

## Dynamic LIFTOFF Business Plans



### LIFTOFF\_FULL Software

The goal of **LIFTOFF**.xism is to help larger entrepreneurs to create their own business plan using a more advanced Excel™ workbook-based application. The main difference from what the **LIFTOFF\_LITE**.xism application provides is a built-in management engine that provides a simulation capability and that can extend the scope of the application to be a distributed system across strategic business units within a corporate entity. The presentation format for this full version is a pro-forma financial statements report that is often preferred by financiers and/or investors and can be adapted to represent the format preferred by your accountant.

The basic planning methodology outside of the financial projections is the same for all versions of **LIFTOFF Business Plans**, based on a fundamentally sound assessment of what you expect to happen. What gets interesting is that you can make copies of that plan and reflect other scenarios both by tweaking the numbers as well as any narrative descriptions that make a new scenario different from the scenario you started out with. The ease of creating new scenarios is what makes **LIFTOFF Business Plans** stand out from traditional business plans, which focus on a single scenario. Reasons why this is a critical advantage include:

- You may want to consider different scales of operation that affect the startup costs, but also the potential for generating more revenue. This is the most basic risk vs. opportunity assessment that is critical for supporting future growth objectives as well.
- You may want to consider different areas for your base of operation, that may affect the cost of doing business, the customer demographics and psychographics, accessibility to a larger (or smaller) prospective customer base, public transportation, and the like.
- You may want to consider different buildings in each area and consider a more (or less) prestigious location, which can affect the lease costs, leasehold improvement costs (and allowances), customer traffic and what impression it generates, etc.
- You may want to consider different products and services offered to broaden (or focus) your customer appeal (at the potential risk of broadening your range of competitors). It is also crucial to consider the competitors you will be up against in different areas.
- You may want to consider entirely different businesses or franchises that you might want to focus on, with an eye to both short-term viability and long-term growth opportunities. Franchises are easier to launch, but usually you cannot change the basic model to seize on opportunities not offered in the basic franchise format.
- You can create as many versions of the business plan as you want to apply due diligence in your assessment of what might be the better alternative, and by being able to tweak a copy of your initial business plan it will cost you very little (if any) to explore options, as opposed to investing in a traditional business plan that is difficult to change (because of the ripple-effect that different estimates can have on the presented business case).

That does not mean you are left to do everything yourself without knowing where to start, and unlike the **LIFTOFF\_LITE**.xism application, it can be more difficult to do it yourself.

You always have access to a certified **LIFTOFF Business Plans Coach** in your local area, to make sure they speak your language and can work in your time zone. The coach can guide you through the methodology and your due diligence in exploring the options to choose from when you consider the business you want to start. The coach is not a licensed business advisor, like an accountant, a lawyer, an engineer, a realtor, or other professional advisors you may consult, but instead helps you to consider the different aspects noted above that can affect where and how you may want to launch (or grow) your business. Depending on your preferences you can work with a coach in the following ways:

- **Do-It-Yourself** → you may benefit from a Facebook group the coach provides wherein you may share questions that the coach (or other group members) can respond to and help you get past potential roadblocks. For full disclosure, coaches may offer this freely, but will follow-up with you to potentially upgrade to one of the following options. Because the simulation engine is not as obvious as specifying a “realistic” estimate, as well as an “optimistic” and a “pessimistic” scenario to generate 3 distinct versions of the plan, we always recommend you engage a coach to help you get started.
- **Done-With-You** → you may subscribe to webinar presentations that are structured for you to follow along, either 3 days/week on Monday, Wednesday, and Friday, or weekly on Tuesday if you need more time to get your implementation work done. Either way the coach leads by example to show you how to create and use your business plan. For the **LIFTOFF\_FULL** software there will be additional sessions to cover the simulation tools, as well as the optional marketing component and project management component. You also have access to the Facebook group to ask questions and get answers, but this is not a private forum.
- **Done-For-You** → you may engage the coach as a consultant, who then takes charge to develop the business plan based on asking questions of you, and when done the coach will show you how to use the dynamic business plan to explore different scenarios. This can be quicker, but coaches only have a limited capacity to take on additional clients for this service model, which is also the more expensive coaching option. You also have access to the Facebook group to ask questions and get answers, but you should not delve into areas that require a private forum.

Keep in mind that coaching services are charged separately from the (low cost) software, and that the total cost will depend on the amount of coaching you request (and especially the level of customization you are looking for). However, it is important to learn how to use the built-in simulation engine. This is a completely different approach than for the **LIFTOFF\_LITE.xlsm** application because for each input value you can specify the low value, high value, and a step value that determines how many values are generated for each input. In addition, it repeats the calculations for all combinations and permutations across the input values to generate the complete assessment of what the bottom-line impact is.

The **LIFTOFF.xlsm** software will save up to 600 best results in descending order by key value (usually the ROI), which can show you the level of risk in the venture based on the proportion of successful outcomes. You can recall any of those 600 results to have them reflected as the business plan you go forward with, but based on the input selections you can also instantly respond to questions from financiers or investors about what happens if certain conditions may arise (like a significant interest rate increase). You can regard the collection of positive results as your “feasible region” within which the outcome delivers an acceptable ROI, and because it is based on a complete simulation there is no question about whether you covered the right assumptions or not.