

A good business plan can put your practice in the driving seat

Writing a business plan is becoming an important skill in the new world of GMS2 – Dr Michael Ingram and practice manager Ken Spooner guide you through the basics

The new GMS contract may well have its advantages and disadvantages but there is one theme that seems to be running through it, namely that the provision of primary care services is no longer the exclusive right of GPs. A competitive environment will start to emerge where practices will find that to retain contracts and, more importantly, income for services they will have to bid against other providers.

Though there are many inherent advantages that GPs will bring with them into this new order, there is one major area where inexperience could cause problems in the bidding process and that is the writing and submission of a business plan.

Private providers are skilled at writing convincing, sound business plans that impress and persuade PCTs, especially when compared with some of the poorly written unconvincing efforts submitted by some practices.

Practices will need to acquire skills of content and presentation of these plans if they are to thrive in the new competitive world.

A few guiding principles, coupled with thorough preparation, can produce a high-quality document that will boost the fortunes and prospects of practices in convincing the PCTs that they are worthy of investment resources and selection for service provision.

What exactly is the plan? What are you setting out to achieve and what are your aims in submitting the plan? These need to be defined to give the plan focus and incorporated in the opening of the plan or even its title.

Start off with an executive summary

This should contain:

- Details of what you are actually asking for or proposing.
- Business reasons for this. For example, these can highlight that the new service will be better, have a shorter waiting time, cost less or offer increased patient services.
- Outline of the costs involved.
- The risks that need to be considered.

The summary should be concise and compact.

Look at the guidelines that have been given. Most requests for business plans from the PCT will be relating to the provision of services or bidding for extra resources, and guidelines for these will be supplied. These guidelines are the nub of the issue and they need to be incorporated fully in any plan.

The fundamentals of exam technique is to answer the question asked; however much you write, if it is not relevant to the question you will get no marks. The same applies in a business plan; it can contain the most well-argued proposals but if it does not focus on the issues contained in the guidelines it will be a waste of effort.

Better still, use the guidelines as headings to make sure that all points have been considered and dealt with.

If no guidelines are given and you are writing the plan from scratch, then you will need to take a broad approach. Make sure the objectives of the

plan are clearly stated and then look carefully at all the parties likely to be affected and consider how they will view the proposed projects. Also ensure all the key players are mentioned and their anticipated views addressed.

If you are submitting your plan to the PCT make sure it reflects its issues and concerns. Who will be reading it? What is their

direction within the PCT and what is their political function?

For example, if the PCT's main thrust is to tackle waiting lists, highlight those areas of your plan that can help it. PCTs will allocate resources into high-priority areas, so illustrate how your proposal will help them meet those targets.

If you are trying to get finance for new premises, for example, show how the services that you will provide there will mean a reduction in demand for secondary care and thus ease waiting

“You need content and presentation skills for the new competitive world”

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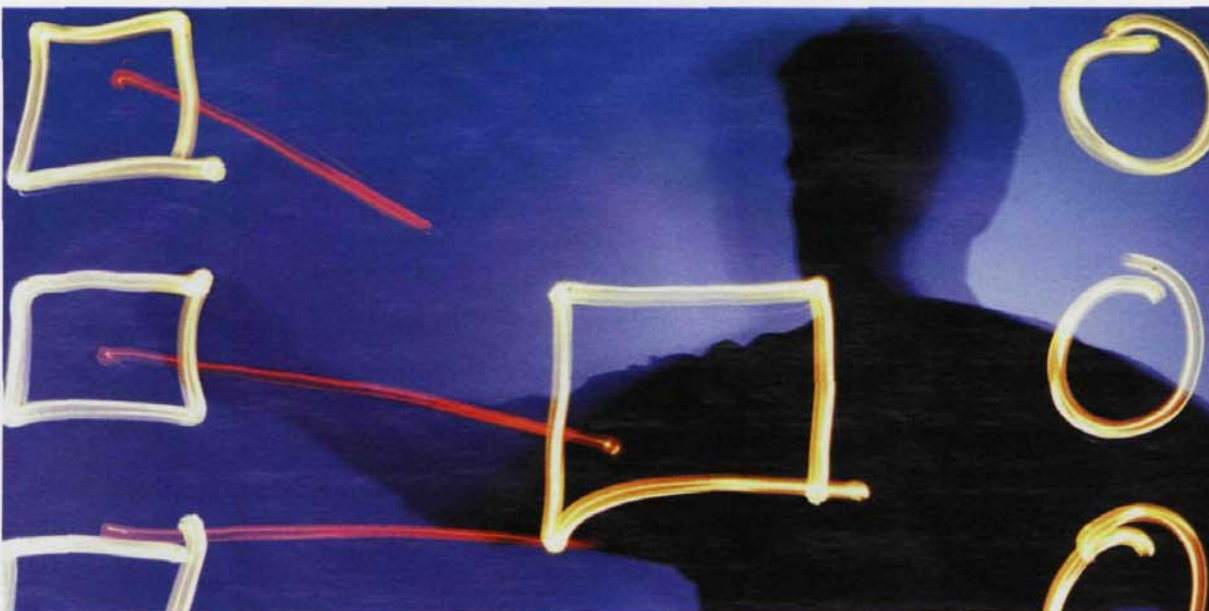
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Suggested layout for a business plan

- 1 Title and description of proposal**
- 2 Executive summary**
A few sentences only summing up the case
- 3 Business objectives**
Describe what you are setting out to achieve and how this will be done
- 4 Resources** Look at the cost benefits and resource issues involved
- 5 Risks** Highlight the risks involved in the project and how these can be minimised or planned for

Where guidelines are published these can be used as titles for sections instead of 3-5

proposals that are likely to help them achieve that will be of great interest to them.

In adopting this strategy remember those on the board might have different priorities. The finance director may be focusing on the costs and savings offered while other members may be looking more towards a patient-oriented service or achieving the targets that have been set for them.

Highlight all the benefits

If you are going to be able to offer financial benefits to the PCT then say so and describe the way that your proposals will achieve these. But if your proposal does not have obvious financial advantages then it is important to highlight the other benefits and be convincing in the argument that these extra benefits justify the financial resources you seek.

Costs

When presenting costs these must be legitimate costs and must be both realistic and accurate. If it is difficult to be exact about these costs then say so, and explain what the various factors are that have to be taken into account.

Get your facts right

Make sure you are certain of what you state and ensure you have done your homework properly. If you are inaccurate with the facts that you use you will sooner or later get found out and the whole plan will be discredited.

It is essential to use the business plan as the foundation of the project, proposal and presentation. Writing a plan is a developmental process. Start with a draft plan and then re-read it.

Consider the questions that you would ask if you were reading the plan or on the panel assessing it and then formulate the answers to those questions. These can then be incorporated into the next working of the plan. Discuss the plan looking for other questions that are likely to arise from it and how these can be addressed.

The end result of this process will be a business plan that has been developed into a document that not only contains proposals but also seeks to answer the points most likely to be raised as a result of what is being suggested in the plan.

Business plans need a great deal of time and effort to make them effective.

They should relate your proposals to the main local issues and priorities of the PCT, demonstrate how resources will be used more effectively, and seek to identify and answer questions that are likely to arise.

“Make sure your plan reflects the issues and concerns of the PCT”

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