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USAID-TIJARA PROVINCIAL ECONOMIC GROWTH PROGRAM

MIM ENTERPRISES BUSINESS PLANNING MANUAL MINISTRY OF INDUSTRY AND MINERALS



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USAID-TIJARA PROVINCIAL ECONOMIC GROWTH PROGRAM

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MIM ENTERPRISES BUSINESS PLANNING MANUAL

THIS REPORT PROVIDES ADVICE TO THE MINISTRY
OF INDUSTRY AND MINERALS AND ITS STATE-
OWNED ENTERPRISES ON IMPROVING THE QUALITY
OF ANNUAL BUSINESS PLANS

DISCLAIMER

The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

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ACRONYMS

| | |
|-------|--|
| USAID | United States Agency for International Development |
| MIM | Ministry of Industry and Minerals |
| MOU | Memorandum of Understanding |
| ACBP | Al-Abdul Company Business Plan |
| SOE | State-owned Enterprise |

1. INTRODUCTION

1.1 BACKGROUND

In 2008 the Ministry of Industry and Minerals (MIM) took the decision to introduce a standardized business plan format for its state-owned enterprises (SOEs) to use. The format was prepared by McKinsey and Co as part of other work they were undertaking in the Ministry.

In order to illustrate the format a fictional business plan was prepared entitled "Al-Abdul Company Business Plan" (ACBP).

This ACBP business plan provides a model for SOEs seeking to develop their own strategic plans, with a special emphasis on appropriate content, flow, and tone. It is written at a strategic level for investors and other business audiences, emphasizing the high-level goals for the company and the tactics needed to achieve them, rather than specific technical details.

The ACBP plan suggested ten chapters and these are listed below:

Exhibit 1: Chapter Headings in the SOE Business Plans

| No | Chapter Heading |
|----|--|
| 1 | Executive Summary |
| 2 | Product and Customer Value Proposition |
| 3 | People |
| 4 | Marketing and Sales |
| 5 | Market and Competition |
| 6 | Business System |
| 7 | Implementation Plan |
| 8 | Opportunities and Risks |
| 9 | Current Status |
| 10 | Finance and Reporting |
| | Supporting Appendices |

Subsequently the MIM SOEs have prepared business plans based on this model framework with varying degrees of success but generally to a low standard.

The USAID Tijara project has a Memorandum of Understanding (MOU) to provide assistance to MIM. In April 2011 a new program began under this MOU whereby it was agreed that technical assistance would be provided to eight state-owned enterprises

The scope of work includes:

- a review of the business plan for each selected SOE;
- site visits and discussions with SOE management;
- assistance in the development of new initiatives in the business plan;
- assistance in finding strategic partners for the enterprises to work with.

During the course of reviewing the business plans it became clear that SOEs had struggled to achieve the aspirations of **"appropriate content, flow, and tone" as set out in the "AI-Abdul Company Business Plan"** model format.

The problems arise at several levels which range from:

- misunderstandings of words and phrases used in the model framework;
- inconsistency of data and figures included in the business plans;
- incomplete or absent financial information;
- inconsistent descriptions products and services;
- no rationale for growth forecasts;
- poor descriptions of existing plant capacities and the effect future investments would have on these capacities;
- deficiencies in skills in using Microsoft Office;
- poor formatting and presentation of the plans;
- poorly presented tables;
 - titles
 - headings
 - units
 - formatting
 - totaling columns.

The clear impression is that in general, different departments prepare various parts of the plans and there is little attempt to consolidate them into meaningful consistent action driven programs.

As part of the work in reviewing the business plans, MIM asked if Tijara would prepare a manual that is consistent with the ACBP framework but which adds support and assistance as to how to complete the business plans. Therefore, in order to improve the business plan preparation capabilities of the SOEs, USAID-*Tijara* has developed this business planning manual so as to provide guidance on presentation of contents, tables, historic and forecast data, assumptions in relation to sales, marketing, human resources, production, finance, and investment..

It is not intended as replacement of the ACBP model format but rather as providing practical guidelines of how to complete the document.

Therefore, this manual should be read in conjunction with ACBP when SOEs prepare their business plans.

The guidelines are necessarily simple in content and are aimed at the current state of readiness of the SOEs to prepare business plans.

1.2 STRUCTURE OF REPORT

The first nine chapters follow the order of ACBP from Chapter 2 (Products and Customer Value Proposition) to Chapter 10 (Finance and Reporting). This is logical as Chapter 1 (Executive Summary) is the last Chapter to be prepared. Also, this also means that the numbering of the Chapters and Sections in **exact accordance with the numbering in ACBP**.

Every heading in ACBP is covered though in some instances there is no need to add much comment. In other sections (in order to add more clarity and examples) new material has been prepared.

Following Chapter 11 which covers the Management Summary, there is a short reminder chapter (Chapter 12 - Business Plan Preparation) which covers facets of business plan preparation and finally Chapter 13 provides a checklist which should be "signed off" before a business plan is submitted.

2 Products & Customer Value Proposition

2.1 PRODUCTS

This refers to Section 2.1 of ACBP (page 6).

This is the **first opportunity for the reader of the business plan to learn about the company's product range and services.**

In many SOE business plans the **description of the products or service lines is not clear or the descriptions change from chapter to chapter.**

This section should therefore introduce the product groups:

Product A - brief description and purpose

Product B - brief description and purpose

Product C - brief description and purpose

Product D - brief description and purpose

Product E - brief description and purpose

Exhibit 1 provides an illustrative table of how the product groups and historic production figures can be presented

Exhibit 1: Historical Production Levels

| Product/Service | Production | | | | |
|-----------------|------------|--------|---------|---------|---------|
| | 2007 | 2008 | 2009 | 2010 | 2011 |
| | Tons | Tons | Tons | Tons | Tons |
| Product A | 30,000 | 55,000 | 80,000 | 110,000 | 120,000 |
| Product B | 10,000 | 25,000 | 40,000 | 55,000 | 65,000 |
| Product C | 40,000 | 40,000 | 120,000 | 110,000 | 90,000 |
| Product D | 5,000 | 12,000 | 18,000 | 21,000 | 25,000 |
| Product E | 0 | 0 | 3,000 | 7,000 | 10,000 |

From this table the patterns of production by product group over recent years can be understood, for example which product areas are growing, which product areas have been introduced during the period, which product areas are in decline and which product areas might have been halted.

Exhibit 1 shows for example that:

- product groups A, B and D are showing steady growth;
- product group C has been declining production since 2009 (is this a production problem or a market problem?);
- product E was introduced in 2009 and is showing steady growth.

So from this first exhibit in the business plan it is possible to understand the product groups and the dynamics of the business.

A next important step is to understand how the latest production figures relate to the existing capacities of the business. Exhibit 2 shows the latest actual production figures for 2011 and compares this to the capacities of the production facilities. Note in this exhibit the product groups and production figures for 2011 are consistent with the information in Exhibit 1.

Exhibit 2: Latest Production Figures Versus Production Capacities

| | Latest Annual Production figures (2011) | Capacity | Capacity Utilization |
|-----------------|---|--------------|-------------------------|
| Product/Service | Units (Tons) | Units (tons) | % |
| Product A | 120,000 | 150,000 | 80.0% |
| Product B | 65,000 | 80,000 | 81.3% |
| Product C | 90,000 | 200,000 | 45.0% |
| Product D | 25,000 | 35,000 | 71.4% |
| Product E | 10,000 | 15,000 | 66.7% |

Exhibits 1 and 2 naturally lead onto the following kinds of questions that need to be addressed later in the business plan:

- product groups A, B and D are showing steady growth. From the sales forecasts provided by the sales and marketing department, production needs to determine by product group:
 - how soon should capacity be increased?
 - by how much should capacity be increased?
 - what is the level of investment needed to increase the capacity?
- product group C has been declining in production since 2009 and capacity is down to 45% - can the decline be arrested? What do we do about the plant?
- product E was introduced in 2009 and is showing steady growth. Again,
 - how soon should capacity be increased?
 - by how much should capacity be increased?
 - what is the level of investment needed to increase the capacity?

It is recognized that in some enterprises the same products are produced in different factories. In this case additional tables showing production against capacity for the different

factories should be developed but the sum of the individual tables should equal the aggregated table above.

2.2 CUSTOMER VALUE PROPOSITION

This refers to Section 2.2 of ACBP (page 6).

Customer value is a **difficult subject** for SOEs to deal with as the majority of sales is to other SOEs. This means that the concepts of sales, marketing, product differentiation and strategic planning are undeveloped or largely absent from the SOE capacities and capabilities.

A simple definition of customer value proposition is that it is "*a business or marketing statement that describes why a customer should buy the enterprise's products or use its services. It is specifically targeted towards potential customers. It is a clearly defined statement that is designed to convince customers that one particular product or service will add more value or better solve a problem than its competitors*".

The example given in ACBP is simple and SOEs completing this section of the business plan need to only define the range of products they are selling and the benefits these bring to their customers.

2.3 CUSTOMER SEGMENTS

This refers to Section 2.3 of ACBP (page 7).

This Section should define each of the main customer categories. The example provided in ACBP is:

- Ministry of Works and Municipalities
- Oil and chemicals
- MIM
- Private consumers

Note: *For consistency the **same list** of customer categories should appear in the exhibit on ACBP Section 4.1 on page 12. Also see Section 4.1 of this manual.*

2.4 COMPETITIVE COMPARISON

This refers to Section 2.4 of ACBP (page 7).

It is in reality a one paragraph summary of the contents of ACBP, Section 5 and is of little value to the business plan. If Section 2.4 is retained in the plan it should simply refer readers to Section 5.

2.5 PRODUCT DEVELOPMENT

This refers to Section 2.5 of ACBP (page 7)

Product development is an important element in an enterprise's development. Product development normally takes place in order for the company to:

- reduce the costs of manufacture;
- continuously update its products in order to compete with its competitors;
- to widen its product offering in the product groups it already services;
- to innovate;
- to diversify into new product group areas and markets.

In Section 2.5 the areas where product development is taking place should be identified. For each project the plan should identify:

- Project title
- Reason for the project
- Stage of development:
 - Initial research
 - Design stage
 - Prototype
 - Internal testing
 - Market testing
 - Product launch
- Identify if it is internal development or using external investment
- Amount of investment
- Changes to manufacturing processes
- Timing

The actions that will take place during the period of the business plan should be clearly identified.

2.6 PROTECTION OF INTELLECTUAL PROPERTY

This refers to Section 2.6 of ACBP (page 8)

If the enterprise owns copyrights, patents or other means of protecting intellectual property these should be listed here (including those applied for).

3 PEOPLE

3.1 EXISTING EMPLOYEE STRUCTURE

This refers to Section 3.1 of ACBP (page 9).

This section should describe:

- State how many staff are employed (Example: The company employs 1,000 staff of which (900 permanent, 100 temporary).
- Provide a breakdown of staff by skill. If there is more than one location it would be useful to provide a breakdown. If possible excess staff by category should be identified.

Exhibit 3 shows a table that sets out the employee structure.

Exhibit 3: Employee Structure

| Category | Factory A | Factory B | Total | Excess Staff |
|----------------|-----------|-----------|-------|--------------|
| Managers | 30 | 20 | 50 | 30 |
| Administrative | 50 | 10 | 60 | 30 |
| Engineering | 30 | 20 | 50 | 25 |
| Design | 50 | 0 | 50 | 25 |
| Scientific | 40 | 10 | 50 | 25 |
| Maintenance | 60 | 40 | 100 | 60 |
| Operators | 350 | 290 | 640 | 380 |
| | | | 1000 | 575 |

Having identified that there are 575 excess employees (57.5% of employees), the cost of this excess should be provided (an approximation of this can be simply made by taking the labor and salaries forecast in Section 10 - Financial and Reporting Section and multiplying this by 0.425 to calculate an approximation of the underlying real economic cost of labor to the enterprise. See Exhibits 9 and 10 in this manual.

3.2 MANAGEMENT TEAM

This refers to Section 3.2 of ACBP (page 9).

This should be restricted to what the DG considers his **top** management team (probably around **five** staff), not every departmental head. Descriptions should be short as per the examples given in ACBP.

3.3 SKILLS AND PEOPLE GAPS

This refers to Section 3.2 of ACBP (page 10).

This section should be **very specific as it should drive part of the Human Resources Development Plans.**

Skills Gaps

What are the skills gaps in the enterprise? Skills gaps affect the capabilities of the enterprise to operate efficiently, effectively and competitively. Some examples of skills gaps are given in Exhibit 4.

Exhibit 4: Skill Gaps

| Skills Gap | Reason | Solution | Benefit |
|-------------------|----------------------------|--|------------------------|
| Microsoft Word | Low level of Understanding | Train at least 5 staff to a higher level | Able to develop others |
| Microsoft Excel | Low level of Understanding | Train at least 5 staff to a higher level | Able to develop others |
| Etc. | | | |
| Etc. | | | |

People Gaps

What are the people gaps in the enterprise? People gaps affect the capacity and capabilities of the enterprise to operate efficiently, effectively and competitively. People gaps can be covered by hiring new staff or hiring external companies to fill the gaps later leading to recruitment of new staff. Some examples of skills gaps are given in Exhibit 5.

Exhibit 5: People Gaps

| People Gap | Reason | Solution | Benefit |
|-------------------|----------------------------|---|---|
| Marketing | Little experience in-house | Hire a sales marketing consultancy to provide advice on developing the marketing function and recruit new staff | Sales and Marketing function will be developed. |
| Etc. | | | |
| Etc. | | | |

The analysis of skills and people gaps should be prepared by the HR Department and the training and recruitment needs for the business plan clearly identified.

3.4 HUMAN RESOURCES PROCESSES

This refers to Section 3.2 of ACBP (page 10).

The examples given in ACBP are:

- payroll
- hiring
- job assignments
- performance evaluation

These above points are basically the function of a Personnel Department. Human Resources management should go further than this and assist in the human resources development of the enterprise. This should involve:

- the development of a formalized training plan for the enterprise based on individual training needs to assisted in developing staff in general and also to overcome the skills gaps identified in section 3.3;
- the development of a recruitment program to fill the people gaps (unless the enterprise first hires a consulting firm).

3.5 HUMAN RESOURCES IMPLEMENTATION PLAN

Arising from the responsibilities and actions described in Sections 3.3 and 3.4 this section should set out the list of actions that the Human Resources Section intends to carry out during the period of the Business Plan. This should be

Training

- Name of Department(s)
- Type of training
- Numbers to be trained
- Timing of the training (when and for what period)
- By whom? Internal or external training

Hiring

- Name of Department (s)
- Job Description
- Numbers to be hired
- Timing of the hiring
- By whom

Performance Evaluation

- Performance evaluation program

4 MARKETING AND COMPETITION

4.1 EXISTING CUSTOMER BASE

This refers to Section 4.1 of ACBP (page 12).

The section should contain the same customer categories that are identified in Section 2.3 of ACBP (page 7). Also see Section 2.3 of this manual (page 9).

Exhibit 6 introduces the percentage of revenues that each customer category represents to the enterprise based on the previous year's sales.

Exhibit 6: Customer Categories Versus % of Revenue

| Customer Category | % of ACBP Revenue 2007 |
|--------------------------------------|------------------------|
| Ministry of Works and Municipalities | 30 |
| Oil and chemicals | 30 |
| MIM | 25 |
| Private consumers | 15 |
| Total | 100 |

Customer categories from Section 2.3

Relative importance of each customer category to the enterprise

This exhibit not only reconfirms the enterprise's customer categories but also shows the relative importance of each the business. If the Sales and Marketing Departments have good contacts and relationships with these customer categories they should be able to develop sufficient market intelligence to enable them to make reasonable assumptions on the market prospects for the following year. This will be an important feed into the projected market growth (Section 4.3).

4.2 MARKET STRUCTURE

This refers to Section 4.2 of ACBP (page 12).

This is the most difficult section in ACBP as it assumes:

- market data is available to each product group;
- sales for each product group by competitors is known;
- there are resources, skills and experience within each enterprise for it to be able to work from this market size and market share data to produce a marketing plan and sales forecasts.

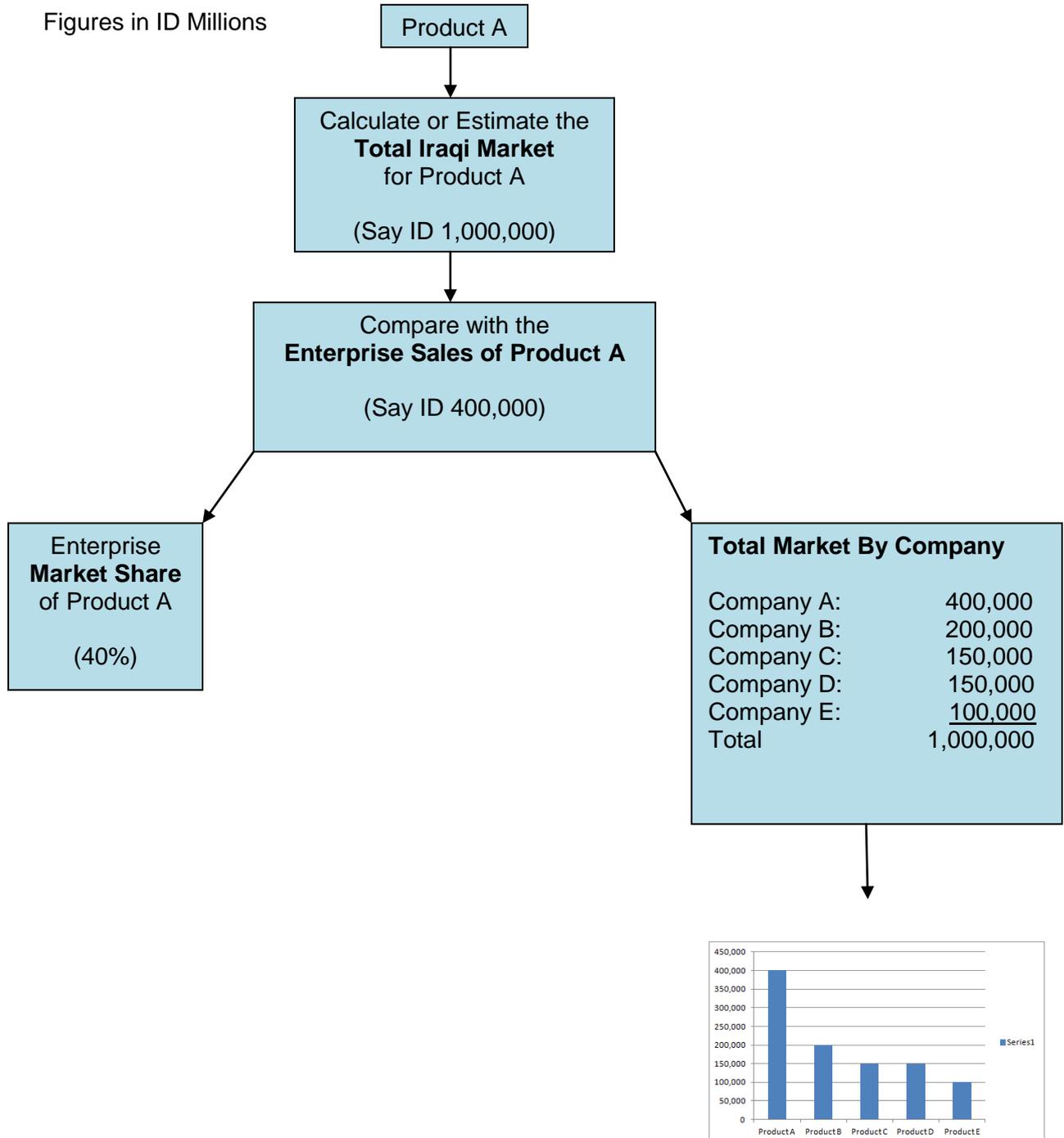
The examples used in ACBP are difficult to follow and slightly confusing so a more simplified approach has been used in this manual to illustrate the process.

From Exhibit 1 the product range is:

- Product A
- Product B
- Product C
- Product D
- Product E

The methodology applied in ACBP applies the steps shown in Exhibit 7.

Exhibit 7: Determining Market Structure



The problem is that overall market data by product group (and sales of that product group by competitor) are not known by many MIM enterprises.

In fact a detailed analysis of sales by product group even **within the enterprise** has not always been given in previous business plans though it is **essential** this is done in **future plans**.

Given this lack of market data the most practical course of action for most MIM enterprises will be to work from an analysis of their latest sales figures.

This theme is developed in the next section.

4.3 PROJECTED MARKET GROWTH

This refers to Section 4.3 of ACBP (page 17).

Exhibit 8 provides a **link to and continuation from Exhibit 1** but in this case it is sales revenue figures that are being presented not production figures.

Exhibit 8: Sales Revenue by Product

| | Latest Annual Sales Revenue figures (2011) | Percentage of Sales |
|-----------------|--|---------------------|
| Product/Service | ID Millions | % |
| Product A | 155,000 | 38.75% |
| Product B | 85,000 | 21.25% |
| Product C | 120,000 | 30.00% |
| Product D | 30,000 | 7.50% |
| Product E | 10,000 | 2.50% |
| Total | 400,000 | 100.00% |

It is this table that can be used as the base for developing enterprise sales forecasts. The analysis from the chart in Exhibit 1 was that:

- product groups A, B and D are showing steady growth and product E which was introduced in 2009 is showing steady growth;
- product group C has been declining production since 2009.

Exhibit 8 shows the relative importance of each of the product groups to the total revenue of the business at the moment. For example:

- product groups A is generating the highest percentage of sales at 38.75%;
- product group C is the next highest at 30% but as we saw from Exhibit 1 is in decline;
- product group B is the third highest at 21.25% of sales;
- the newest product E is growing fast but still only represents 2.5% of sales.

By reviewing the sales trends in the past two years and considering what is happening in the market now (recent orders, talking to customers) it will be possible to come up with some estimated sales forecasts. From a consideration of recent production patterns shown in Exhibit 1 and discussions with existing customer segments the Sales and Marketing Department might come up with the following growth rates:

- Product A +10%
- Product B +18%
- Product C -20%
- Product D +15%
- Product E +40%



These projected growth rates will be used in Section 5 - Marketing and Sales

These growth rates can then be applied to the latest 2011 sales figures to derive a set of sales forecasts for the next few years (see Section 5.3).

4.4 COMPETITION

This refers to Section 4.3 of ACBP (page 19).

This section can be used to discuss the competition which the enterprise faces. It is particularly useful in discussing what competitive strategies different companies are using as it will determine what competitive strategies the enterprise will use.

The examples given in ACBP page 19 adequately cover this section.

5 MARKETING AND SALES

5.1 MARKETING OVERVIEW

This refers to Section 5.1 of ACBP (page 21).

This section provides for a brief introduction of what is happening in the Marketing and Sales function within the enterprise.

The example given in ACBP page 21 adequately cover this section.

5.2 HISTORICAL SALES

This refers to Section 5.2 of ACBP (page 21).

Based on the pattern of production figures provided in the chart in Exhibit 1 and the 2011 sales revenue figures provided in Exhibit 8 a historic set of sales revenue figures has been produces in Exhibit 9. In practice the historic sales figures by product group should already be known by the enterprise.

Exhibit 9: Historical Sales Revenue by Product

| ID Millions | Sales Revenue | | | | |
|-------------|---------------|---------|---------|---------|---------|
| | 2007 | 2008 | 2009 | 2010 | 2011 |
| Product A | 38,750 | 71,042 | 103,333 | 142,083 | 155,000 |
| Product B | 13,077 | 32,692 | 52,308 | 71,923 | 85,000 |
| Product C | 53,333 | 53,333 | 160,000 | 146,667 | 120,000 |
| Product D | 6,000 | 14,400 | 21,600 | 25,200 | 30,000 |
| Product E | 0 | 0 | 3,000 | 7,000 | 10,000 |
| Totals | 111,160 | 171,467 | 340,241 | 392,873 | 400,000 |

These total sales revenue figures should agree with the sales revenue figures in the profit and loss account - Exhibit 17, page 31.

Note: Each year SOEs produce a formal set of accounts (including profit and loss accounts and balance sheets). It is important that the total sales revenue given in the above table correspond to the sales revenue figure given in the formal profit and loss accounts.

Where differences occur the sales by product should be adjusted proportionately so that the totals agree with the sales revenue given in the profit and loss account.

5.3 PROJECTED SALES

This refers to Section 5.3 of ACBP (page 21).

Forecast sales trend figures were developed in Section 4.3. These can now be used to develop the sales forecast figures for the enterprise.

As a reminder the forecast annual market trends are:

- Product A +10%
- Product B +18%
- Product C - 20%
- Product D +15%
- Product E +40%

These trends are applied to the 2011 actual sales revenue figures to provide the following sales forecasts.

Exhibit 10: Projected Sales Revenue by Product

| <i>ID Millions</i> | Sales Revenue | | | | |
|--------------------|---------------|---------|---------|---------|---------|
| Product/Service | 2011 | 2012E | 2013E | 2014E | 2015E |
| Product A | 155,000 | 170,500 | 187,550 | 206,305 | 226,936 |
| Product B | 85,000 | 100,300 | 118,354 | 139,658 | 164,796 |
| Product C | 120,000 | 96,000 | 76,800 | 61,440 | 49,152 |
| Product D | 30,000 | 34,500 | 39,675 | 45,626 | 52,470 |
| Product E | 10,000 | 14,000 | 19,600 | 27,440 | 38,416 |
| Totals | 400,000 | 415,300 | 441,979 | 480,469 | 531,770 |

Since different sales trends (growth and decline) have been given for each product group it is useful for the reader of the business plan to understand the assumptions on which the sales projections have been made.

The examples given in ACBP page 22 adequately cover this.

5.4 CUSTOMER SEGMENTATION STRATEGY

This refers to Section 5.4 of ACBP (page 22).

Section 4.1 identified the main customer segments. This section provides the opportunity to tell the reader more about the enterprise's relationship and strategy towards **each customer** segment.

This may include for example:

- Which are the main products (from Exhibit 10 above) that are sold to this customer?
- How is this sales mix likely to change in the future?
- What products offer the best growth prospects to this customer in the future?
- How is the sales and marketing team set up to deal with this customer segment?

ACBP page 23 provides some examples.

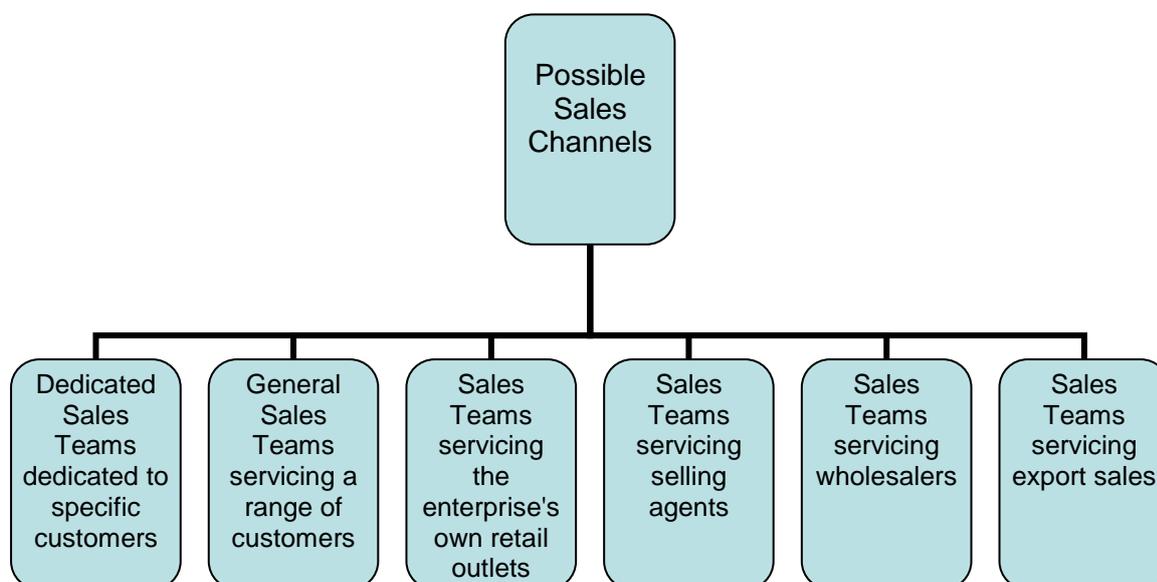
5.5 DISTRIBUTION STRATEGY

This refers to Section 5.5 of ACBP (page 23).

This section should describe how the sales and marketing is set up to service the enterprise's customers. This range of sales functions that could exist in various SOEs include for example:

- dedicated sales service teams to some ministries;
- a sales team servicing private sector customers;
- a sales team looking after the enterprise's own retail outlets;
- a sales team looking after selling agents;
- a sales team servicing wholesalers who sell on the consumer retail outlets;
- a sales team looking after export sales.

Exhibit 11: Range of Sales Team Channels



ACBP page 23 provides some examples.

5.6 PRICING STRATEGY

This refers to Section 5.6 of ACBP (page 24).

This section should explain how the enterprise's prices compare to that of the local competitors and imported products.

ACBP page 23 provides some examples.

6 BUSINESS SYSTEM

6.1 SUPPLY CHAIN

This refers to Section 6.1 of ACBP (page 25).

This section allows the reader to understand the different ways in which the enterprise produces its goods and how it sources its raw materials.

The enterprise could for example source raw materials, process these and then produce finished goods or it could but-in all the necessary components and sub-assemblies from which it simply acts an assembly plant.

Also the enterprise could work from a range of production processes including, for example:

- individual job manufacture;
- batch processing;
- mass production;
- continuous flow.

The description of the supply chain and manufacturing process should be applied to **each** product category (**consistent with the product categories first identified in Exhibit 1**).

ACBP page 25 provides some examples.

6.2 FUTURE STATE SUPPLY CHAIN

This refers to Section 6.2 of ACBP (page 25).

This section should be used to describe any foreseen changes to the manufacturing processes described in Section 6.1.

ACBP page 25 provides an example.

6.3 STABILITY AND SECURITY OF SUPPLY LINES

This refers to Section 6.3 of ACBP (page 26).

This section allows the enterprise to describe what contingency plans it has in place to mitigate risks of interruption to supplies.

ACBP page 26 provides an example.

6.4 PARTNERSHIPS

This refers to Section 6.4 of ACBP (page 26).

This section is used to identify the specific interrelationships and partnerships that the enterprise has with sister SOEs within MIM and perhaps other companies.

ACBP page 26 provides an example.

6.5 QUALITY ASSURANCE

This refers to Section 6.5 of ACBP (page 26).

This section allows the enterprise to describe its quality standards. Each enterprise is required to achieve individual product standards set out by the Central Office for Standards and Quality Control.

Beyond this there are international quality standards that Iraqi enterprises can aspire to like ISO 9000, ISO 14000, ISO 27000, ISO 22000 and other international management standards.

ACBP page 26 provides an example.

7 IMPLEMENTATION PLAN

This refers to Section 7.1 of ACBP (page 25).

This title is somewhat of a misnomer in ACBP as it not about the overall **implementation of the Business Plan** but rather focuses simply on the investment plan.

Also, the examples in ACBP shows little relationship or justification as to how the investment will impact on the enterprise, for example what the increase in capacities will be and how this relates to the market forecasts presented in the business plan.

Ideally, the business plan should the linkages between:

- forecast market demand for the product groups;
- the new capacities necessary to meet market demand and beyond;
- the investments necessary to meet the appropriate forecast levels of demand by product group.

7.1 SUMMARY OF IMPLEMENTATION

This refers to Section 7.1 of ACBP (page 25).

Because of the shortcomings in ACBP identified above this section will be developed from the illustrative tables already developed in this manual:

- | | |
|-------------|--|
| Exhibit 1 | - Which gives production in tons by product category in 2011 |
| Exhibit 2 | - Which gives the existing production capacity by product |
| Section 5.5 | - Which gives the forecast market trends by product category |

The steps in developing the investment plan are provided in Exhibit 12. The assumption in this case is that each of the five product groups have their own particular manufacturing and capacity requirements.

Exhibit 12: Formulating the Investment Plan



The steps necessary in justifying the investment plans are given below:

Step1 - Forecasting Future Production Requirements in Tons

In Section 5.3 the following market trends were given:

- Product A +10%
- Product B +18%
- Product C - 20%
- Product D +15%
- Product E +40%

Applying these rates to the 2011 production figures gives the following forecast production figures 5 years forward to 2016.

Exhibit 13: Production Forecasts

| <i>Tons</i> | Production | | | | | |
|------------------------|------------|---------|---------|---------|---------|---------|
| Product/Service | 2011 | 2012E | 2013E | 2014E | 2015E | 2016E |
| Product A | 155,000 | 170,500 | 187,550 | 206,305 | 226,936 | 249,629 |
| Product B | 85,000 | 100,300 | 118,354 | 139,658 | 164,796 | 194,459 |
| Product C | 120,000 | 96,000 | 76,800 | 61,440 | 49,152 | 39,322 |
| Product D | 30,000 | 34,500 | 39,675 | 45,626 | 52,470 | 60,341 |
| Product E | 10,000 | 14,000 | 19,600 | 27,440 | 38,416 | 53,782 |

Step 2 - Comparison of Production Forecasts with Existing Capacities

Exhibit 14 compares the existing 2011 production capacity figures for each of the product categories (taken from Exhibit 2) with the forecast production requirements for 2016 (taken from Exhibit 13).

Exhibit 14: 2016 Production Forecasts Versus 2016 Production Forecasts (Illustrative)

| | Capacity 2011 | Sales Forecast 2016 | Capacity (Shortfall)/Excess |
|------------------------|--------------------------|------------------------------------|--|
| Product/Service | <i>Units (tons)</i> | <i>Units (tons)</i> | <i>Units (tons)</i> |
| Product A | 175,000 | 249,629 | (74,629) |
| Product B | 155,000 | 194,459 | (39,459) |
| Product C | 125,000 | 39,322 | 85,678 |
| Product D | 58,000 | 60,341 | (2,341) |
| Product E | 25,000 | 53,782 | (28,782) |

Comparing Exhibits 13 and 14 will give an indication of which year capacities are forecast to be exceeded and the extent of the capacity shortfall. Exhibit 15 shows the results.

Exhibit 15: Timing and Extent of Forecast Capacity Shortfalls

| | Capacity 2011 | Year Capacity Forecast to be Exceeded | Forecast 2016 Production | Capacity Shortfall in 2016 | Capacity Shortfall |
|------------------------|---------------|---------------------------------------|--------------------------|----------------------------|--------------------|
| <i>Product/Service</i> | <i>Tons</i> | <i>Year</i> | <i>Tons</i> | <i>Tons</i> | <i>%</i> |
| Product A | 175,000 | 2013 | 249,629 | (74,629) | -42.65% |
| Product B | 155,000 | 2015 | 194,459 | (39,459) | -25.46% |
| Product C | 125,000 | - | 39,322 | 85,678 | 68.54% |
| Product D | 58,000 | 2016 | 60,341 | (2,341) | -4.04% |
| Product E | 25,000 | 2014 | 53,782 | (28,782) | -115.13% |

The table shows

- Product Group A is forecast to run out of capacity in **2013** and by 2016 will have a capacity shortfall of 74.6 thousand tons (43% of existing capacity).
- Product Group B is forecast to run out of capacity in **2015** and by 2016 will have a capacity shortfall of 39.4 thousand tons (25% of existing capacity).
- Product Group C is in decline and by 2016 will have an excess capacity of 69%.
- Product Group D is forecast to run out of capacity in **2016** when it will have a capacity shortfall of 2.3 thousand tons (4% of existing capacity).
- Product Group E is forecast to run out of capacity in **2014** and by 2016 will have a capacity shortfall of 28.8 thousand tons (115% of existing capacity).

Step 3 - Sizing, Timing and Determination of Investment Requirement

Given the results obtained from Exhibit 15 the enterprise would need to (by product category):

- determined the timing of actions necessary to build the new capacities by the date that capacity are forecast to be exceeded;
- determine the size of new capacity to be developed for each product group;
- decide whether the existing capacity is to be extended or whether a total new plant is necessary (the cost of the two options would need to be compared).

Step 4 - Sourcing of Funds

Having determined the cost of investment for each product group the enterprise needs to examine its investment options. Investment can come by way of:

- internal cash generation;
- loans through the government's rehabilitation funds
- external financing through investment funds or investments from strategic partners via joint ventures or other commercial arrangements.

7.2 PROJECT MANAGEMENT

This refers to Section 7.2 of ACBP (page 28).

This section should be used to describe the project management arrangements and organization that will be put in place to manage the investment program. Clearly the project management plan is an essential part of the business plan.

ACBP page 28 provides an example.

7.3 NEAR-TERM INVESTMENTS (0-2 YEARS)

This section sets out the investment program to be made over the next two years.

ACBP page 29 provides an example.

7.4 LONG-TERM INVESTMENTS (3-5 YEARS)

This section sets out the investment program to be made over the next 3-5 years.

ACBP page 29 provides an example.

8 OPPORTUNITIES AND RISKS

This refers to Section 8.0 of ACBP (page 30).

This section is to be used to describe the particular opportunities and threats that the enterprise faces in implementing its business plan. The text should focus on the **external** opportunities and threats that the enterprise could face.

8.1 OPPORTUNITIES

This refers to Section 8.1 of ACBP (page 30).

ACBP page 29 provides an example.

8.2 RISKS

This refers to Section 8.2 of ACBP (page 30).

ACBP breaks this down into a number of distinct risk areas, namely:

- **Market Risk**
- **Political Risk**
- **Financial Risk**
- **Operational Risk**
- **Physical Risk**

ACBP page 30 provides examples of each of these.

9 CURRENT STATUS

This refers to Section 9.0 of ACBP (page 32).

This section allows the opportunity of explaining in simple terms the current status of the existing plant facilities and equipment. It should not be a detailed technical description but rather a "news type" commentary of the situation.

9.1 EXISTING INFRASTRUCTURE

This refers to Section 9.1 of ACBP (page 32).

ACBP page 32 provides an example an example of this.

9.2 ASSESSMENT OF EQUIPMENT

This refers to Section 9.2 of ACBP (page 32).

ACBP page 32 provides an example an example of this.

10 FINANCE AND REPORTING

This refers to Section 10.0 of ACBP (page 33).

The finance and reporting section of the business plan tends to be poorly presented. Also financial figures presented in other part of the business plan often to not agree with figures in the Financial and Reporting Chapter of the business plan. Sales revenue figures are a common example of this.

The **financial information** contained in a business plan is one of the **most important elements** of the plan as it records the historical economics of the business and also portrays the **forecast economics of the business**.

Each year each MIM enterprise submits a formal set of accounts to the Ministry which include a **profit and loss account and balance sheet**. These are in a standard format laid down by governmental rules. **Since these are the official financial figures of the enterprise they should be included in the enterprise business plans**. The format of these are shown in the next section.

10.1 HISTORICAL FINANCIAL STATEMENTS

This refers to Section 10.1 of ACBP (page 33).

BALANCE SHEET

In ACBP a short explanation of the financial figures relating to the balance sheet is provided.

A example balance sheet is provided in the ACBP document but this is not in the format of the Iraqi formal accounts.

An example in the Iraqi standard format is provided overleaf.

Exhibit 16: Balance Sheet (MIM Standard Format)

| | 2010 IQD | 2009 IQD |
|---|-----------------------|-----------------------|
| ASSETS | | |
| Fixed Assets | | |
| Fixed Assets with book values | 1,596,697,582 | 1,360,734,988 |
| Deferred Expenses | 0 | 0 |
| Projects in progress | 750,000 | 500,000 |
| Total of Fixed Assets | 1,597,447,582 | 1,361,234,988 |
| Current Assets | | |
| Inventories (at cost) | 980,484,193 | 1,004,600,514 |
| Letters of credit | 94,306,110 | 17,706,121,926 |
| Investments | 67,000,000 | 67,000,000 |
| Debtors | 25,002,032,719 | 25,947,739,124 |
| Cash | 8,726,643,551 | 9,039,572,167 |
| Total of Current Assets | 34,870,466,573 | 53,765,033,731 |
| TOTAL ASSETS | 36,467,914,155 | 55,126,268,719 |
| | | |
| LIABILITIES | | |
| Long-Term of Sources of Finance | | |
| Paid-up capital | 1,150,098,990 | 1,150,098,990 |
| Reserves | 3,966,893,315 | 3,609,375,600 |
| Accumulated deficit | -3,969,587,920 | -732,700,844 |
| Received Loans | 1,844,444,002 | 1,919,444,002 |
| Total of Long Term Sources | 2,991,848,387 | 5,946,217,748 |
| | | |
| Short-Term of Sources of Finance | | |
| Creditors | 27,476,065,768 | 49,180,050,971 |
| Total of short term Sources | 27,476,065,768 | 49,180,050,971 |
| TOTAL LIABILITIES | 30,467,914,155 | 55,126,268,719 |

INCOME STATEMENT (PROFIT AND LOSS ACCOUNT)

In ACBP a short explanation of the profit and loss account is given and an example of a profit and loss account is given. This is not in the format of the Iraqi formal accounts.

An example in the Iraqi standard format is provided in Exhibit 17.

Exhibit 17: Profit and Loss Account (MIM Standard Format)

| <i>ID Millions</i> | 2007 | 2008 | 2009 | 2010 | 2011 |
|---|----------|----------|---------|---------|---------|
| Revenues | | | | | |
| Revenues of Current activities | 111,160 | 171,467 | 340,241 | 392,873 | 400,000 |
| Credit Interests | 0 | 0 | 0 | 0 | 0 |
| Total of Revenues | 111,160 | 171,467 | 340,241 | 392,873 | 400,000 |
| | | | | | |
| Current Expenses | | | | | |
| Salaries | 180,000 | 180,000 | 190,000 | 190,000 | 200,000 |
| Goods | 25,000 | 50,000 | 65,000 | 90,000 | 100,000 |
| Services | 50,000 | 50,000 | 50,000 | 60,000 | 60,000 |
| Operations to others | 28,000 | 29,000 | 38,000 | 50,000 | 50,000 |
| Depreciation | 45,000 | 45,000 | 45,000 | 50,000 | 50,000 |
| Total Current Expenses | 328,000 | 354,000 | 388,000 | 440,000 | 460,000 |
| First Stage - Net Profit from Operations | -216,840 | -182,533 | -47,759 | -47,127 | -60,000 |

For consistency within the business plan note that the revenue figures within the profit and loss agree with the total revenue figures provided in Exhibit 9 - Historical Sales Revenue by Product.

10.2 STATUS OF ACCOUNTING AND FINANCE

This refers to Section 10.2 of ACBP (page 34).

For some reason this section has been placed between the historic financial statements and the forecast statements.

Its purpose is to provide a brief commentary on the structure and roles of the Finance Function.

ACBP page 34 provides an example an example of this.

10.3 FORWARD LOOKING STATEMENTS

This refers to Section 10.3 of ACBP (page 34).

Clearly this should represent one of the **MAJOR OUTPUTS OF THE BUSINESS PLAN** as it represents the economic direction in which the enterprise is heading based on the marketing and investment assumptions included in the plan.

First the key assumptions that lie behind the forecast profit and loss statements are given.

ACBP page 35 provides examples of each of these.

In this manual the forecast profit and loss statements are based on:

- consistency with Iraqi standard accounting format;
- forecasts of total sales presented in Exhibit 10, Projected Sales Revenue by Product.

Exhibit 18: Forecast Profit and Loss Account (MIM Standard Format)

| <i>ID Millions</i> | 2011 | 2012E | 2013E | 2014E | 2015E |
|---|----------------|----------------|----------------|--------------|---------------|
| Revenues | | | | | |
| Revenues of Current activities | 400,000 | 415,300 | 441,979 | 480,469 | 531,770 |
| Credit Interests | 0 | 0 | 0 | 0 | 0 |
| Total of Revenues | 400,000 | 415,300 | 441,979 | 480,469 | 531,770 |
| | | | | | |
| Current Expenses | | | | | |
| Salaries | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 |
| Goods | 100,000 | 105,000 | 110,000 | 110,000 | 110,000 |
| Services | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 |
| Operations to others | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| Depreciation | 50,000 | 52,000 | 54,000 | 56,000 | 58,000 |
| Total Current Expenses | 460,000 | 467,000 | 474,000 | 476,000 | 478,000 |
| First Stage - Net Profit from Operations | -60,000 | -51,700 | -32,021 | 4,469 | 53,770 |

Exhibit 18 shows that the enterprise is forecasting to return to profitability in 2013. The question is, is this reflecting the true underlying economics of the enterprise?

In Chapter 3, Exhibit 3, it was stated that the enterprise is carrying excess staff of 57.5%. If the underlying economics of the enterprise is to be measured more accurately an ADDITIONAL SET of historic and forecast profit and loss accounts should be included in the business plan that reflects this reality.

Exhibit 19 (overleaf) shows the effect of adjusting the historic profit and loss accounts (Exhibit 17) to exclude the costs of excess staff.

Exhibit 19: Adjusted Forecast Profit and Loss Account (MIM Standard Format)

| <i>ID Millions</i> | 2007 | 2008 | 2009 | 2010 | 2011 |
|---|-----------------|----------------|---------------|---------------|---------------|
| Revenues | | | | | |
| Revenues of Current activities | 111,160 | 171,467 | 340,241 | 392,873 | 400,000 |
| Credit Interests | 0 | 0 | 0 | 0 | 0 |
| Total of Revenues | 111,160 | 171,467 | 340,241 | 392,873 | 400,000 |
| | | | | | |
| Current Expenses | | | | | |
| Salaries (excess 57.5% excess costs removed) | 76,500 | 76,500 | 80,750 | 80,750 | 85,000 |
| Goods | 25,000 | 50,000 | 65,000 | 90,000 | 100,000 |
| Services | 50,000 | 50,000 | 50,000 | 60,000 | 60,000 |
| Operations to others | 28,000 | 29,000 | 38,000 | 50,000 | 50,000 |
| Depreciation | 45,000 | 45,000 | 45,000 | 50,000 | 50,000 |
| Total Current Expenses | 224,500 | 250,500 | 278,750 | 330,750 | 345,000 |
| First Stage - Net Profit from Operations | -113,340 | -79,033 | 61,491 | 62,123 | 55,000 |
| | | | | | |
| Cost of excess salaries | 103,500 | 103,500 | 109,250 | 109,250 | 115,000 |

The effect of **excluding the cost of excess salaries** shows that the enterprise **moved into profit in 2009** as Exhibit 19 shows.

Exhibit 20 overleaf shows the adjusted forecast profit and loss to be included in the business plan.

Exhibit 20: Adjusted Forecast Profit and Loss Account (MIM Standard Format)

| <i>ID Millions</i> | 2011 | 2012E | 2013E | 2010 | 2011 |
|---|---------|---------|---------|---------|---------|
| Revenues | | | | | |
| Revenues of Current activities | 400,000 | 415,300 | 441,979 | 480,469 | 531,770 |
| Credit Interests | 0 | 0 | 0 | 0 | 0 |
| Total of Revenues | 400,000 | 415,300 | 441,979 | 480,469 | 531,770 |
| | | | | | |
| Current Expenses | | | | | |
| Salaries | 85,000 | 85,000 | 85,000 | 85,000 | 85,000 |
| Goods | 100,000 | 105,000 | 110,000 | 110,000 | 110,000 |
| Services | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 |
| Operations to others | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| Depreciation | 50,000 | 52,000 | 54,000 | 56,000 | 58,000 |
| Total Current Expenses | 345,000 | 352,000 | 359,000 | 361,000 | 363,000 |
| First Stage - Net Profit from Operations | 55,000 | 63,300 | 82,979 | 119,469 | 168,770 |
| | | | | | |
| Cost of excess salaries | 115,000 | 115,000 | 115,000 | 115,000 | 115,000 |

The adjusted profit and loss account shows a forecast of continuous and growing profitability during the forecast period rather than incurring losses until 2013 which is shown in the unadjusted profit and loss accounts.

10.4 INVESTOR INFORMATION

This refers to Section 10.4 of ACBP (page 35).

This section is to describe how the enterprise might look for equity investments from outside sources. As presented the example given is rather thin and theoretical. The actual process of seeking investors or strategic partners is much more complex than the examples given.

11 EXECUTIVE SUMMARY

This refers to Section 1.0 of ACBP (page 4).

This section is obviously the last Chapter to be written and should pull together all the main **themes, actions and forecast results** of the business plan.

11.1 EXECUTIVE SUMMARY

This refers to Section 1.1 of ACBP (page 4).

Market

This should make reference to each of the main product groups as described in Section 2.1 and describe briefly what has happened historically with each group and the forecasts (Section 5.3) in the business plan. It will also be useful to comment on the percentage of total sales of each product group so that the relative importance of each can be seen (see Section 4.3).

The Organization

This section is a summary of Section 3.1.

ACBP page 4 provides an example an example of this.

Products and Services

If the Market section above it will have covered this section

Financials

This section should provide summarized versions of Exhibits 17 and 18 (just revenues and net profits for each year).

It should then comment on the cost of excess staff and then show the effect of removing these excess costs (Exhibit 19).

11.2 OBJECTIVES

A simple set of objectives should be provided.

ACBP page 5 provides an example an example of this.

11.3 MISSION

ACBP page 5 provides an example an example of this.

11.4 KEYS TO SUCCESS

The management should agree on what it sees as the keys to success in implementing a successful business plan.

ACBP page 5 provides an example an example of this.

12 BUSINESS PLAN PRESENTATION

In the course of reviewing the business plans of several SOEs it was clear that the actual presentation of the plans, the layouts, formatting, preparation of tables left much to be desired. This Chapter sets out some of the criteria that should be used to improve the presentation of the business plans.

NOTE: One of the major problems in the actual presentation of the business plans seems to be a lack of skills in using Microsoft Word and Microsoft Excel and a lack of understanding of how to put together a report. The following sections provide a few pointers in report preparation but it is important that initially a few staff are given a thorough training in Microsoft Office so that the skills exist to format a report.

Also, there seems to be a complete absence in the use of Excel in the preparation of tables, whereas for example every table in this manual is an Excel table copied and pasted into the manual. This skill should also be taught to key staff members.

12.1 BUSINESS PLAN COVER

It is important to the reader that the cover page shows clearly what the document is, when it was produced and what version it is.

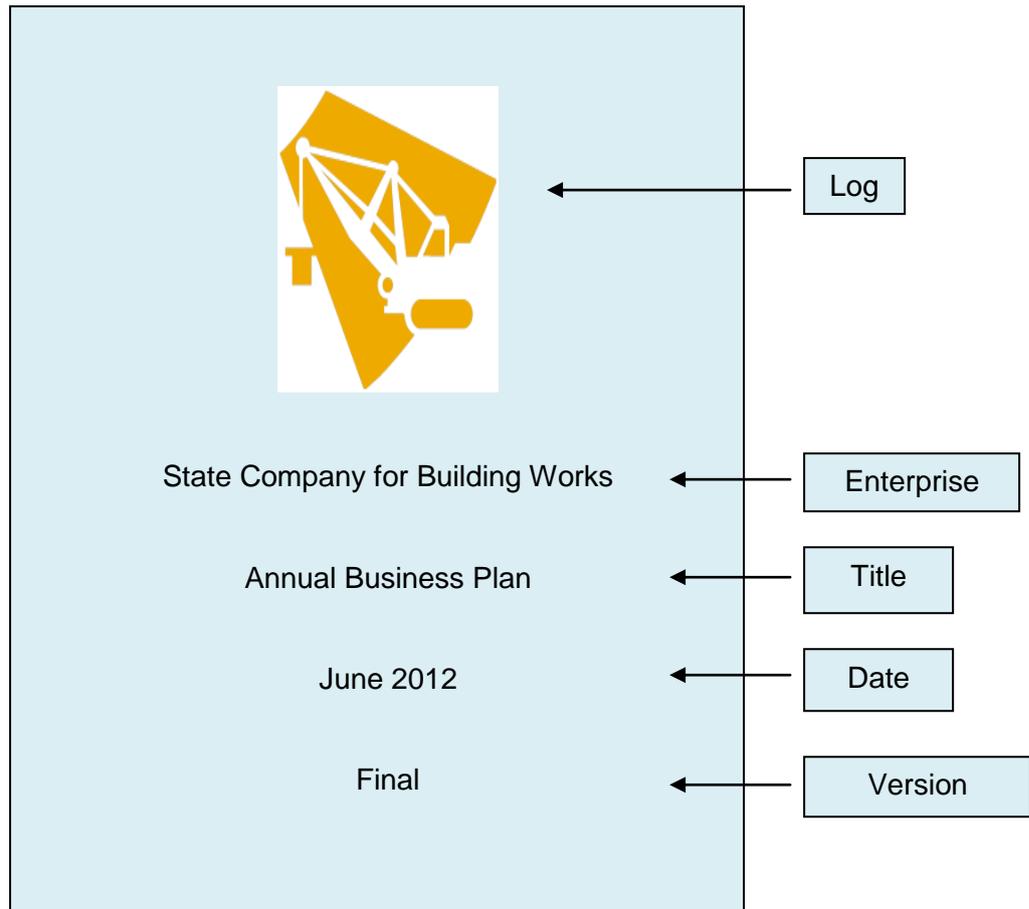
The cover for the business plan should include:

- The company logo
- Company title
- Title (Annual Business Plan)
- Year and month of the plan
- Version (1st draft, second draft, final etc)

This list might sound self-evident but one or some of this information has been absent from the business plans in some cases.

An example is shown overleaf.

Exhibit 21: Illustration of Business Plan Cover



12.2 FORMATTING - TITLES

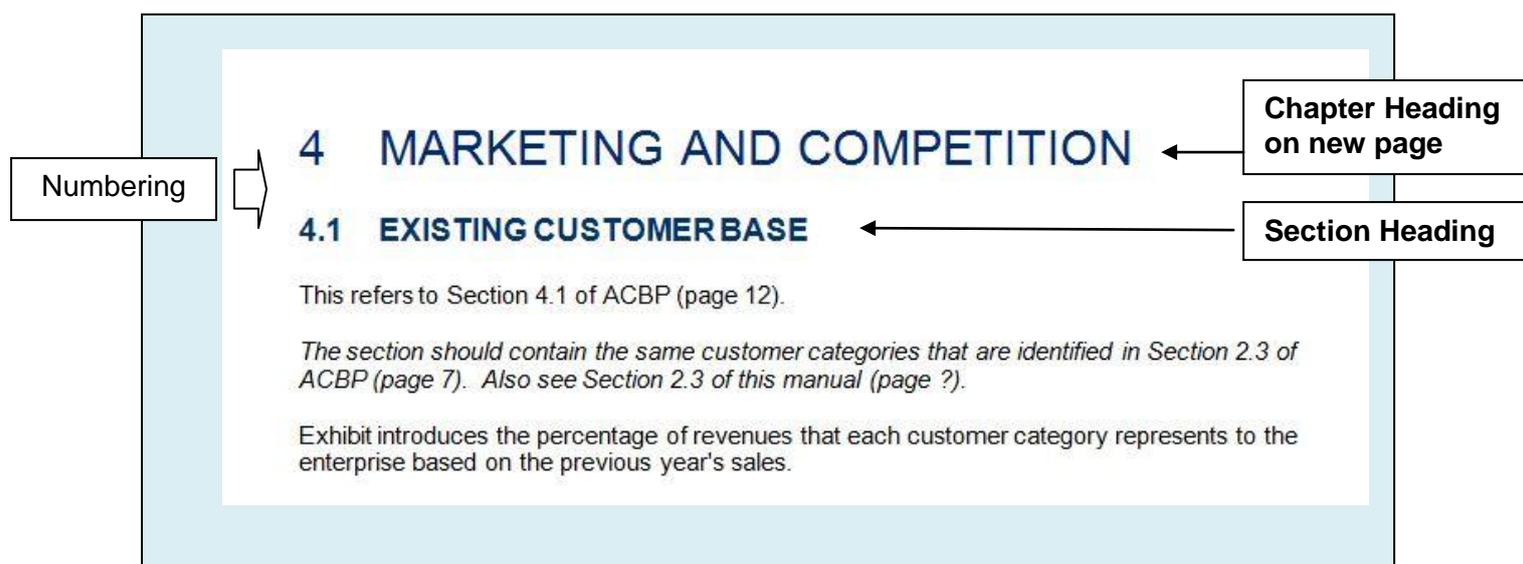
For the purposes of making the plan look professional and well finished please ensure that:

- Each Chapter starts on a new page and is numbered
- Each Section is numbered
- The style (font, size and color) used for Chapter and Section Headings is consistent throughout the report.

If staff are trained in Word they will learn how to apply styles to Chapter and Section headings that will automate the process of achieving consistency in formatting throughout the document.

An example of formatting is given overleaf:

Exhibit 22: Example of Title Formatting



12.3 FORMATTING - PAGE NUMBERING

It is difficult to discuss documents when either chapter and section headings are missing or not numbered. Equally the absence of page numbers also makes reviewing and referring to a document difficult and page sequences can get muddled.

All pages starting with the Chapter 1 title page should be numbered. Training in word will show precisely how this can be done.

12.4 FORMATTING - CONTENTS PAGE

The Table of Contents should provide the page number of **all Chapter and Section headings**. If certain styles of headings are used for the Chapter and Section headings the production of the Table of Contents can be fully automated (as is this manual).

12.5 FORMATTING - TABLES

Tables are generally poorly presented in SOE business plans and yet they are an extremely important part of conveying (in most cases) the quantitative aspects of the plan. Tables should have:

- a title;
- clearly identified column headings;
- the units of measure (tons, percentages, etc)
- the numbers should be presented in a consistent manner:
 - whole numbers, or one decimal place, or two decimal places;
 - they should be consistently aligned in the columns so that the column of numbers is easy to read;

- commas should be used as a 000s separator;
- a full stop should be used as the point where the decimal commences;

Example 125,567,986,982.00

- columns should be totaled where necessary.

Exhibit 23: Example of Table Formatting

| <i>ID Millions</i> | Sales Revenue | | | | |
|------------------------|---------------|---------|---------|---------|---------|
| Product/Service | 2007 | 2008 | 2009 | 2010 | 2011 |
| Product A | 38,750 | 71,042 | 103,333 | 142,083 | 155,000 |
| Product B | 13,077 | 32,692 | 52,308 | 71,923 | 85,000 |
| Product C | 53,333 | 53,333 | 160,000 | 146,667 | 120,000 |
| Product D | 6,000 | 14,400 | 21,600 | 25,200 | 30,000 |
| Product E | 0 | 0 | 3,000 | 7,000 | 10,000 |
| Totals | 111,160 | 171,467 | 340,241 | 392,873 | 400,000 |

Excel lends itself much better for the preparation of tables (particularly numeric) than Word. Some reasons for this are:

12.6 CONSISTENCY OF INFORMATION

One of the difficulties of reading a business plan is when inconsistencies arise from chapter to chapter. If a table includes a list of product categories in one chapter and then the list is different in another chapter it becomes confusing. Also if the total revenues for a given year vary from chapter to chapter or the figures for total revenues do not agree with the total revenue figures in the chapter on Financial and Reporting, this too becomes confusing.

Care should therefore be taken throughout the plan to ensure that:

- product categories remain consistent;
- production figures agree from chapter to chapter;
- sales forecast growth figures agree from chapter to chapter;
- revenue figures agree from chapter to chapter;
- investment figures agree from chapter to chapter;
- factory identities and descriptions agree from chapter to chapter;
- employment figures agree from chapter to chapter.

13 CHECKLIST

The following table provides a checklist that should be adhered to before a business plan is submitted.

Exhibit 24: Checklist Prior to Submission of Business Plans

| Item | Detail | Checked |
|-----------------|--|---------|
| Cover | Logo, Compant Title, Plan Title, Year, Version | |
| Contents Page | Chapters, Sections, Page Numbers | |
| Page Numbering | Throughout | |
| Chapters | Each on a new page, same font | |
| Sections | Properly numbered, same font | |
| Exhibits/Tables | Numbered and Titles | |
| Tables | Titled column headings | |
| Tables | Units of Measure | |
| Tables | Consistent numbers (whole, one decimal, etc) | |
| Tables | Commas separating 000s | |
| Tables | full stop at start of decimal | |
| Tables | All numbers properly aligned in colums | |
| Tables | Totals where necessary | |
| Font | Same font and size used thoughout document | |
| Consistency | Product categories remain consistent; | |
| Consistency | Production figures agree from chapter to chapter; | |
| Consistency | Sales forecast growth figures agree from chapter to chapter; | |
| Consistency | Revenue figures agree from chapter to chapter; | |
| Consistency | Investment figures agree from chapter to chapter; | |
| Consistency | Factory identities and descriptions agree from chapter to chapter; | |
| Consistency | Employment figures agree from chapter to chapter. | |