# WhatsHappening

# BUSINESS PLAN FORMAT

**PROPOSED OUTLINE STRUCTURE & CONTENTS–BUSINESS PLAN FOR THE NEXT THREE YEARS (every three years a new business plan must be developed and for the two years in-between, an Implementation Plan must be submitted)**

***(The main body of the Business Plan should not be more than 40 pages)***

1. **Cover Sheet**
   * *Month & Year*
   * *Name of organisation*
   * *Logo/emblem/picture*
   * *Compiled by…*
   * *Registration no.*
   * *Contact details*
   * *Version*

1. **Table of Contents**
   * *Version control*
   * *Headings, sub-headings including page no.'s*
   * *glossary of terms/acronyms*
   * *List of numbered annexures*

*Version Control example*

|  |  |  |
| --- | --- | --- |
| ***Revision No.*** | ***Date*** | ***What was revised*** |
| *1* |  |  |
| *2* |  |  |

1. **Executive Summary**

*[This should be a concise summary of the contents of the business plan, and should be a maximum of 4 pages.*

*It must state at least the total funding amount required, as well as the date(s) of transfer of the different tranches. It should also include a motivation for the funds/support.]*

1. **Vision, Mission and Values**

**4.1****Vision Statement**

*[An inspiring vision of a preferred future.*

*It is not bound by time and serves as a purpose and foundation for strategic planning.]*

*Eg.* ‘We are the world-class provider of superior technological business support services, for the accelerated development of globally competitive enterprises’

**4.2****Mission Statement**

*[This identifies what the organisation does, and why and for whom it does it and states the unique purpose of the organisation.]*

*Eg.* ‘We provide innovative business development services through technology-based platforms to accelerate the growth of globally competitive enterprises’

**4.3****Values of the Centre**

*[Make reference to the values by which the centre would operate]*

*Eg.*

* Integrity
* Need driven
* Team work
* Respect
* Commitment
* Professionalism

1. **Background, Rationale, Progress and Corrective Measures**

**5.1 Centre Background**

*[Description of:*

* *Progress against Plan for the present Year (including KPIs)*
* *Review of Performance for the previous Year (including KPIs)*
* *Corrective Actions to taken or to be taken in the present Year*
* *History of the Centre*
* *Operational Systems & Procedures*

**5.2 Rationale of the centre**

*[It defines the purpose of the centre – why the centre exists. In general, how the Centre will direct its efforts that will address policy intentions and that are both quantitative and quantifiable.]*

**5.3 Progress**

*Progress based on the previous year’s performance and activities*

**5.4 Corrective Measures**

*Corrective actions that will be taken to address shortcomings of the previous year*

1. **Objectives, Strategies, Activities and Measures**

**Please note: see Addendum to the Business plan – Implementation plan**

**6.1 Three Year Term Objectives (for a 3 year period)**

*[As stated in the Memorandum of Agreement and any additional for a three-year period, the business plan must reflect a three-year rolling plan.*

*Eg. To establish sustainable SMMEs*

*To be sustainable*

**6.2 Strategies**

*Methods to achieve the Objectives and are the means for transforming inputs into outputs and ultimately outcomes. Each Objective could have a number of Strategies. If the strategies differ in each of the three years, state each year separately.*

*Strategies must consider the most economical, efficient and effective use of resources. Targets with dates must be included. Must be specific for one year and include a budget.*

*Strategies will, inter alia include:*

* + - *Operations*
    - *Marketing*
    - *Human Resources*
    - *Communication*

*Eg. 1. Recruitment of prospective clients*

* + 1. *Pre incubation process*
    2. *Incubation process*
    3. *Post incubation process*
    4. *Obtain alternate funding*

1. **Log frame (As per the attached template)**

**(Include Objectives and Strategies as per 6.1 &6.2)**

**Activities (This must be stated in the LOGFRAME only)**

***Each Strategy (as per the 3 year business plan)should have a number of activities so that the Strategy is accomplished and ultimately the objective has been achieved. This will be for one year only.***

*Eg.*

*Place advertisements in XX news paper by x date*

*Select x number of appropriate clients – applying selection policy and process by x date*

*Contract clients by signing standard agreement by x date.*

**Outputs, Outcomes, Impact, Measures - Key Performance Indicators (KPI) and Results (This must be stated in the LOGFRAME only)**

*[Outputs are used to measure performance in terms of services and goods delivered when implementing the strategies. They evaluate the* ***efficiency*** *aspects of delivery. Key performance measures for outputs should be clearly defined.*

*Eg.*

*1. x number of clients incubated*

1. *x number of clients completed business training*
2. *x number of incubated graduated*

*Outcomes/Impact are quantified results and effects of actions taken. They are not outputs, outcomes are a result of outputs.*

*They evaluate the* ***effectiveness*** *aspect of delivery.*

*Key performance measures for Outcomes/Impact should be clearly defined.*

*Eg.*

*1. x number of new business started manufacturing*

1. *x number of jobs created*
2. *Combined turnover of x number of new businesses Rxxx*

*Key performance measures for outcomes should be in terms of:*

* *SMME established/created;*
* *Black Economic Empowerment;*
* *Turnover growth;*
* *Employment;*
* *Investment; and*
* *any other appropriate measure*

In terms of the PFMA, the following must be considered when designing Outputs, Outcomes and Impact:

a. Economy: This is the measure of input and involves the cost of resources of an appropriate specification at the lowest cost.

b. Efficiency: This measures the relationship between input and output and maximises outputs with the amount of input, or minimises input for the amount of output.

c. Effectiveness: This measures outcomes or impact, measuring the extent that inputs and outputs achieve the desired results.]

KPIs must clearly indicate when Objectives have been achieved.

Results are actual Outputs, Outcomes and Impact achieved and are measured against the set KPIs

1. **SWOT Analysis**

*These are specific identified strengths, weaknesses, opportunities and threats that exist and/or have impact on the organisation. Actions must be detailed as to how the identified strengths, weaknesses, opportunities and threats are capitalised on.*

1. **Risk Management**
   1. **Risk management plan**

*[Identify Financial and/or Business Risks, Operational Risks and include a plan of how these risks will be prevented/minimised]*

* 1. **Internal controls**

*[Include internal control plans, systems, controls as well as a plan of how fraud will be prevented]*

1. **Tenant / Client Management**

*[Describe:*

* *Entry and Exit Criteria*
* *Stages of Technology / Business Incubation and/or Support*
* *Participation Modes*
* *Feeder Market*
* *Client Needs*
* *Key Centre interventions with Tenants / Clients]*

1. **Revenue Model and Sustainability**

*[Income streams from sources other than STP are to be included as well as past history performance. Show how the centre will gradually become more self-reliant. A table detailing other income and funders]*

*Strategic partnerships or activities for attracting other donor funding or alternative means for generating alternative revenue.*

*Be careful that this should not significantly deviate from the core business of the TBC*

* + *Tenants*
  + *Consulting Services*
  + *Seta’s*
  + *Municipalities*
  + *CSI*
  + *Etc.*

1. **Auditors**

*[External auditors – State names, telephone numbers and addresses]*

1. **Governance Structure**

*[Directors/Trustees, Chairperson and CEO/Manager – State names, telephone numbers and addresses. The organisations organogram must also be shown diagrammatically]*

1. **A statement that the entity complies with Section 38(j) of the PFMA and compliance with stp’s policies and MoA:**

*‘[Centre Name] will implement effective, efficient and transparent financial management and internal control systems’ and comply with stp’s policies and procedures, and the terms and conditions of the MoA between the* ***stp*** *and the Centre. See annexure I.*

1. **KPI Targets**

This must be according to the STP KPI sheet

1. **Financials**

**16.1 Cash Flow Projections**

*[Cash expenses to be mapped to business objectives.*

*All funds transferred and managed by the Centres must be codified and classified into cost budget lines (or funding blocks). No other category of cost is admitted, and costs not included in these categories are not allowed. When proposing the budget in the first business plan, the Centres should follow these prescriptions. The six main costs categories/funding blocks/budget lines are:*

1. *ADMINISTRATIVE Costs*

*2. STAFF COSTS*

*3. DEPRECIATION*

*4. OTHER OPERATING EXPENSES*

1. *PROJECT RELATED EXPENSES*

*6. CAPITAL*

* 1. **Income Statement**

*[Detailed projections of income and expenditure. Funds will only be transferred when actually needed.] [Income Statements to be shown for the next three years]*

* 1. **Projected Balance Sheet**

1. **Return on Investment (ROI)**



1. **Appendices**

**A - Letter from the Board requesting Funds**

**B - Declaration Document**

**C - Supporting Materials**

**D - Policy Documents**

**E - Corporate Governance Documents**

**ATTACHEMENT TO THE THREE YEAR BUSINESS PLAN**

**(For the remaining two years, only this attachment may be required if approved by the main board)**

**IMPLEMENTATION PLAN**

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1. **Letter from the Board requesting Funds**

1. **Declaration Document**
2. **Progress to date**
3. **Corrective measures**
4. **Any changes to three year business plan – (eg Organogram, Objectives, etc.)**
5. **Log frame (As per the attached template)**
6. **Objectives as per the Business Plan**
7. **Strategies as per the Business Plan**
8. **Activities (This must be stated in the LOGFRAME only)**

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1. **Targets - KPI Sheet**
2. **Financials**

**Cash Flow Projections**

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*6. CAPITAL*

**Income Statement**

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**Projected Balance Sheet**

14. Return on Investment (RoI)

# ANNUAL LOGFRAME TEMPLATE

**EXAMPLE OF A LOGFRAME / WORKPLAN FOR \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

|  | Objectives |  | Strategies |  | Activities and Tasks | Output KPIs | Outcome/Impact KPIs | Budget |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 1 |  | 1.1 |  | 1.1.1 |  |  |  |  |
| 1.2 |  | 1.2.1 |  |  |  |  |
| 1.2.2 |  |  |  |  |
| 1.3 |  | 1.3.1 |  |  |  |  |
|  |  | 1.3.2 |  |  |  |  |
|  |  | 1.3.3 |  |  |  |  |
| 1.4 |  | 1.4.1 |  |  |  |  |
| 1.5 |  | 1.5.1 |  |  |  |  |
| 1.6 |  | 1.6.1 |  |  |  |  |
| 2 |  | 2.1 |  | 2.1.1 |  |  |  |  |
| 2.1.2 |  |  |  |  |
| 2.1.3 |  |  |  |  |
| 2.2 |  | 2.2.1 |  |  |  |  |
| 2.2.2 |  |  |  |  |
| 2.2.3 |  |  |  |  |
| 2.2.4 |  |  |  |  |
| 2.3 |  | 2.3.1 |  |  |  |  |
| 2.3.2 |  |  |  |  |
| 2.3.4 |  |  |  |  |
| 2.4 |  | 2.4.1 |  |  |  |  |
| 3 |  | 3.1 |  | 3.1.1 |  |  |  |  |