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What to know before you write a business plan

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Madison, Wis.—People thinking about starting a new business are often advised to write a business plan. But that's not the first step according to Bill Pinkovitz, University of Wisconsin-Extension business specialist.

“The first thing to do is to look in the mirror and ask yourself: Why am I doing this?” says Pinkovitz. “Who wants to buy my product? What's going on in the industry? How much can I sell? How will this business affect my family?”

The answers to those questions can help people in the earliest stages of business development determine if the potential benefits outweigh the potential costs and if there is a viable market for their product.

Business Feasibility: A First Cut Analysis, a new publication by Pinkovitz and Catherine Stover helps first-time entrepreneurs analyze their situations using case studies with an agricultural focus. “There are many hard-working farmers who are struggling to make ends meet. Quite a few are looking to diversify by direct marketing and other options,” Pinkovitz says.

But he notes that the guiding principles in the publication apply to any business—for example, a bookstore, a bed-and-breakfast or a coffee shop—not just to agriculture.

The authors prepared the publication with the strengths and skills of UW-Extension county educators in mind, says Pinkovitz. “In Extension, we know how to help people go through a process, such as strategic planning and then help them look at some applied research. Every county has people coming in who are looking for information about starting a business. The information in the book is a tool Extension staff can use to respond.”

Being able to provide information to people thinking about developing a business ultimately helps improve the skills of individual entrepreneurs and fosters a community environment that supports these efforts.

A free copy of *Business Feasibility: A First Cut Analysis*, is available to download from the Extension Publications website at <http://learningstore.uwex.edu/Community-C256.aspx>.

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