



A Plan for Success

by Bill Brockway

Custom Builder Business Plan Kit by National Association of Home Builders (NAHB Press, 1993; 800/368-5242). Three-ring binder, 10¹/₂x11¹/₂, 136 pages, \$61.50 (discounted for members).

Whether you're just starting up a construction business or you need capital to expand your current operation, you'll soon be meeting with a loan officer at your bank. One of the first questions he or she will ask is, "May I see your business plan?" Not, "Do you have one?" but "Where is it?" You'd better be able to produce one and also be familiar enough with the information in it to chat easily about things like balance sheets and profit-and-loss estimates. A business plan will help to convince the bank that your company is a good risk — and that's your ticket to the big leagues.

The *Custom Builder Business Plan*

Kit from the National Association of Home Builders (NAHB) guides you through the process of completing a good business plan. After a short introduction, it helps you create a Mission Statement unique to your company. Questionnaires help you define your particular style of Business Management, Production Management, Financial Management, Marketing, and Customer Service.

The largest section of the book holds dozens of forms and worksheets to organize the data that describes your company. Annual, quarterly, and monthly Planning Summaries contain both Sales Goals and more general Company Goals concerning such things as efficiency, marketing, and personnel policy.

Finally, the *Plan Kit* creates a hypothetical example of a builder who uses all these forms and worksheets to create a business plan. The sample company

sells 15 custom homes a year for an average of \$174,000, which puts it in the "over 2.5 million in sales" group — a little higher than average, I think, but it serves as a good demonstration of how the forms all work together.

The *Custom Builder Business Plan Kit* doesn't really contain a sample business plan that's all filled out and ready for a presentation, but that's actually a point in its favor. It would be too easy to simply "borrow" sections from the sample, rather than go through the process of developing them yourself — which is infinitely more valuable.

In the *Custom Builder Business Plan Kit*, the authors don't pretend that writing a business plan is a simple thing. Instead, they explore the subject as a complex and useful journey for a business to make, and prove themselves as trustworthy and knowledgeable guides along the way.