

## TX VRC Resource Tools

# 8. Guiding and Monitoring Business Plan Development

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Two great things about conducting Business Feasibility studies: 1) It gives you and the prospective business owner confidence that the business will succeed, and 2) much of the information for the Business Plan is already gathered! The business plan fills in the gaps and provides detailed specifics on business operation. This tool addresses your role as a VRC during business plan development.

### Continued Guidance and Support

During business plan development, continue to have regular check-in meetings with the prospective business owner and their business team. This keeps the energy going, updates team members on the current status and next steps, and pulls from the knowledge and skills various team members bring. It also puts you in a position to guide and direct the next steps.

First, ensure that PBO's are using the correct form. TX VR has three different forms for the Business Plan:

- VR-1803, Simple Self-Employment Business Plan;
- VR-1804, Comprehensive Self-Employment Business Plan; and
- VR-1813, Supported Self-Employment Business Plan.

The main difference between the Simple and Comprehensive forms is the marketing section. The Supported Self-Employment business plan form is not different, but likely will need to include more information around long-term support.

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Regular check-ins allow you to guide the business plan development.

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### Business Plan Sections

Some areas that will be developed or expanded in the business plan include:

- **The Executive Summary.** This is the first part of the business plan but is generally written last and provides a brief overview of the plan. It highlights key aspects of the business and why it is a good investment. It might also include business goals, such as reaching key financial milestones (e.g., “reach net profit of \$40,000 by the end of Year 1”).
- **Business Description.** Completed during business feasibility though could be expanded, as needed.
- **Products and Services.** Completed during business feasibility though could be expanded, as needed.
- **Marketing Analysis and Plan.** Marketing strategies were discussed during business feasibility but will need additional detail. Marketing plans should detail strategies, frequency, and timelines. The Marketing plan should help the business owner stay on top of marketing tasks that can easily get overlooked.
- **Operational and Legal Considerations.** This will include the business legal structure (sole-proprietorship, partnership) and details on how the business will operate on a day-to-day basis.
- **Financial Plans.** A completed VR-1805 Business Financial Projections Spreadsheet is required to be submitted with the business plan (see below).
- **Extended Business Support.** This section includes details about how needed support will be addressed, including use of natural support, community resources and paid support.
- **Appendices.** This might include the VR-1805 Business Financial Projections Spreadsheet, the business owner’s resumé, or other supplemental information.

In reviewing the business plan, ask yourself and the team, “Does this [section] make sense?”. If it doesn’t, ask the VR Customer to clarify the parts where you have questions or concerns. Often prospective business owners get “too close” to their business – they know how it will operate, but maybe have not written it down clearly for others to understand. Encourage the whole team to provide suggestions that will strengthen the plan. Make sure to identify strong areas as well!

## VR-1805 Business Financial Projections Spreadsheet

The Business Plan will include the final VR-1805, Business Financial Projections Spreadsheet. There are two versions of the VR-1805, one for VR customers who are blind (VR-1805-1) and one for all other VR customers (VR-1805-2). The VR-1805’s include a Benefits Analysis section to take into account different Substantial Gainful Activity levels used by Social Security.

In supporting customers and CBTAC’s around business financials, be sure to encourage realistic income projections, taking into account:

- time spent on business management tasks (record keeping, marketing, etc.),
- time off for vacation, illness or personal matters, and

- the business's capability to produce the product or service.

Ensure that business expenses are realistic, have been thought through, and resources are available to fund anything that VR will not be supporting. For individuals receiving Social Security benefits, a Plan to Achieve Self Support (PASS) is an excellent resource for funding items and services that VR may not be able to cover (e.g., vehicles).

## Support is Available!

Business financials are likely one of the hardest tasks for prospective business owners and CBTAC's alike. This is a great time to pull in the SBA team member to assist! Also, Regional and State Program Specialists can help, as well as staff from Griffin-Hammis Associates. The next VRC Tool, titled "Understanding Business Financials: A Reference Guide for VR Counselors" will review key financial tools and what you should be looking for.