

Long vs. Short Plans: Pros and Cons

(Updated: June 16, 2017)

If you're going to send a business plan to a venture capital firm that reviews hundreds of plans a year - and only funds a small handful of them - you're going to have to develop a longer plan.

Long doesn't mean verbose (i.e., wordy, rambling and tedious). Longer plans should include all of the modules listed at the bottom of the table on page 2 of *Resource 26-02: Components of Effective Business and Marketing Plans*.

Each section of this long plan needs to be concise and effective. *The longer the plan, the more important it will be to make sure your writing is effective.*

The time you'll invest to develop a long plan where every section is effectively written will be balanced by the fact that you're probably asking for very large sums of funding necessary to launch a substantial venture.

(Or, it could be that you're competing in a national business plan competition, where they are more likely to insist on plans that cover a broader range of topics.)

In the "real" world, it is highly likely that a short plan will provide dramatic benefits to business leaders.

- 1) Clarifies thinking - taking the time to develop a plan (even a plan consisting entirely of bullet points) inevitably will clarify and sharpen the thinking of the small business leader. The leader will *make sure* that there is a return on investment for the time spent planning, and that the expectations coming out of the planning process are clearly stated in motivating terms.
- 2) Focuses activity - a plan clearly explains the action steps and intended outcomes necessary to achieve the stated goals. The time spent writing the plan is the best guarantee that the next steps will be carefully considered, framed in ways that are "doable" by the enterprise's stakeholders.
- 3) Builds common understanding - a short plan can be shared with the stakeholders responsible for creating a better future. The shorter the plan the more likely it will be read, understood and embraced (see *Resource 23-16: The Value of Concise Communications*).
- 4) Creates specific expectations / goals - a short plan should include the goals necessary for the enterprise to achieve the vision established in the plan. This gives the enterprise the opportunity to be "mission-driven" in achieving those goals, an opportunity to create enthusiasm and momentum that overcomes the routine.
- 5) Promotes "discontinuous" actions - "discontinuous" means "out of the ordinary, breaking the routine. *In far too many enterprises "the routine" is the enemy of innovation and spectacular performance.* A business leader who takes the time to create a business or marketing plan is creating the opportunity for the enterprise to "go to the next level" . . . to set goals beyond what the team has achieved before, along with indicating the steps every team member needs to take for the enterprise to meet or exceed these goals.

The Benefits of a Short Business or Marketing Plan

- 1) Clarifies thinking
- 2) Focuses activity
- 3) Builds common understanding
- 4) Creates specific expectations / goals
- 5) Promotes "discontinuous" actions

Small businesses should invest in creating short business and marketing plans to provide the vision and momentum necessary to achieve unprecedented positive results, for the business owners and for employees.