

BUSINESS PLAN AND ITS SIGNIFICANCE FOR A NEW VENTURE

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Abstract: Planning is one of the important managerial tools to design or form a successful and sustainable business that provides a clear view of what the entrepreneur wants to do, where he is, where he wants to go and how he proceed or propose to go there. Business plan is a written roadmap or a blueprint that clarifying the business idea in a systematic way for running or starting a new venture as well as a series of benchmarks to check its progress and all the relevant elements considered in launching a new one. It is a word picture of what the entrepreneurial dream is, why the dream can be economically viable for those involved and how the dream will be realized. It is usually an integration of business mission and vision, business nature, description of product & services, marketing strategy & market analysis, SWOT (Strength, Weakness, Opportunities and Threats) analysis, organizational & management skill and financial aspects analysis (Fund and Budget).

Without plan (or poor plan) is a leading cause of business failure. Starting a new business is highly risk. If the venture fails, it can spoil one's career, prospects, wealth, reputation, family and even life. The real value of creating a business plan is not in having the finished product in hand; rather, the value lies in the process of researching and thinking about the business in a systematic way. It can be regarded as significant because of setting short and long range objectives for the business, managing workforce, creating values and social responsibilities, ensuring credibility and uniqueness of the product or services and determining the viability & sustainability of the business in a target market. It is carefully and efficiently prepared by the entrepreneur in consultation with lawyers, accountants, financial analysts, relevant consultant and engineers, etc. Global, technological, economical challenges & prospects should be considered due to minimize risk and maximize profit as well as optimization of wealth. The focus and contents of the business plan will differ from one venture to another depending on its nature and size.

Key Words: business plan, entrepreneur, new venture, management skill, target market.