CFABD3

Plan the direction of your business

Overview

This standard is for entrepreneurs who need to plan the direction of their business. It is important to think about where you want your business to go and how you want it to get there, because it means that you are able to get the most out of it. It involves setting your targets and objectives, working out detailed plans, presenting them to different stakeholders and identifying the sources of funding or other support required.

You might do this if you are:

1. setting up a new business or social enterprise;
2. expanding a business or social enterprise;
3. changing or adapting the way a business or social enterprise operates;
4. reviewing personal objectives for a business or social enterprise.

Performance criteria

You must be able to:

1. assess the current market position of your business
2. define the direction of your business in the short, medium and long terms
3. set targets for the different parts of your business and ensure these do not conflict with each other
4. plan in detail how the different parts of your business will work and how the targets will be met
5. identify the sources of funding and other support for your business
6. decide how you will put your plans into practice and develop contingency planning
7. communicate business plans to stakeholders and secure commitment from them
8. design a framework that will allow you to monitor the performance of your business against your plans
9. make sure your plans are in a format that is suitable for their future use
10. comply with relevant laws and regulations that apply to your business and keep up to date with any changes to these
11. seek legal and professional advice when required
12. review direction of your business on a regular basis and implement changes where required

Knowledge and understanding

You need to know and understand:

Business focus

1. how to identify the current market position your business using Political, Economic, Social, Technological, Legal and Environmental (PESTLE) analysis

2. how to define the direction of your business in terms of market position and success

3. how to set targets and objectives for your business

4. the different parts of your business, including finances, production, sales, marketing, customer service, quality, staff recruitment, reward, appraisal or training and development

5. how the different parts of your business may conflict with each other

6. how financial targets can affect productivity, income and costs

7. the sources of help and advice from business associates, business advice centres, business advisers, mentors or counsellors, specialist consultants, non-executive directors, accountants and other professionals

Business planning

8. how to plan your business in the short, medium and long terms

9. the different sources of funding and other support for your business

10. the resources required for carrying out your plans

11. the variety of business costs, including products, services, staff, finance, premises, plant, equipment, marketing and administration etc.

12. how to review and monitor the success of your plans

13. how to format your plans and relevant staff having access to these

14. how to communicate your plans and share access with relevant staff
15. how to motivate people and encourage them to put your plans into practice

Law and regulations

16. the relevant laws and regulations affecting your business
17. why it is important to keep up to date with laws and regulations

CFABD3

Plan the direction of your business

Developed by	Skills CFA
Version Number	1
Date Approved	14 Jan 2022
Indicative Review Date	01 Mar 2027
Validity	Current
Status	Original
Originating Organisation	Instructus
Original URN	CFABD3
Relevant Occupations	Business, Administration and Law, Managers and Senior Officials, Veterinary Para-Professional Activities, Arboriculture and forestry
Suite	Business Enterprise, Land-based Engineering Operations, Treework, Veterinary paraprofessional activities, Equine Hoof Care
Keywords	success, business, idea, social, enterprise, customers, products, service, support, creative, idea, skills, needs, suppliers, cash, flow, legislation, marketing, market, trends, competitors, health and safety, VAT, equipment, costs, profit, staff, product