

SURVIVE & THRIVE

RESOURCES FOR RUNNING A BAME-LED* COMMUNITY
ORGANISATION THROUGH DIFFICULT TIMES

RESOURCE 2 THE BUSINESS PLAN

December 2020



ABOUT THE UBELE INITIATIVE

The Ubele Initiative (Ubele), a civil society organisation based in London, works across the United Kingdom and Europe with disadvantaged communities; most notably black, Asian and minority ethnic (BAME) communities.

Ubele (taken from Swahili to mean 'The Future') is an African Diaspora led intergenerational social enterprise founded in 2014. Our primary mission is to help build more sustainable communities across the UK.

We have developed through a bottom up, community-based approach and although African Diaspora led, our culturally diverse team supports a wide range of communities and community-based organisations and groups through social action, community enterprise development and next generation leadership initiatives.

ubele.org

[@ubeleinitiative](https://www.instagram.com/ubeleinitiative)

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Resources: The Resource Centre B&H (Brighton & Hove) www.resourcecentre.org.uk

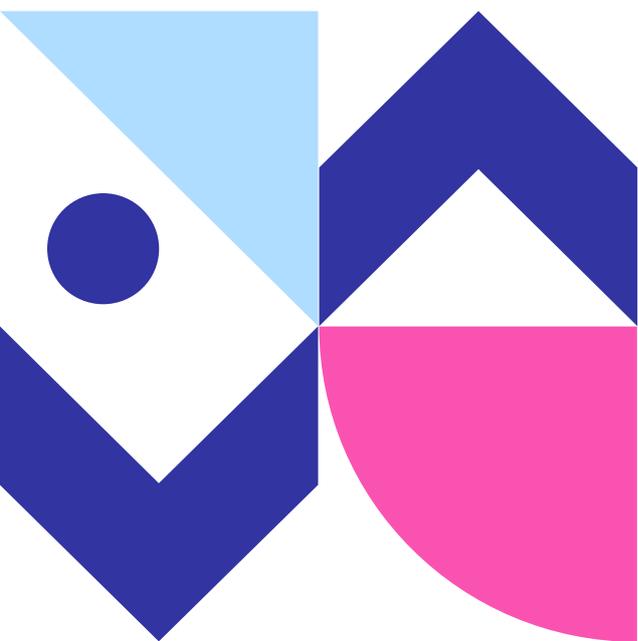
The Ubele Initiative

Wolves Lane Horticultural Centre

Wolves Lane

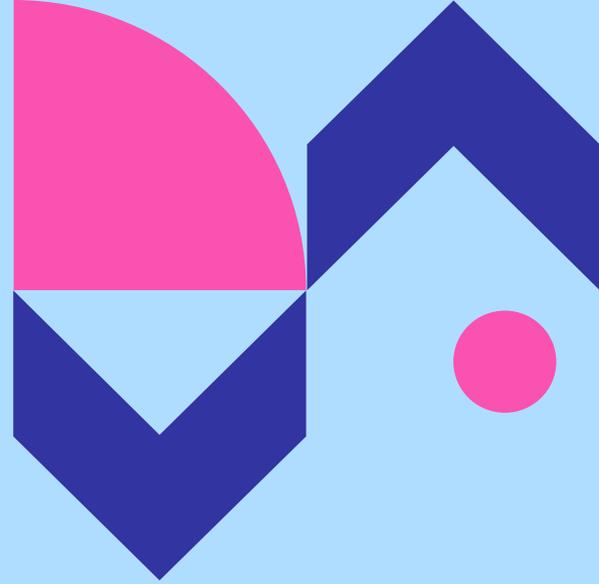
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*** We recognise the diversity of individual identities and lived experiences, and we accept that BAME is an imperfect term that does not fully capture the racial, cultural, and ethnic identities that experience structural and systematic inequality. Whenever possible, we attempt to name individuals as they themselves prefer to be named.**

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WHAT?

WHAT IS A BUSINESS PLAN?

A business plan is a formal written document containing organisational goals, the methods on how these goals can be attained, and the time frame within which these goals need to be achieved.

It links your **past** track record to your **present** objectives and help to search out new opportunities and alternatives for delivery of services in the **future**.

It should:

- Be structured in a logical format
- Have evidence to back up your all thinking
- Clearly state your intentions – what the organisation exists to do and which direction it aims to go
- Detail your goals
- Identify the activities you will take on, the resources you will need/use and the people you will involve
- Include the time frame that all this will cover



It should be **SMART**

SPECIFIC

A simple and straightforward way forward, understandable to everyone

MEASURABLE

And quantifiable; a standard for comparison, specific results that are obvious when they have been achieved

ACHIEVABLE

Realistic and reasonable, practical and within reach, not wishful thinking

RESULTS FOCUSED

The results to be achieved are clearly stated and measurable

TIME-LIMITED

Deadlines against which the action is paced; clear milestones with linked resources

WHY?

WHY DOES MY ORGANISATION NEED A BUSINESS PLAN?

Whether to improve management, secure funding or help you focus on longer-term goals, a good business plan will:

- help clarify the purpose of your organisation and stop any unintentional 'mission drift'
- provide a snapshot of where are you now
- clarify where you want to go – specifically
- clarify your market/user group
- make sure that your plans are clearly set out
- help you spot potential problems
- provide you with strategy and guide to future decision-making and action
- help identify the finance and resources you will need and when you will need them
- answer all the questions that a funder is likely to ask in an application
- give you good control over your activities
- help keep you on track
- measure your progress and tell you when you have arrived
- help you assess – was it worth the effort and resources?



Why now?

BAME & COVID-19

Existing inequalities are being exacerbated by Covid-19
(PHE, Nov 2020)

- Low paid jobs
- Employment insecurity
- Food insecurity
- Poor housing
- Lack of digital connectivity
- Educational inequalities

Your focus of activity or work or user group may have changed already. What effect is Covid-19 having on them? How has this affected the work of your organisation and your users. Add some internet and local research to discover exactly what's happening for your users. Your local authority or CVS will be a good source of local information.



Artist: Penelope Mendonça

WHAT TO DO BEFORE YOU START TO WRITE?

Don't even think about starting to write your business plan before you have:

- Collected all the information you need
- Decided on a Business Plan development process and time scale. You will need a deadline!

Here is some of the information you can gather to help your thinking and planning, and possibly to include in the plan itself.

Management review – here and now

History, purpose, present mission, structure, management direction and support, internal communications, roles and responsibilities, management committee, operational staff, volunteers, resources, property, premises, equipment and machinery.

Social audit - there and now

Current user group, local needs and resources, potential customer base, corporate image, quality of service, suitability and safety of premises, competition, funding status, scope for income generation, social, value and financial cost of service, contacts with community, users, funders, other voluntary groups.

Business appraisal – future focus and direction

Strengths, weaknesses, opportunities and threats, political, economic, social and technical context, changes in needs of locality, changes in organisations mission, changes in market, projects and activities, funding opportunities, opportunities for income generation, prospects for contracting of services, relationship with major operators, statutory bodies, businesses, voluntary sector, trusts and charities.

THE PLAN

Vision
Mission
Strategic Objectives
Services

Staffing

Organisational structure
Management involvement
Staff & volunteer requirement
Selection recruitment and appraisals
Rewards and training
Procedures and policies

Operations

Outputs and capacity
Schedules and targets
Work plane
Capital, equipment and materials
Quality and accreditation
Compliance and health and safety
Monitoring and evaluation

Marketing

Researching the sector
Demand
Competition
Pricing and costing
Placing and access
Promotion and advertising

Financials

Capital and setup costs
Income and expenditure
Sensitivity and breakeven
Balance sheet
Cash flow forecast
Financial procedures for control

KEY TESTS THE BUSINESS PLAN MUST DEMONSTRATE

- **Achievements and successes:** Show the track record of the organisation delivering service to meet the needs of the community
- **Technical competence:** Confident and knowledgeable in the subject area? Do you have enough expertise to deliver solutions?
- **Financial viability:** Check reasonableness of costs and revenue balance. Is the budget accurate?
- **Institutional capacity:** Are the inputs of the organisation sufficient? Does the organisation have the requisite capacity and capability to deliver the project? Is service provision driven by quality issues?

FURTHER TESTS OF IMPACT

- **Social and cultural impact:** What are the tangible local benefits and to what extent are women, and people from BAME involved in shaping and benefiting from the service
- **Economic:** Is there value for money and are there other ways that the organisation's work can be better delivered?
- **Sustainability:** Can we identify ways in which the organisation is moving towards sustainability and is this really being achieved?
- **Built-in evaluation:** Identify what lessons are being learnt for the future

DEVELOPING THE BUSINESS PLAN



Here's some information to have at your fingertips which will help you write the plan. Also have a look at Ubele's Resource-1 'Taking Stock' which will help you understand your current situation in relation to the world around you. For the Business Plan you will need to be able to describe:

- **Vision and mission** – what's the purpose of this organisation? Why are we needed
- **Context** – what's happening in the world around me that might have an impact on us?
- **Market/competition** – who else is doing this? Will it have an effect on us?
- **People/stakeholders** – who are our users/customers/clients? Who else has an interest in what we do?
- **Potential blocks, barriers and help** – what current or potential issues might impact us negatively – or positively?
- **Current resources** – how's the finance situation? Is there any potential funding available?
- **Strengths and weaknesses** – what are we good at? Not so good at?

USEFUL MODELS

Strategic pyramid

Vision – Mission – Objectives –
Strategies – Leadership

SWOT

Strengths – weaknesses –
opportunities – threats

PEST (LE)

Political – economic – social –
technological – (legal –
environmental)

Stakeholder analysis

Management and staff – members
and users – other providers – funders
and statutory sector

HOW TO GATHER THE INFORMATION?

- Examine internal records & performance information
- Discuss with board members, staff members and volunteers
- Desk research looking for secondary information – info about the political context, what's happening in the world around you, what other orgs are doing
- Survey of users: use focus groups, complaints and compliment systems
- Market research: how much is my product/service needed?
Interviews with similar and other organisations
- Discuss with potential contracts and funders

WHO TO INVOLVE?

- Staff
- Volunteers
- Board members (to get buy-in)
- Users/clients/customers
- Other stakeholders – e.g. local Council, faith groups, residents groups, businesses

GOLDEN RULES FOR DEVELOPING A BUSINESS PLAN

Give yourself enough time

You need to allow yourself enough time to develop the plan. The initial stages of outlining the plan and harnessing everyone's ideas will take a few days. Compiling the information, especially if you haven't started your market research yet, might take a good deal longer. The detailed financial forecasting has to wait until there is clarity about the way ahead, but in the initial stages there needs to be some 'back of the envelope' figure-work going on!

Work together as a group

Get other minds involved to go through the key components of the plan. One useful way of working is to run a workshop with all group members, using a flipchart to capture everyone's ideas and thoughts. Record the results of these exercises.

Make sure you have all the relevant information to hand

Don't ignore the advice to prepare! Take stock; do some research; gather the information; have some meetings to think about the current situation and the vision; share your thinking; discuss the plans.

One person to take responsibility for drafting the content

Having a single individual with overall responsibility for drafting the content of the plan should ensure that the resulting document is coherent and focused, so ensure that someone with good writing skills is nominated to write the actual plan.

Plan for the next 3 – 5 years, and plan to refresh annually

The timeframe of the business plan is sometimes referred to as the 'planning horizon'. Typically, groups produce 3-year business plans although some grant-funders and social lenders prefer to see five-year business plans and so it is important to check the fund-raising context before starting the financial forecasts. Revisiting the plan every year will show you how well you have forecasted and where you need to adapt your plans for the future.

Allow time to review the plan

It is important to keep revisiting the plan at different stages in its development, to ensure that it continues to reflect the full range of views within your group. So be prepared to spend time on the review stages. Each draft will need to be reviewed by as many of your group members as possible.

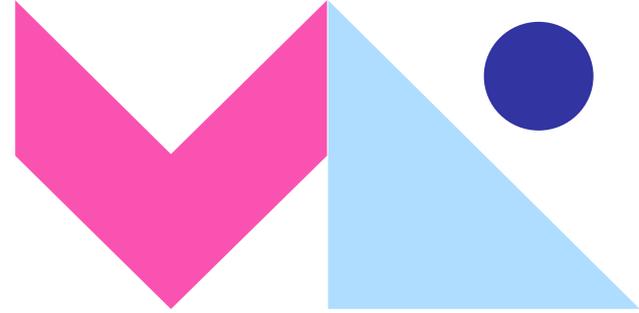
Here is an example of a Business Plan development process:



- From your steering group (or management committee), establish a 'business plan sub-group' comprising three to five members, including a good writer and the Chairperson
- For the sub-group, set out each person's role, how often it will meet, how it will communicate between meetings, and how it will report on its progress
- The sub-group should create a decision-making framework i.e. list all areas that need decisions
- Organise a workshop with all stakeholders to discuss and make decisions on the key aspects of your business plan
- Produce a first draft document (using a shared online document if preferred) based on material generated as a result of the decision making, plus additional input where possible, e.g. statistics from local council, district deprivation levels, community consultation and market research
- Present the first draft to the full steering group or management committee and ask for feedback
- Make essential changes and revisions
- Produce the final plan that reflects the revisions
- Present the Executive Summary (always written last!) of the final version to the full steering group or management committee



HOW TO PRESENT YOUR BUSINESS PLAN



COVER PAGE

The cover page states the name of your organisation, the fact that the document is a business plan, and gives the month and year of publication. It also states the business plan timeframe. Include the registered address and registration number of your organisation (if you have these).

EXECUTIVE SUMMARY

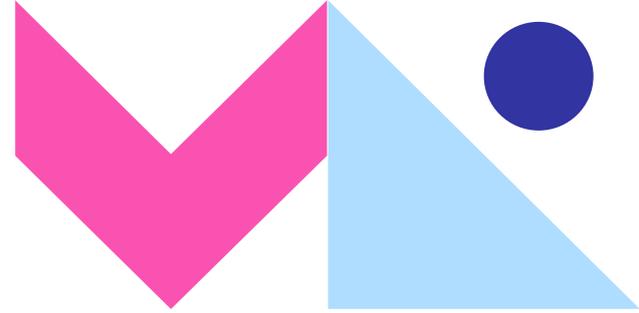
The executive summary is the first item readers will see after the table of contents. It needs to excite the readers so they will continue to read your plan. Keep it short, ideally no more than two pages and preferably one if at all possible. The executive summary should present the highlights of the plan and include: Brief context (why the organisation exists and track record to date); What you are planning; Why you are planning it; Who will benefit; Who is involved (staff/volunteers); Where it will happen; How you will do it; When it will happen. This forms the introduction to all of the material you have created while working through the key areas mentioned earlier.

TABLE OF CONTENTS

This page appears after the cover page and should list in order the sections of the business plan, starting with the executive summary. Page numbers should be included.

THE VISION

This section covers your mission, aims and objectives. A good vision should be inspiring and compelling. It should outline the social impact and benefits you wish to bring to people and demonstrate your motivation and aims for the business.



THE ORGANISATION

This covers your organisational structure and the skill sets and experience of the people involved in running it (ensure you give the names of all the steering group/management committee). Outline the management structure, including staff and volunteers. Explain in simple terms the legal structure of the community business, what it means to be a member, and who the community is that the business will serve. A brief description of the origins of the business is appropriate here.

THE BUSINESS

This covers your products, services and activities. It includes a brief description of operations – how the business will actually run, who looks after what, how you will deliver your products and services to your community. The SWOT analysis can be included here to show you have thought about the strength of your proposition.

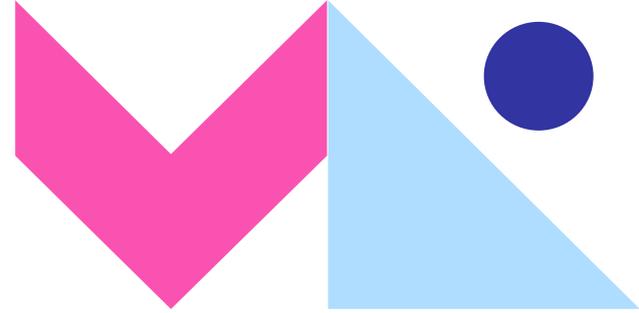
THE MARKET

This covers the market research you have done, to show that you have established the demand and that you have a strategy to meet that demand.

It also covers how you intend to carry out the marketing of your business in the short and long term (i.e. your marketing plan).

THE COMPETITION

This shows that you have analysed the competition in your chosen area.



THE COSTS

This covers the resources you need to set up and demonstrates you have considered all the costs involved in the business going forward. This is where you explain how you intend to cover the setting-up costs and where you intend to seek investment.

THE INCOME

This covers your revenue predictions and shows that you have worked out that the business can be profitable.

THE IMPACT: AIMS, OBJECTIVES AND WORKPLAN

This summarises your overall targets for the business, its outputs, outcomes and its social impacts. It demonstrates what you will regard as success and describes how you will measure it. It gives details of exactly what you intend to do, how much of it you will do, how you will do it and when you will do it.

THE RISKS

A realistic appraisal of the risks facing the business and how you intend to mitigate them.

These should include detailed financial forecasts (the Budget), including: income and expenditure forecasts, cash-flow forecasts and projected balance sheets for the years of the plan. You can also include any information that you have compiled that supports the narrative within the main body of the plan, such as: Short biographies or CVs of the main people involved in the group/business; A timeline covering the various stages of developing the business; Detailed results of your market research and community consultation; and a risk register.

Every business plan should include a detailed financial forecast, frequently presented as a table in an appendix. Known as the budget, this forecast covers all income and expenditure for the number of years the business plan covers.

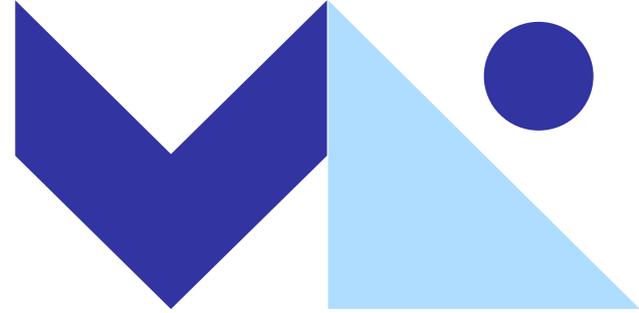
The budget will detail resources, costs and income. For example, Spend should be broken down into three costs:

1. Raw materials & stock – if you are running a community shop, for example, you will need to buy in supplies of food wholesale, in order then to sell on to customers.
2. Pay – if you have a paid worker or workers, you need to factor in basic salary and associated on-costs (National Insurance and pension contributions). You should also include volunteer expenses here.
3. General running – You need to calculate the general costs associated with running the business, such as: Staff/volunteer training Office costs e.g. stationery, postage, photocopying, telephone, internet. General overheads e.g. heat and light, rent (if applicable) equipment maintenance, marketing/promotion insurance, external professional fees (e.g. cost of accountant)

Your business plan should also include a cash-flow forecast which shows the flow of money coming into and going out of your business over a defined period (if you produce a three-year business plan, then the cash-flow forecast should cover three years).

Cash-flow is a key part of financial sustainability. Businesses can be highly profitable, and yet struggle because their cash-flow position is poor, as they are spending on resources upfront but being paid in arrears for their services.

CASE STUDY



ACE DANCE AND MUSIC

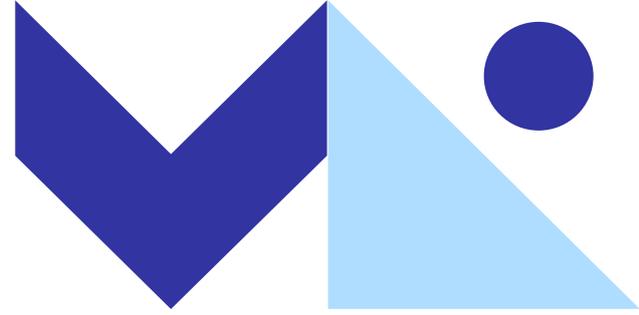


‘Togetherness is the Key’

ACE dance and music is a national touring dance company based in Birmingham UK, which was founded in 1996 by Gail and Ian Parmel. ACE dance and music is an internationally recognised leader in the field of Contemporary African and Caribbean Dance.

By combining African & Caribbean movement aesthetics with contemporary techniques ACE create high-quality innovative performance – always combining dance with original music and often using new digital media and techniques from other disciplines including theatre. The company’s reputation has developed through 11 biennial productions touring to small and mid-scale theatres and festivals both across the UK and internationally.

ACE dance and music (African Cultural Exchange Ltd.) was established as an agent for cultural exchange which has made a specific and unique contribution to contemporary dance locally, regionally and nationally. They offer a full range of bespoke education and outreach programmes, deliver in-house studio-based dance classes, and play host to ACE Youth – ACE’s youth dance company, with its own independent reputation for excellence. ACE dance and music have nurtured the talent of some amazing young artists such as: ‘Xhosa Cole’ who won the BBC Young Jazz Musician Award 2018, singer/songwriter ‘Mahaila Burkmar’ and ACE’s Education Manager ‘Iona Waite’; a few of the British gems that have grown their talent at ACE.



The 2020 Coronavirus pandemic has certainly presented them with challenges, they were in their first term of what was planning to be a very busy year. Their weekly classes providing music and dance cater to a diverse range of needs from adults seeking fitness; to movement classes for children from 2 years old, to the heaving classes for talented youth to new recruits just exploring. The pandemic immediately brought their space in Birmingham to a grinding halt, ended their schoolwork and forced the national and international dancers training with them, living in Birmingham, heading quickly home to London, the Midlands, Amsterdam, South Africa, and Spain.

Meeting with their team the founders made the decision to quickly migrate all of their teaching of classes onto the zoom online platform. They sent out emails with joining instructions to all participants, reassuring them that once the lockdown was over the classes would be kept free for two months giving everyone time to re-establish their routines.

ACE is a National Portfolio Organisation funded by the Arts Council which enabled them to keep on-line classes free. A percentage of their income does come from this work and also from their professional tours, so there will definitely be a consequent impact on their finances. However, they are most focused on doing what they have always done which is to use the arts as a powerful tool for bringing people together, most important in this time of crisis.



The Ubele Initiative
December 2020

