

BUSINESS PLANNING PART VII

CONCLUSION

The use of appendices

This module emphasised the use of a business plan as a practice management tool. Where a business plan is developed for securing financial support, a need could exist for additional information to substantiate the business plan.

Appendices can be used to supply this information. Examples of additional information could include the following:

Market surveys

Providing detailed information on the demographics of the practice, current customer base or future market:

- age
- income level
- gender
- payment methods
- geographical distribution.

Financial information

This will vary depending on the purpose of the business plan but could include:

- detailed budgets relating to the operational plan
- financial records of the past year such as balance sheets and income statements
- financial projections on future income and cash flow.



Comprehensive information on the practice

This could include information on:

- human resource information — partners, staff, remuneration levels, qualifications, etc.
- technology and other resources such as medical equipment, buildings and information technology.

Supportive strategic plans

A business plan cannot always incorporate detailed plans in its text. These can be added as an appendix. Some examples are:

- marketing strategic plans
- information technology roll-out plans.

Supportive operational plans

The business plan should be a management tool used on a day-to-day basis. It can therefore be valuable to include in the appendices critical contact and other information such as:

- medical schemes contact information
- contact information of suppliers.

Reviewing the style and format of the business plan

Lay-out, design and presentation of the business plan are essential when the plan is developed for external parties. Remember that financial institutions receive large numbers of such plans and are therefore used to an industry norm that usually includes:

- being printed on good quality paper
- presented in a bound format
- includes the use of colour.

As first impressions are important, it is necessary to spend time on ensuring a polished product. A checklist follows which contains some tips on this process.

Evaluate your business plan according to the following:

- Is it a realistic and achievable plan?
- Has there been any paradigm shift, e.g. will you be doing things differently, in a new way?
- Have you defined a clear competitive advantage that will ensure that the customer will choose you?
- Has the 'Pareto' principle been applied, i.e. have you identified the 20% actions that will result in 80% outcome?

- Is the business plan comprehensive enough to provide clear direction to those who have to implement it, while remaining concise?
- Does it provide a clear common vision for the future of the practice and will it inspire the reader?
- Is it focused on future rather than current needs?
- Is the writing clear, concise and without buzzwords?
- Have you used graphs and tables to summarise data?
- Is it written in the active rather than the passive voice?

Excerpted with permission from the Business Planning Section of the Distance Learning Practice Management Programme of the Foundation for Professional Development of SAMA. For information on the FPD courses contact Annaline Maasdorp, tel (012) 481-2034; e-mail: annalinem@samedical.org