Business Planning for Not For Profit Organisations (NFPs)

Every NFP organisation is established with the vision of improving or enhancing life somehow and it’s this vision that attracts resources. However, achieving an organisation’s social purpose is greatly enhanced by having a business plan that clarifies: the objectives and purpose, the way forward and the key measures of success. That’s why it’s absolutely essential for NFP organisations to have a business plan.

This webinar discusses:
1. What are the benefits of a business plan?
2. The main steps of business planning
3. What should you include in a business plan?

What are the benefits of a business plan?
The majority of benefits are derived through the process of creating a business plan. By taking the time to examine your organisation, its goals and how to achieve them, you’re better equipped to make more effective decisions about what actions to take and how to manage your NFP.

The main steps of business planning
There are 4 main steps when it comes to business planning:

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<tr>
<th>Preparation and Implementation</th>
<th>1: Set goals &amp; objectives</th>
<th>2: Implement tactics</th>
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<td>Review and Adaptation</td>
<td>4: Modify tactics when needed</td>
<td>3: Monitor progress</td>
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**Step 1:** This is about what the organisation is going to do, and why.

**Step 2:** The tactics are about how the organisation is going to achieve its desired outcomes.

**Step 3:** The performance measures set her are about whether the organisation is achieving the goals it has set itself

**Step 4:** If the monitoring process identifies that the organisation is not achieving its goals, then something needs to change. This may be the plan, or the tactics used.
What should you include in a business plan?

A business plan doesn’t need to be overly long or complicated but it **does** need to consider the 7 Ps of effective business planning:

1. **Purpose**
   Purpose should drive every decision you make in your organisation so it’s vital to be clear on your purpose. The purposes of NFPs are varied. By clearly identifying which needs the organisation is going to address, resources can be sourced and used efficiently.

2. **Product**
   Here you need to define the goods/services your organisation delivers. You also need to outline how they will be produced and distributed, as well as what benefits they deliver to the community.

3. **People**
   This component looks at who you need to not only operate your organisation but to also help you achieve your overall goals, how much time they will need to invest, what skills they need to possess and the details of how their role will assist you.

4. **Place**
   Firstly this is about the geographic area your organisation is going to service eg suburb, region, state etc. Secondly, it’s about how you will distribute your goods or services eg shopfront, warehouse or via a website or virtual location?

5. **Price**
   In NFP organisations price considerations include understanding the cost of delivering the service which is essential to know so you can accurately build forecasts and budgets. You also need to consider how much the organisation might charge for the product/service for funding purposes.

6. **Promotion**
   Promotion is about how the organisation connects with the community and creates the goodwill that is going to attract funding, people/volunteers and users/beneficiaries.

7. **Performance**
   Here you need to define how you measure success, how you will collect the relevant data for measurement and how you will put these measurements in place so you can review your organisation’s performance in a meaningful way.

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*Any information provided is of a general nature. Before making any decisions please ensure you seek appropriate professional advice to ensure it is appropriate to you.*