

BUSINESS PLAN REVIEW (short form)

1 = strong

2 = satisfactory

3 = weak

4 = does not apply

1	2	3	4	section	comments
				EXECUTIVE SUMMARY	
				Description of business	
				Description of owner	
				Form of organization	
				Loan amount and repayment terms	
				PRODUCTS AND SERVICES	
				Description of products/services	
				Suppliers, terms, and arrangements	
				MARKETING	
				Target market and customer profile	
				Industry analysis	
				Market analysis	
				Product design and packaging	
				Pricing strategy and price list	
				Place (distribution plan)	
				Promotional plan	
				People responsible for marketing	
				Competition	
				OPERATIONS	
				Legal structure	
				Management and personnel	
				Customer service policies	
				Location and layout	
				Operational plan	
				Renovations and equipment needs	
				Taxes, licenses, and insurance	
				Key people who will assist business	
				FINANCIALS	
				Cash flow projections for 3 years	
				Assumptions for cash flow line items	
				Loan amortization schedule	
				Breakeven analysis	
				Personal financial statement(s)	
				Risk factors and response to them	
				Historical financial documents	

4. Are the financial statements reasonable and consistent with each other? If not, what problems exist?

5. Additional comments and suggestions:

BUSINESS PLAN REVIEW (long form)

EXECUTIVE SUMMARY

- Yes No 1. Are the owner's personal goals consistent with the goals stated for the business? If not, how? What changes are necessary?
- Yes No 2. Does the Executive Summary clearly communicate the mission, values, and image of the business? If not, what needs clarification?
- Yes No 3. Does the owner provide a realistic picture of where he/she wants the business to be in the future? What suggestions do you have for the owner?

PRODUCTS AND SERVICES

- Yes No 4. Does the plan include a clear, specific description of the products and/or services provided? If not, what is needed?
- Yes No 5. Does the plan identify what benefits the products and services provide to the user? What additional information would be helpful? What could be changed or added to the products and services to improve the plan?

MARKETING

Community/Demographic Analysis

Yes No 6. Is the community analysis included in the plan detailed and relevant to the business? If not, what needs improvement?

Yes No 7. Does the business "fit" into the community as it is described? If not, why not?

Yes No 8. Does the market analysis include information about the potential market size, demand, and market share for the business? What additional information would help the owner estimate the demand for the products and services offered?

Yes No 9. Does the plan demonstrate that the potential demand in the community is sufficient to support the business? What markets exist outside the local community? What could the owner do to reach these markets, if desired?

Target Market and Customers

Yes No 10. Is the target market an appropriate niche for the business? What suggestions do you have concerning the owner's ability to meet the needs of this group?

Yes No 11. Does the plan clearly identify the target market for the products and services offered? If not, what needs clarification?

Yes No 12. Is the business strategically located so that customers have easy access to the products and services? What concerns exist regarding the business' ability to reach the target market?

Yes No 13. Does the plan describe in detail the location or channels of distribution that will be used to reach the customer? Do they seem realistic? What suggestions do you have regarding place or location?

Yes No 14. Does the owner have an established customer base prior to opening?
Comments:

Industry and Competition

Yes No 15. Does the plan provide detailed information about new and existing opportunities, risks, and threats in the industry?
Comments regarding industry analysis:

Yes No 16. Does the plan identify significant barriers to entry in the community and how the owner will address them? Comments:

Yes No 17. Does the plan identify and describe the competition adequately? Comments:

Yes No 18. Does the plan explain what advantages the business offers to customers over its key competitors? What other issues must be considered?

Community Fit

Yes No 19. Is the owner known in the community? If not, does the owner have a plan to create awareness of the business?

Yes No 20. Can the community support the business' long-range plans for growth and expansion? Why or why not?

Yes No 21. Does the business address significant gaps or economic leaks in the community? What additional information is needed? Comments regarding the business' ability to develop a sufficient customer base:

Yes No 22. Does the plan explain what impact the business will have on the economic, social, and environmental sustainability of the community? Comments:

Marketing Strategy and Promotion

Yes No 23. Are the marketing strategies described in the plan likely to achieve the desired results? Comments:

Yes No 24. Does the description identify the media sources and costs of promotional methods? What additional information is needed?

Yes No 25. Are the marketing responsibilities clearly defined? What help or resources might the owner need to access in order to complete the tasks?

Pricing

Yes No 26. Does the plan identify appropriate pricing strategies for the products and services? What other factors regarding pricing need to be considered?

Yes No 27. Is a detailed price list included in the plan? Comments:

OPERATIONS

Management: Planning

Yes No 28. Is the implementation plan consistent with the information presented in the cash flow statements? What inconsistencies exist, and what must be done to resolve them?

Yes No 29. Is there a clear plan for how the business would continue to operate if something were to happen to the owner? What other contingency plans should be included?

Owner

Yes No 30. Does the owner have the strengths, talents, and resources to support the business? If not, what factors are weak or missing?

Yes No 31. Is a copy of the owner's resume included in the plan? What additional information or documentation would be helpful in evaluating the owner's ability to manage the business successfully?

Yes No 32. Does the plan communicate the owner's high level of commitment? What concerns exist regarding the owner's commitment of time or equity resources to the business?

Yes No 33. Does the business plan communicate that the owner has the support of family members? What other information is needed? Or, what additional support will the owner need to succeed?

Employees and Human Resources

Yes No 34. Does the plan include job descriptions for each staff member required to run the business? What else must be considered or included?

Yes No 35. Can the community provide the skilled workers needed for the business? If not, how can the business attract employees with those skills?

Yes No 36. Do opportunities for employee training and education exist in the community sufficient to support the needs of the business as it grows and expands? What additional developments will the business need as it grows?

Yes No 37. Is a list or description included of people who will provide professional services to the business (accountant, lawyer, technical assistance provider, etc.)? What other professional help might the owner need?

Operating Policies

Yes No 38. Are detailed operating policies outlined for opening and closing procedures, hours of operation, sales contracts, follow-up services, etc.? What additional operating policies and procedures are relevant?

Yes No 39. Are customer service policies clearly defined? Do they support the goals and image of the business as described in the marketing section? What other customer-related issues should be considered?

Yes No 40. Are the business' credit policies clearly defined? If not, what procedures would be helpful to the business owner in managing credit?

Yes No 41. If applicable, does the plan include a facility design or layout illustration?
Comments:

Insurance, Licensing, and Zoning

Yes No 42. Are the business' insurance needs covered, and are the costs documented? What additional risks exist? How can they be minimized?

Yes No 43. Does the owner list the appropriate licensing requirements for this type of business? What additional licenses, permits, or regulations apply?

Yes No 44. Are copies provided of the required licenses and certificates?

Yes No 45. Does the business comply with zoning and long range planning in the community? What issues does the owner need to be aware of?

Yes No 46. Is the legal structure of the business identified, and does the plan include reasons for choosing a particular organizational structure?

Yes No Is appropriate documentation attached (articles of incorporation, partnership agreement, etc.)? Comments:

Suppliers

Yes No 47. Are the key suppliers identified, and does the plan include the terms and delivery arrangements? What other options might the owner consider?

FINANCIALS

Start-Up

Yes No 48. Is there a detailed list of the equipment and renovations needed to start the business? If not, what additional documentation is needed?

Yes No 49. Is the business being started on an appropriate scale? What could be done to reduce start-up costs?

Cash Flow

Yes No 50. Does the plan communicate the owner's knowledge and ability to manage cash flow effectively? What help may the owner need?

Yes No 51. Does the plan include 3 years of accurate and realistic cash flow projections? What comments or concerns exist about these projections?

Yes No 52. Doe the cash flow projections include loan payments? What concerns exist regarding the business' ability to maintain positive cash flow, given monthly expenses?

- Yes No 53. Do the projections allow the owner to draw sufficient profit from the business to meet personal expenses? What adjustments may need to be considered?

Financial Assumptions

- Yes No 54. Are the cash flow statements supported by realistic financial assumptions? Comments regarding assumptions:

- Yes No 55. For existing businesses: are prior year financial statements and tax returns included?

- Yes No 56. Do the financial assumptions include a detailed explanation of the sales projections? Comments:

- Yes No 57. Are the sales projections realistic and supported by research? What concerns exist regarding forecasted sales?

Breakeven Analysis

- Yes No 58. Is a breakeven analysis, consistent with other financial projections, included in the plan? What adjustments are needed?

Yes No 59. Is information contained in the sales projections, marketing and operational plans consistent with data used to calculate breakeven point for the business? What clarification is necessary?

Credit and Collateral

Yes No 60. Does the plan document the owner's credit worthiness? What additional information is needed? If the owner has an unfavorable credit history, what steps need to be taken to remedy the situation?

Yes No 61. Does the owner's personal credit history indicate an ability to manage money and repay debt? What additional information is needed to make this judgment?

Yes No 62. Does the plan identify adequate collateral to support the loan needed to start the business? What additional information is needed?

Yes No 63. Does the plan contain a personal budget for the owner? What concerns exist related to the information presented in the budget?

Owner's Capital and Financial Requirements

Yes No 64. Does the plan document the owner's capacity to secure the necessary start-up capital? If not, what steps need to be taken?

Yes No 65. Will the business be the sole or primary source of income for the owner? Suggestions regarding initial owner's draw:

Yes No 66. Does the plan explain how the owner will support him/herself until the business breaks even and if projections are not met? Comments:

Taxes

Yes No 67. Are the taxation requirements of the business identified? What tax requirements has the owner overlooked (property, privilege, etc.)?

Yes No 68. Does the owner demonstrate an understanding of the bookkeeping and tax reporting functions required by the business? Comments:

Yes No 69. Does the person who will manage the business' books have the training, time, and commitment to do so successfully? Comments: