



Building A Business Plan

Tool Kit For
Supporters



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Introduction

The purpose of this tool is to help supporters and club members have a better understanding of the different factors involved in forming an organisational business plan. Ideally, they can then identify the model that is currently relevant to them and plan for the one they would like to implement for their club.

It should be noted that there is no one perfect business plan that fits all, and this is the reason we provide a general template with this document -a 'how-to' guide. As each organisation is different, it is important to acknowledge what is possible and what not, in your specific situation, when compiling your business plan.

Furthermore, this document is a tool to help the planning and running of your projects/initiatives. It will also allow you to put in place proper structures and procedures for the monitoring and evaluation of those projects, as well as the overall health of the organisation.

This document is a general guide, not an in-depth lesson or an exact method to writing a business plan. It will give you a good understanding of the things you need to consider when planning, and how your business plan can be formed in your community.

As always, reach out to info@sdeurope.eu with any questions, concerns, or thoughts!





Strategy Setup

A strategy is the light planning of your initiative. It covers “big picture” ideas and themes you will need in order to build the general direction, assign the right people to the right task, identify the different options for going forward and estimate the level of resources required. Your strategy should not cover every little working detail. Think of it more as a set of guidelines of the heart of the organisation to revisit often and review on a regular basis.

When setting a strategy for your organisation, there are 5 fundamental steps needed to be considered:

1

Where are we?

This step describes the current situation of your club/organisation/ community.

2

Where do we want to go?

This step is about your vision, but also reality. It is also important to be aware of the fact that often there are limitations (especially due to resource constraints but also other factors) regarding the ‘where do we want to go’. In reality, ‘where do we want to go’ is always different to the ‘where can we actually go’.

3

Who are we going to get there with?

This step helps you identify the right people within your organisation and community, for the right job.

4

How are we going to get there?

This step will help you organise your operations and plan your activities, set goals and timelines for each operation. It can be broken down into short-, mid- and long-term activities and goals.

5

How much will it cost?

In this step, you will build a supportive financial plan for your action plan. It includes budgeting and forecasting, expenditure, revenue streams etc. It should include different types of resources (e.g. financial, volunteer hours, contribution in kind etc).



Business Plan Setup

A business plan is a written document containing a range of goals, working structure, methodology, and a timeline for your organisation.

Your business plan will cover in detail, the planning, and development of the organisation. This breaks down the quarterly/yearly/5 year goals.

The business plan helps you:

| | | |
|--|---|---|
| Concretise your mission and vision statements | Map your internal and external environment affecting your initiatives | Create an internal operating structure |
| Plan your marketing activities related to the initiative | Create a short- and long-term budget and forecast | Attract (long-term) sponsors and other partners |

As a complementary tool for strategy a business plan is essential and extremely useful. However, the business plan is a static document prepared at the beginning of your effort. It shows the **expected** progress, based on a number of dynamic factors: the potential of your initiative, the information you have and the level of self-awareness **at the time** of drafting it.

As your progress in the implementation of your initiative, its potential changes, the information you have becomes more accurate and the way you assess your internal and external environment becomes more enthusiastic, or cynical, also depending on your success.

1. Title page

Name and logo.

2. Table of Contents

A numerical page and title guide of the business plan.

3. Executive Summary

Summarise your business plan. Use this one-pager to describe the contents of the plan, start up costs, and the more detailed contextual reasons as to why you are starting your project. General description and history of the fans organisation can be put here as well. Tell your story. Why are you doing this? This is important as it sets the agenda for your organisation using context, history, and passion.



4. Mission Set

Mention your organisation's mission & vision statement, core values, long-term goals. Each should be a short, direct, statement to be used as a guide for the organisation's goals. This is important to ensure you and your members are sticking to your founding principles as it develops and grows.



Vision

The vision statement describes the long run objective of your fans organisation.



Mission

The mission statement is the road map of how to achieve the goals set in your vision statement, defining the purpose of the organisation.



Core Values

The core values are the principles of what the fans organisation stands for. These are the reasons for the activities.



Long-Term Goals

The long-term goals are specific measurable targets for the fans organisation to have in order to achieve the vision statement.



5. Internal and External analysis

Describe the external and internal factors and environment around your club. This is key to showing relevance, possibility for success, and reason for the understanding, publicly and internally, of the need of your fans organisation's existence.

The usual environment analysis tools you can use are

- **SWOT (Strengths, Weaknesses, Opportunities, Threats)**: It is used in the preliminary stages of decision-making processes also as a tool for evaluation of the strategic position. It is intended to specify the objectives of your initiatives and identify the internal and external factors that are favorable and unfavorable to achieving those objectives
- **PESTEL (Political, Economic, Social, Technological, Environment and Legal)**: It is part of an 'external environment' analysis and gives an overview of the different macro-environmental factors to be taken into consideration. It is a strategic tool for understanding growth or decline, business position, potential and direction for operations.
- **Porter's five forces (Threat of new entrants, threat of substitutes, bargaining power of suppliers, bargaining power of buyers, competitive rivalry)**: It is a method for analysing competition in the micro-environment. It analyses the forces close to your initiative that affect its ability to serve its membership and be successful. A change in any of the forces normally requires your initiative to re-assess the marketplace given the overall change in information. You can apply your own competencies, business model or network to achieve success.
- **VRIO (Value, Rarity, Imitability, Organisation)**: It is an 'internal environment' analysis tool, but is used as a framework in evaluating just about all resources and capabilities of a firm, regardless of what phase of the strategic model it falls under.

6. Structure and Organisation

Establish a working structure for maximum efficiency. This should include the legal structure, statutory requirements, board composition, decision making processes, and hierarchy of the organisation. It also lists key organisational policies.

7. Operational Plan

Explain how the organisation will operate on a day-to-day basis, including the management of matchday, infrastructure, sporting department, inclusion and relationship with the football stakeholders. This should discuss many in-depth details in how you will operate and will put in place a short and long term understanding of how you will operate.



8. Marketing

Set the overall public strategy and culture of the organisation. This section should discuss the public relations, growth, media, and promotion of the organisation. This will help you maintain and improve the positioning (standing and potential) of your initiative internally (members, supporters) and externally (stakeholders, community, sponsors).

The marketing mix provides a framework for marketing decision-making. The most enduring and widely accepted frameworks in marketing is McCarthy's marketing mix (**P**roduct, **P**rice, **P**lace, **P**romotion), which was extended by Booms and Booms and Bitner to the 7P's model (includes also People, Process, Physical evidence).





a: Product

A product refers to an item that satisfies the target group's (fans, members, etc) needs or wants. Products may be tangible (goods, such as merchandise) or intangible (services such as tickets and membership, ideas such as fan ownership and democracy, or experiences).

Decisions related to a product or service include its design (features, quality), assortment (range, mix) such as different membership benefits or stadium sections, branding, packaging and labelling, services (complimentary, after-sales, quality), guarantees, warranties, returns, management through the life-cycle.

b: Price

Price refers to the amount a target group pays for a product. It may also refer to the sacrifice target groups are prepared to make to acquire a product (e.g. time or effort). Price is the only variable that has implications for revenue and includes considerations of perceived value

Decisions related to the price of a product or service include strategy, tactics, price-setting, allowances (eg for distributors), discounts, payment methods.

c: Place

Refers to providing (convenience of) access to the product or service to a target group.

Decisions related to the place of a product or service include distribution strategies eg intensive, selective, exclusive, franchising, market coverage, assortment, location decisions, inventory, logistics

d: Promotion

It refers to marketing communications and may comprise elements such as advertising, PR, direct marketing, sales promotion.

Decisions related to the promotion of a product or service include the right mix (balance between the different options), message (what to communicate), channels (how to reach the audience), message frequency for each option and channel.



e: People

It comprises the human factors who participate in delivering the service. The front end of the company, the staff who represent the company's values to the product/service recipient. It also takes into account interactions between and within the product/service recipients as well as between the staff and the product/service recipients.

Decisions related to the people involved in delivering the service **include staff recruitment and training, uniforms, queuing systems, complaint management, social interaction management.**

f: Process

The procedures, mechanisms and flow of activities by which service is delivered

Decisions related to the process of a product or service **include its design, blueprinting, standardisation vs customisation, performance monitoring, diagnosis, resource requirements & allocation, KPI development and measurement, operations manuals.**

g: Physical evidence

It is where a service occurs and/or the space where product/service recipients and service staff interact. It takes into account tangible commodities (eg equipment) that facilitate service performance and tangible items that remind target groups of a service performance (eg welcome pack).

Decisions related to the physical evidence of a product or service include the **facilities** (physical as in an office or electronic as in a website, **layout** (design, signage), **ambient conditions** (noise, air, temperature), **livery** (brochures, leaflets, menus), **tangible items** (eg welcome pack)



9. Financial Plan

Analyse your financial plan, in order to effectively and sustainably manage the organisation's finances. It does not need to be complex, but needs to maintain the financial health, growth, and overall sustainability of your initiative. This is important in order to secure financial longevity of your organisation. The main tools for the financial planning are:

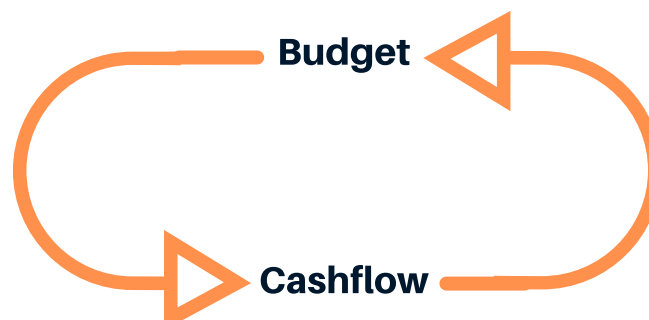
Budget

It is a model of how your initiative might perform financially if certain strategies, events and plans are carried out. It provides a forecast of revenues (ticket sales, membership, merchandise, sponsorship etc) and expenditures (players, suppliers, taxes and social security etc). It also enables the actual financial operation of your initiative to be measured against the forecast and establishes the cost constraint.

Some of the key lessons of our Erasmus+ project 'Clubs and Supporters for Better Governance in Football' learnings were that organisations need to 'budget for at least three years' (to allow recovery from short- and medium- term drawbacks) and to 'develop three models before deciding the budget: optimistic, realistic, pessimistic'.

Cashflow

Connected with the budget, cash flow is a real (cash or equivalent) or virtual (non cash) movement of money (revenue or expense). For organisations, it helps identify future liquidity issues (shortages and surpluses of funds). For a project, it determines the rate of return: when the initial investment will be paid off.





For more information visit
sdeurope.eu or contact
info@sdeurope.eu