

The Certification Program Business Plan: A Roadmap to Success

Presentation for the
National Organization for Competency Assurance

Business plan defined

The business plan describes the:

- Products/services you will offer
- Market in which you are competing
- Competitive strategies and tactics you will use
- Program operations and management
- Financial goals of the program

Why create a business plan?

- Forces decision-makers to conduct a critical analysis of the program
- Informs the final “Go, No Go” decision
- Communicates project to key stakeholders
- Acts as a prospectus for obtaining financial resources
- Serves as a management tool for monitoring program success

Key elements

- Market and competitive analysis
- Explanation of business strategy
- Description of products/services
- Overview of marketing plan
- Outline of program operations
- Presentation of financial data

Market analysis

- What is your target market?
- What trends and environmental factors impact this market?
- What are the characteristics of your target customer (e.g., demographics, needs/desires)
- How does your product fulfill customers' needs/desires?

Competitive analysis

- Who are your direct and indirect competitors?
- What customers are they targeting?
- On what basis do they compete (e.g., price, quality, prestige, access, convenience)?
- How will they respond to your entry into the market?
- What competitive opportunities and threats exist and how will you respond to these?

Business strategy

- What are your key competitive capabilities and how will you capitalize on these?
- What are your key competitive weaknesses and how will you overcome them?
- What is the primary and most critical factor that distinguishes you from the competition (i.e., positioning statement)?

Financial data

- How will you price the products and services (i.e., market vs. product driven)?
- What are the anticipated volumes?
- What are the program development and maintenance budgets?
- What are the cost and revenue projections?
- What is the break-even point?

Most common mistakes

- Failure to develop a plan
- Developing a plan in the absence of needs assessment or market research
- Overestimating volume and underestimating costs
- Insufficient budgeting for marketing

Most common mistakes

- Underestimating amount/type of staffing needed
- Failure to evaluate whether the financial assumptions and budget estimates reflect your business strategy
- Failure to revise/update projections when additional data become available