

**A proven process for development of an annual BUSINESS spending plan  
(a huge expansion upon the workshop materials for [bdaworkshops.org](http://bdaworkshops.org)):**

*BDA Tool Two: "We write annual one-year business plans with definable and accountable goals and targets."*

Here's a successful approach to creating business plans together, which does include both a few "definable and accountable goals and targets" and a one-year business spending plan, in which the business owner allows themselves to be led by another BDA member. This is a practice in surrendering to someone else's guidance, ideally spiritual guidance, as practice for surrendering to the Higher Power's guidance. In the perfect planning format, each appointment described below is at least one week apart, and the start date for the plan is at least a full month after its completion. Longer runways are even better.

During the planning sessions that follow -- it's often helpful for the BDA member leading the development of the business plan to "drive" both the discussion and the entry of details and numbers into the business plan. Again, the business owner making the plan should let their "business plan leader" lead them into new ways of looking at and thinking about their businesses, letting go of old ideas and wishful thinking.

1) 60 minutes to get to know each other, to establish trust and rapport, to share some of our debt history and DA and BDA recovery and experience. In the second half hour we ensure we're talking about pursuing our visions and businesses in solvent BDA terms -- especially being "stewards of God's businesses" (from the BDA Tools pamphlet) and of service as business owners. If that went well ...

If, at the end of this first hour, either BDA member is not feeling that there's a good fit, please stop. This is not a time for addict desperation in relationships. Pray for the right person to help and to be helped by and continue to "interview" BDAers until you feel ready to be fully vulnerable. Many of us find creating business spending plans together much more intimate and intimidating than any of the Step work we've ever done in this or any other program.

2) 60-90 minutes to "work your revenue, part 1." Really dig into the business's products and services, its income sources, defining them clearly in terms of benefits and outcomes for clients, not just features and processes, not at all in dollars or in benefit to the business owner at this point. The best plans include between three and seven distinct product or service offerings, diversification within the business.

## **2021\_08\_24 - Template for Business Planning**

At the end of this session, the business owner being led should be supported in praying every day until the next meeting as follows: "Dear God, my business vision for \_\_\_\_\_ (the year or period being planned) is to provide \_\_\_\_\_ (the products and / or services being sold and delivered provided), this or something better, if it is your will for me. If this is your will for me, God, please show me the right actions to take on the path toward manifestation of this vision. If this is not your will, please redirect my thoughts and actions to what and who you would have me be. Thank you, God."

3) 60-90 minutes to "work your revenue, part 2." Really dig into the sales potential for each of the income sources, the projected income amounts, and how those numbers are derived (i.e. price of product or service times number of sales or deliveries per month in the period being projected). Best bet is to calculate these activities on a cash basis (that is, when will the business get paid), and we suggest early plans -- during the first year or two in business -- be done three months at a time and multiplied times four for the annual plan, then reviewed and revised quarterly, based on calendar quarters.

At the end of this session, the business owner being led should be supported in praying every day until the next meeting as follows: "Dear God, my business vision total revenue for \_\_\_\_\_ (the year or period being planned) is \_\_\_\_\_ (gross business revenue dollars for one year), this or something better, if it is your will for me. If this is your will for me, God, please show me the right actions to take on the path toward manifestation of this vision. If this is not your will, please redirect my thoughts and actions to what and who you would have me be. Thank you, God."

4) 30-60 minutes to "work your gross profit." Use this time to check in with each other related to process as well as meditation and inspirations that have come up since your last meeting. Is the planning business owner feeling in alignment with their plan revenue number? In alignment with God's will for them? If yes, move on to cost of goods sold (COGS); that is, any direct costs that are committed to when a sale is made. (For instance, in construction: labor, materials, and subcontractors are all considered costs of goods sold, although there may be others, especially for design-build firms. Projects cannot be completed without these inputs; to commit to build a project is to commit to incurring these costs, which are separate from overhead and administration.) If the the business owner is not yet in alignment with themselves and with their Higher Power, return to steps 2 and 3 above until alignment is reached. This part of the process may have to be done several times if the planning business owner's vision is especially misaligned with the plan being created or vice versa. Gross profit is the amount available to pay the business owner a generous salary and benefits and to pay the business's overhead expenses -- without incurring new unsecured debt!

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At the end of this session, the business owner being led should be supported in praying every day until the next meeting as follows: "Dear God, my business vision gross profit for \_\_\_\_\_ (the year or period being planned) is \_\_\_\_\_ (gross profit dollars for the planned year; if no COGS, gross profit is the same as gross revenue), this or something better, if it is your will for me. If this is your will for me, God, please show me the right actions to take on the path toward manifestation of this vision. If this is not your will, please redirect my thoughts and actions to what and who you would have me be. Thank you, God."

5) 90-120 minutes to create a custom spending plan framework based on understandable, consistent, and well-defined categories and subcategories. It's important to have a percentage of income column. The attached template on the next tab has been successfully put to work by more than 25 BDAers so far, and we are rapidly creating a language of support with one another when discussing business plans. As in previous steps, it's suggested that the planning business owner allow themselves to be led through the development of categories and subcategories, staying focused on one line at a time, from top to bottom, and to invite experience, strength, and hope in business spending from their "business plan leader." The known information about the subject business's spending -- not the dollars, but the activities -- should be included in the "Details and Descriptions" column in as much detail as possible. Questions for research and investigation by the planning business owner should be highlighted for follow-up. This step is NOT about the money, nor about entering dollar amounts; it's about what the planning BDAer KNOWS about their business, and what they NEED TO KNOW in order to succeed with their plan. Remember: "dollars spent should generate revenue" or net profit.

Once the custom spending plan framework has been created with necessary details and descriptions and research topics, the planning business owner should be given at least one week, but better yet two, to do their research and to fill in the necessary dollar amounts.

Before ending this session, planned revenue and gross profit planned should be confirmed as the desired revenue for the period being planned. The planning business owner should also be asked the amount they want to be paid for the plan year (including taxes and benefits), usually based on the BDAers personal spending plan, and how much is desired to be left as an investment for the next and future years (savings, prudent reserve, other capital investments). If they don't have a personal spending plan yet, they can use the other template and seek necessary DA and BDA support to create one.

## **2021\_08\_24 - Template for Business Planning**

At the end of this session, the business owner being led should be asked to continue praying every day until the next meeting as follows: "Dear God, my business vision gross profit for \_\_\_\_\_ (the year or period being planned) is \_\_\_\_\_ (gross profit dollars for the planned year; if no COGS, gross profit is the same as gross revenue), this or something better, if it is your will for me. If this is your will for me, God, please show me the right actions to take on the path toward manifestation of this vision. If this is not your will, please redirect my thoughts and actions to what and who you would have me be. Thank you, God."

6) 120-150 minutes (best done in one session) to fill the planning business owner's projected expenses into the customized spending plan framework, ideally in the three-month format, again remembering that money spent should generate revenue. (For those who prefer to plan a single month and multiply it by 12, or to plan each of 12 months individually, there are templates for those approaches in tabs to the right.) It's best to start at the top and work to the bottom of the spending plan framework. With a desire for a "balanced budget," unless the BDAer is planning to invest from their personal accounts during the planned year, tweaking will commence. The only way to balance the budget, of course, is to increase projected revenue or to decrease projected spending. There's no other way. It is recommended, whenever possible at this stage, to leave at least 10 percent of projected revenue unspent in the plan. This will provide contingency coverage in case of shortfalls in income or higher than anticipated expenses. Again, our first priority in using this tool is to avoid incurring any new unsecured debt, either personally or in our businesses.

Special attention should be paid to the business owner's salary and benefits, including planning for paid time off and ensuring they have enough support, especially in the areas of lead generation and administrative assistance. It's also recommended to look deeply at any category in which the planning business owner has historically overspent or is currently overspending. (This is often in the education and training category, yet also might be in transportation or travel, or even in overpaying sales and support staff.)

At the end of this session, the business owner being led should be supported in praying every day until the next meeting as follows: "Dear God, my business vision for \_\_\_\_\_ (the year or period being planned) is to pay myself \_\_\_\_\_ (cash to be received for the year), while also paying all of my taxes and for my benefits ontime without risk of debting, this or something better, if it is your will for me. If this is your will for me, God, please show me the right actions to take on the path toward manifestation of this vision. If this is not your will, please redirect my thoughts and actions to what and who you would have me be. Thank you, God."

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7) 60-90 minutes -- Use this time to check in with each other related to process as well as meditation and inspirations that have come up since your last meeting. Is the planning business owner feeling in alignment with their plan numbers? In alignment with God's will for them? If the plan has been balanced to an acceptable gain or loss, and the percentage column and bottom line have been reviewed together satisfactorily, the planning business owner should be asked to "own" their plan. Not to commit to the plan they've created before lots more prayer and meditation. But to "own" their plan and to become the driver.

Not the words, but the spiritual approach we encourage, is something like: "I have created this plan in faith, and it is my plan, at this moment, knowing that my plan will change and my actual income and expenses will change even more." We also encourage some specific prayer and meditation topics personal to each business owner. But that is encouragement, not homework.

Part of this ownership is that the planning business owner should take an opportunity to present their plan to their "business planning leader" just as they would to an investor or other interested party. The planning leader can then give final feedback at a very high level. Finally, the planning pair can agree to next steps in activating the new business plan or thank each other for this recovery experience and move on to help others.

### ADDITIONAL NOTES:

Once more, there are three spreadsheets in this business spending plan template workbook. All categories and subcategories are editable. The three tabs will allow us to choose to plan:

- ✓ For a single month and then let the computer calculate twelve months for us.
- ✓ For three months and then be multiplied by four.
- ✓ Specific amounts for each active subcategory for each of twelve individual months. (The months are numbered rather than named since we can start our annual business plan in ANY MONTH. If we're not ready in January, we can get ready and start in ANY MONTH.)

In all three cases, all formulas are built into the spreadsheets. In the numeric columns, the cells for entry have been highlighted in green. Planning for three months and multiplying by four is RECOMMENDED.

**NOTE: We cannot offer training on the use of any software. Please seek that support elsewhere.**