to think ahead, rather than reacting to the circumstances on a day-by-day basis. The key to success in these times is a business plan.

Business plans come in all shapes and sizes. They can cost thousands of dollars to be professionally prepared by business advisors. But here is the good news – the key to a successful business plan is not how much you spend on it, but how well you understand it.

When it comes to understandability, the KIS principle is fundamental – KEEP IT SIMPLE! The more concise, precise and understandable the business plan is, the more likely you as a small to medium enterprise will implement it and make it succeed.

One of the simplest business plans is called the "one page plan" – and it is a one page plan. MGI have posted a template on their website under the Master Builders icon, in the management tools area (www.mgibris.com.au).

So how does it work?

The key to the one page plan is that you need to be honest in your assessment of where your business is today, and where you want to take it. The following steps outline how to ensure your business plan works.

Step 1 – Determine where you are now

Consider issues such as what market you are in, what resources and cash issues you may have, what is the state of the current market etc. You need consider those factors that are both internal and external to your business.

Step 2 – Decide where you want your business to be in the future

This could be as simple as increasing your profit margins or it could be changing your business focus completely. For example, you may currently compete in the low cost building market but your preference is to operate in the prestige property market.

Step 3 – List out the strategies that are going to help achieve your goals

Some key strategies might include:

- Increase your profile in the industry;
- Network with other businesses to obtain a referral network;
- Determine the capital required to achieve your business goals; and
- Seek appropriate advice and support from your bank, accountant, solicitor, financial planner etc.

Step 4 – Put the plan into action

Determine how you will put the above strategies in place such as increased advertising and entering business partnerships with other key players in the industry who can provide referrals.

Step 5 – Review your plan

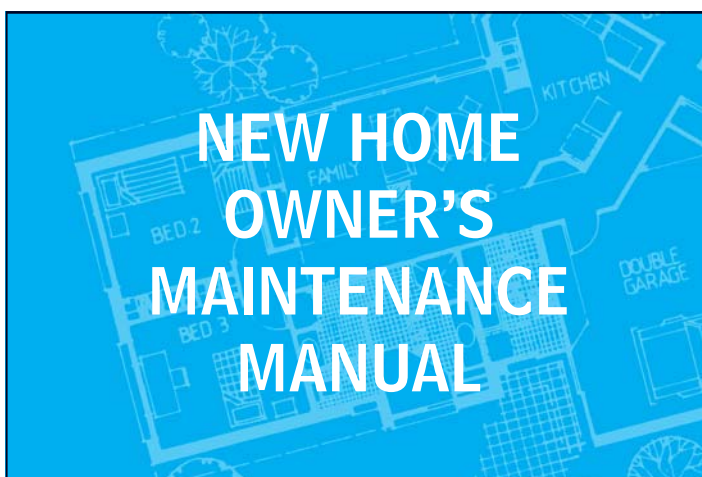
As a general rule your business plan should be reviewed at least every 12 months. A business plan will only work if you constantly review your business goals and how you will achieve them.

Remember a successful business plan is a fluid document – don't be afraid to change your plan as circumstances change.

We have kept the above steps simplistic as over-complication can mean business plans might not be put into action. Remember, as your business grows so does your need to improve your business planning skills. The point is business planning works. Whether you are a one man builder, or a multinational – every business need a business plan – even if it is just one page.

If you require assistance in your business planning, please contact the team at MGI Brisbane at info@mgibris.com.au.

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NEW HOME OWNER'S MAINTENANCE MANUAL

INTRODUCTION

This book is intended primarily to be used as a general information guide to maintenance for homeowners.

The focus of this book is on the majority of typical home styles.

The booklet sets out information for home owners on how best to look after what is probably the largest investment they will make during their lives, and describes the home owners' responsibilities with regard to the use and operation of the home.

This book is published as a community service by the Master Builders to assist purchasers of new homes or those who are carrying out extensions or renovations. Call Master Builders to purchase a copy.

