

Home (<https://www.business.gov.au/>) > **Plan & Start** (<https://www.business.gov.au/info/plan-and-start>)

> **Develop your business plans** (<https://www.business.gov.au/info/plan-and-start/develop-your-business-plans>)

> **Writing a business plan** (<https://www.business.gov.au/info/plan-and-start/develop-your-business-plans/writing-a-business-plan>)

> Why do I need a business plan?



Why do I need a business plan?

Last Updated: **6 February 2017**

Do you want to expand your business, be more competitive in your industry or achieve certain goals?

If you answered yes to any of the above, you need a business plan!

Whether you've just started out or been running for years, business planning can be the key to your success.

We've laid out three key reasons why you need to get started on your business plan today:

1. A business plan is vital to helping you get finance

If you're seeking finance for your business, you'll need to show banks and investors why they should invest in your business.

Lenders and investors will only risk their time and money if they're confident that your business will be successful and profitable.

A thorough and well-researched business plan:

- shows that you're serious about your business
- helps lenders and investors to understand your business idea
- shows your predicted profits and income streams.

Your [marketing plan](https://www.business.gov.au/Info/Plan-and-Start/Develop-your-business-plans/Marketing/Develop-a-marketing-plan) (<https://www.business.gov.au/Info/Plan-and-Start/Develop-your-business-plans/Marketing/Develop-a-marketing-plan>) is also a crucial part of helping you to attract funds.

Take a look at [Finance](https://www.business.gov.au/Info/Run/Finance-and-accounting/Finance) (<https://www.business.gov.au/Info/Run/Finance-and-accounting/Finance>) for more information on applying for finance.

2. A business plan can help you prioritise

A complete, thoughtful business plan is one of the most valuable tools in helping you reach your long-term goals. It gives your business direction, defines your objectives, maps out strategies to achieve your goals and helps you to manage possible bumps in the road.

Preparing a business plan will help you work out the goals you want to achieve, and the strategies to achieve them. This means you can focus your resources and energy on what you need to do, rather than spreading yourself too thin.

The planning process also helps you to consider possible bumps in the road and put a plan in place to better manage them if they do come up.

Once you've got a business plan in place, it's a good idea to regularly review and update it to:

- remind yourself of your goals and priorities
- assess whether your strategies are working
- adapt to any new changes in your environment
- make the most of new opportunities as they come your way.

3. A business plan can give you control over your business

Developing your business plan helps you to step back and look at what's working in your business and what you can improve on.

If you have employees, the planning process can be a good opportunity to seek their feedback on possible ideas and improvements. Your employees will value this opportunity to contribute to the business.

Taking the time out of your business to plan will give you a sense of control about the future of your business and pay off in the long run!

Business planning can seem overwhelming and time-consuming, but many successful businesses look at it as an opportunity.

The planning process helps you learn about the different forces and factors that may affect your success. If you're already in business, it helps you to step back and look at what's working and what you can improve on. Instead of worrying about the future, a business plan helps to give you a sense of control over your business and your livelihood.

Writing and researching for your business plan gives you the chance to:

- learn about your industry, market and competitors
- write down exactly where you are in the market and where you're headed
- identify challenges you may come across and work out strategies to avoid or overcome them
- understand your business finances, including managing cash-flow and determining your break-even point

- set specific goals, timeframes for achieving them and how you'll measure performance
- make sound business decisions that focus your activities, maximise your resources and give you a competitive edge.

It's important to have a business plan, but it's just as important to keep it up to date

A business plan is not a document you create once and store in your bottom drawer. It's a living guide that you should develop as your business grows and changes. Successful businesses review and update their business plan when circumstances change.

Set yourself a reminder to review your business plan regularly.

If you have a team in your business, holding brainstorming sessions is a good way to benefit from their knowledge - it ensures you're all on the same page and that you get their support.

You don't have to start with a blank sheet of paper

To write an effective business plan you'll need discipline, time and focus. Although the process can seem challenging, it's very rewarding and gives you a sense of control over your business.

You don't have to start with a blank sheet of paper. Our [Business plan template and guide \(https://www.business.gov.au/Info/Plan-and-Start/Templates-and-tools/Business-Plan-Template-and-Guide\)](https://www.business.gov.au/Info/Plan-and-Start/Templates-and-tools/Business-Plan-Template-and-Guide)

Get started today

- Download our free [Business plan template and guide \(https://www.business.gov.au/Info/Plan-and-Start/Templates-and-tools/Business-Plan-Template-and-Guide\)](https://www.business.gov.au/Info/Plan-and-Start/Templates-and-tools/Business-Plan-Template-and-Guide) to get your business on track.
- Check out [Develop your business plan \(https://www.business.gov.au/Info/Plan-and-Start/Develop-your-business-plans\)](https://www.business.gov.au/Info/Plan-and-Start/Develop-your-business-plans) to help you in the business planning process.
- Own an iPad or Android™ device? Download our free business planning app, [MyBizPlan \(https://www.business.gov.au/Info/Plan-and-Start/Templates-and-tools/Business-apps/Business-plan-app-MyBizPlan\)](https://www.business.gov.au/Info/Plan-and-Start/Templates-and-tools/Business-apps/Business-plan-app-MyBizPlan), now!
- Take a look at [How to write a business plan \(https://www.business.gov.au/Info/Plan-and-Start/Develop-your-business-plans/Writing-a-Business-Plan/How-to-write-a-business-plan\)](https://www.business.gov.au/Info/Plan-and-Start/Develop-your-business-plans/Writing-a-Business-Plan/How-to-write-a-business-plan) for help in writing your own business plan, and for an alternative format to the downloadable word template.

- Visit [Advisory Services \(https://www.business.gov.au/Advisory-Services\)](https://www.business.gov.au/Advisory-Services) to search for a business advisor that can assist you with your business planning.

Investing time and focus in creating a business plan is one of the most valuable activities you can undertake.

Creating a well-structured business plan will give you direction and help your business become a success. A business plan provides a roadmap for your business's future and is essential to attracting funding.

Apple, the Apple logo, iPad, iPhone, and iPod touch are trademarks of Apple Inc., registered in the U.S. and other countries. App Store is a service mark of Apple Inc. Android and Google Play are trademarks of Google Inc.