

This factsheet will help you to:

- Understand what a farm business plan is
- Understand how it can help your business
- Write a simple business plan

Farm business plans

What is a farm business plan?

A farm business plan is a map for your business. It helps you clarify where you are going and how you will get there. It identifies your key business objectives for the next three to five years and provides directions and timelines to help you achieve your goals.

It also provides a guide for your day-to-day operations and decisions.

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Why do I need a business plan?

A business plan will:

- Give you a direction and a map to follow – it is a key to your success
 - Help you clarify what you want to achieve in your business and in your life
 - Let you monitor your progress and update or modify your plan to keep you focused and on track
 - Provide useful information to your staff, your bank and prospective new staff.
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How do I write a simple business plan?

Here are some simple steps you can follow:

- **Set your goals.** Brainstorm with your staff and family to come up with a list of realistic goals for you and your business. They could be financial, such as increasing operating profit; expanding the business; improving the environment, or improving your lifestyle. Remember to keep your goals SMART – Specific, Measurable, Achievable, Realistic and Timely.
- **Identify your strategy/actions.** Outline the steps needed to achieve each goal. Think about the most practical way to achieve each goal and what resources, including people you will need.

- **Forecast your costs.** Identify the extra expenditure you will need to achieve the goals and how you will manage this. This forecast can then be used to monitor your actual expenditure and keep it under control.
 - **Review your plan.** A business plan is a living document. Refer back to it regularly (at least annually) to remind yourself of your goals, and keep updating it to keep it relevant to what is happening now.
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Where can I get more help?

Follow this link to a simple guide on writing up your business plan:

[NZ Business - Writing a business plan](#)

DairyNZ also offer Business Performance and Strategic Management courses which can help you learn valuable skills for firstly understanding your farm business and then developing a strategic plan to deliver outcomes that fulfil your personal, business and financial goals:

[DairyNZ - Mark and Measure](#)