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PRESENTING A BUSINESS PLAN

- The Business Plan - Drawing One Up And Getting It Accepted
- Presentation Skills
- Controlling The Interview - Getting Outcomes

THE BUSINESS PLAN - DRAWING ONE UP AND GETTING IT ACCEPTED

Why Have A Business Plan?

Organisations frequently draw up business plans because outsiders (especially sources of finance) expect or demand them. Great efforts are made to produce business plans which are then only superficially assessed and discarded once they have achieved their real objective (usually raising money).

Organisations need to plan far more than they do and need the focus and clarity a business plan can give.

If a business plan is drawn up it is vital that it is implemented. Implementation depends firstly on everyone understanding and having faith in the plan. Next, the people implementing it or having to change what they do must support the plan, and have the necessary time and skills to make the change.

The Role Of Outsiders

An advisor or counsellor can play a vital role in **validating** the business plan, effectively reinforcing the organisation's faith in it. For businesses this has often been done by accountants, bank managers, marketing professionals etc. For community-based organisations this role has often been played by supporters, professionals, Local Authority officers or councillors.

However it is important that the business plan is not written by such people but by the organisation itself. The organisation

must gather the information, evaluate and understand what it will mean to the organisation so that it can present the plan to outsiders and implement it afterwards.

An advisor or someone asked to draw up a business plan can take the lead role but must involve those affected by the plan. They must remain objective and not let loyalty blind them to reality. It is usually a good idea to be cautious but not to operate a veto on implementing the plan. And finally, to tell the truth, no matter how bad things are.

Basic Principles Of The Business Plan

- The business plan must be firmly based in reality. If it is not no-one will believe it and it is unlikely to succeed. The organisation may need to 'go back to basics' or 'start with a clean sheet' but hard as it is this has to be done.
- Knowledge and understanding are powerful tools when trying to create belief or faith or to win support. If the people drawing up and presenting the plan understand and can project their understanding at other people it is more likely to be accepted.
- The business plan helps to compare 'what is' with 'what might be', us with them. From this comparison pathways to improving performance can usually be found.

Presenting A Business Plan

- The business plan must be presented in a form the 'audience' expects and understands. If the proposals are complex or people have a low level of understanding (or cannot devote much time to understanding and evaluating the business plan) then it must be summarised (either in writing or verbally).
- Presenting a business plan in a particular way is intended to win support or create belief in it. Both the style in which it is presented and the belief and confidence the presenter has in the business plan will have a major impact on the business plan's chances of being accepted.
- However, a slick or spurious 'professional' quality is no guarantee of success, nor is something badly presented guaranteed to fail. If the Plan has been soundly drawn up and is based firmly on the experiences and principles of the organisation and its members, it is likely to be accepted.
- Winning the support of key players, talking with them and ensuring they understand and accept the business plan prior to formal presentation can be a major factor. However 'key players' are not always the people in charge. They could be shop-floor workers or union representatives, the man who cooks the meals or the woman who drives the van. They are people vital to the implementation of the business plan and/or who can play a key role in explaining the plan, building support or creating conditions for it to succeed.

- Presenting a business plan is a two-way process, a dialogue between you and the person(s) you are trying to influence. Not only must you be able to present your case well but you must have a thorough understanding and knowledge of your business plan. If you do you will be able to answer their questions and deal with any doubts they have.

Why Business Plans Don't Win

If business plans are rejected after first scrutiny, it is usually because they fail to reassure the reader that the marketing and sales strategies will deliver the promised outcomes. The second most-frequent problem is a lack of operational detail in terms of implementing the plan.

Both of these weaknesses derive from not having a clear understanding of your own strategy, lack of confidence or engagement with the strategy or a failure to communicate the strategy effectively.

A great deal of the potential for success lies in being able to get key people to engage with it and support it. This has as much to do with (justified) optimism and enthusiasm as it has to do with dry statistics and over-planned detail.

Ten Reasons Business Plans Fail To Convince

- 1 : The business plan document or presentation is poor or too slick - it feels false.
- 2 : The text is too long, with too much waffle and generalisation.
- 3 : The text is too short, too weak, shallow or vague.
- 4 : There are not enough hard facts, operational details or market information.
- 5 : It's just wrong about certain facts, information or conclusions.
- 6 : Failure to cover everything expected in the plan suggests that skills, resources or knowledge to deliver it are missing.
- 7 : There is not enough contingency analysis - What if sales are 10% less than expected? Or more than expected? If financial terms and conditions change?
- 8 : The financial projections are overly optimistic or simplistic (for instance there is no seasonal variation or they take no account of finance required, labour or factory capacity etc). There should also be some alternative financial scenarios based on some (reasonable) pessimistic assumptions.
- 9 : The plan has been to raise finance and doesn't go into enough detail about business operations and management issues.
- 10 : The plan was clearly produced by outside consultants, suggesting that the people responsible for the plan didn't have the time, knowledge, expertise or ability to draw it up.

PRESENTATION SKILLS

Aside from actual techniques, confidence and experience are big factors. Making a presentation or a case for your business in public - even in a private office with someone you don't know - can be nerve-wracking. A common physical reaction is a release of adrenalin, which makes us both nervous and assertive (the fear and flight syndrome). The important thing to remember is that your audience probably wants you to succeed. Good preparation is the key to confidence, which is one key to success.

Some Facts About Presenting Information

Preparation and knowledge are the pre-requisites for a successful presentation, but confidence and control are just as important. Remember also that believing in yourselves and being persuasive can be far more important than reams of statistics churned out nervously. A good presentation will leave your target audience relaxed, positive and supportive.

You have four to seven seconds in which to make a positive impact and good opening impression, so make sure you have a good, strong, solid introduction. Try to win over your audience. Smiling will create rapport and confidence in you. If you don't know the answer to a question say so and deal with it after. The average attention span of a listener is only six to eight minutes, so try not to stay on one topic too long. This requires you to control the interview and keep it focussed and moving along.

Presenting a business plan or proposal should use every tool at your disposal. People access and retain information in particular ways: read it - 10%, heard it - 20%, saw it - 30%, heard and saw it - 50%, said it - 70%, said and did it - 90%. Simply giving someone a business plan without asking for an interview, showing them the product or touring the factory greatly reduces your chances of success.

Preparation

Think about your audience, your aims, their expectations, the surroundings and the likely process you will have to go through. What are your aims? To inform, demonstrate, prove and persuade. Think clearly about the information you want to get across, in what order and with what emphasis. Organise this information coherently and ensure that you and other members of the group have the facts and issues you want to focus on at your fingertips. Plan to start and finish strongly - this is when impressions can be most important.

Practise the interview, presentation or conversation. Get someone to role play your audience, run through the presentation. Ask for their comments and how you can improve, especially whether they understood everything.

Creating And Giving Presentations - Step By Step Guide

- Define purpose
- Gather content and presentation ideas
- Structure the subject matter
- Develop how to present it
- Prepare presentation
- Practise
- Plan, experience, control the environment
- 'Dress rehearsal' if warranted

CONTROLLING THE INTERVIEW - GETTING OUTCOMES

Presenting a business plan will usually consist of a series of interactions between you and funders or stakeholders. Some you will have no control over: an officer of the funding body will present the proposals for final decision to a distant committee, for instance. So it's important that you do not let a decision be made until you have done everything you can to get the right information across. And that you use every opportunity you have to persuade and convince.

Planning Issues

- Do you know what you want from the interview?
- Who will decide what you want and by when?
- Where will the interview take place and when?
- Who will be present?
- Will notes be kept? By who? Why?
- What will you do if you don't get what you want?

Preparation Issues

- What information will you need to take to the interview?
- What will you wear?
- Will you want to take notes individually? Why?

- Is the interview a negotiation, interrogation, introductory session or what? What attitude should you have to the process?
- How much time will you allow for the interview? When will you arrive?
- What attitude should you take to the interviewer?

Control Issues

- Who is in control of the interview? Is this acceptable to you?
- Will you try to take control? What will you do if the other party tries to take control?
- What outcomes do you want? How will you assert the importance of these outcomes?
- Is there an agenda agreed by all parties? Do you have your own agenda? How will you get it accepted?
- Who controls the outcomes? Who will take action to implement the agreed outcomes?

Outcome Issues

- Are you likely to be trading off outcomes? If so what value do you give to each of your outcomes?
- What will you do if you are unable to get your preferred outcomes?
- What outcomes will constitute an acceptable compromise?
- What will you do with the outcomes? What will follow from the decisions reached?
- Who 'owns' the outcome? Whose responsibility is it to take action?

Presenting a business plan requires a period of preparation, development of agreement on the kinds of outcomes being sought and agreement on who has the authority to make decisions. It might seem hard to have worked so long to produce a business plan and maybe you want or need a quick decision. **But** getting the wrong offer can be as dangerous as getting a refusal is disappointing. But at least with a refusal you can look elsewhere. Putting all your eggs in the wrong basket could be potentially disastrous.

Types Of Interview - Roles Played

The outcome of interviews and the way they play out are primarily governed by the following issues:

- Are the parties to the interview equal or unequal?
- Is there an imbalance in the relationship? For instance, is one party trying to get something from the other without offering anything in return?

- Is the aim of the interview to discover information? Get across a set of opinions, beliefs or perspectives to assert authority? Change a relationship in some way? Pass on information?
- Who initiated the interview and who has most say in the outcomes likely from it?

Most interviews are initiated by one party or the other. The person initiating the interview usually also controls it. They alone usually know the rules of the interview process, possess facts not known to the other parties, have a preferred outcome in mind and can control, direct and end the interview as they wish. When seeking a bank loan, for instance, a 'levelling' strategy can be to invite the bank manager to your premises to view operations and discuss finance; now you control the interview process.

Planning The Interview

- Decide what you want to get out of it
- Decide what facts you will need at the interview or get from the interview
- Draw up your own agenda for the meeting
- Decide how much time you will allow for the meeting
- How much time will you give to the other party's needs?
- Decide your priorities for the meeting
- If able to, decide the time, place and atmosphere of the meeting. Is it to be formal or informal, for instance?
- Dress accordingly
- Decide what agreements you want out of the interview

Roles Played

In formal situations like interviews we tend to play formal roles. The roles being played often determine the outcome of the interview. Success at interviews can depend on you spotting and controlling the following types of roles being played:

The Controller

The interview agenda will have been prepared by this type and it is usually only their interests which get on it. They do not allow departure from the agenda. **Strategy:** You must take control, refusing to meet (if possible) until there is an agreed agenda.

The Dominator

Exerts authority in the interview, may intimidate, belittle or accuse to control process. School teachers are good at this as is anyone whose authority is under threat or diminished. **Strategy:** If you accept the points being raised ask what outcomes are wanted. If not, turn them back one by one.

The Silent Type

Gives up as little information as possible. If initiating the interview, keeps asking questions that involve complicated answers. Gathers information together but does not reveal outcomes. **Solution:** Try to change things, get him/her to do the talking.

The Suppliant

Will ask for help or information without knowing (often) what kind or why. Expects other party to come up with the answers. May have infinite needs or the interview itself is the outcome required, with no solution or benefit. **Strategy:** Keep interviews short and focused on one issue only.

The Helpless Babe

Similar to suppliant. Wants other party to take over interview, or to take responsibility for problem, project whatever. Primarily interested in avoiding work, blame, responsibility etc. **Strategy:** Keep asking what the problem is. Keep asking what stops other party from taking (appropriate) action. Put a limit on your involvement.

The Righteous One

Has rights/needs/demands and believes that having got this far, they should be settled here and now. May also have a long list. Wants to be allowed to recite a long list of grievances/excuses/injustices to force compliance. **Strategy:** Keep asking what it is they want - eventually outcomes rather than emotions will come to the fore.

The Prevaricator

Avoids issue by putting up (imaginary /petty) obstacles or trying to move on to other (irrelevant) subjects. If initiating the interview will avoid issue as long as possible to soften other party up, then accept any reason possible for ending interview. **Strategy:** Go with your own agenda and stick to it. Take control.

Many interviews are in fact a set of negotiations carried out in stages, not a continuous process. Its important therefore to clarify requirements and get agreement to decisions made or outcomes agreed at each stage. The most important time for this clarification is at the start when you should state clearly what your purpose is. Don't allow the interview to end until all of the points on your agenda have been discussed. Don't be afraid to go over what's been agreed at the end.