

Top 10 Business Plan Mistakes

Examples and Avoidances

1. **Unrealistic Financial Projections:**

- Example: Predicting \$1 million profit in the first year for a new clinic.
- Avoidance: Base projections on market research, industry standards, and realistic patient volume forecasts.

2. **Not Defining a Target Audience:**

- Example: A clinic aimed at “everyone.”
- Avoidance: Identify specific demographics, like "families with young children" or "seniors needing chronic care," and tailor services accordingly.

3. **Too Much Hype:**

- Example: Claiming your clinic will revolutionize healthcare overnight.
- Avoidance: Use factual data, patient satisfaction surveys, and realistic assessments instead of exaggerated claims.

4. **Poor Research:**

- Example: Using outdated demographic data from five years ago.
- Avoidance: Conduct thorough, current market research and verify all sources.

5. **No Focus on Your Competition:**

- Example: Ignoring existing clinics in the area.
- Avoidance: Analyze competitors, identify their strengths and weaknesses, and explain how your clinic will differentiate, such as offering specialized services.

6. **Hiding Your Weaknesses:**

- Example: Not mentioning high start-up costs or lack of specialized staff.
- Avoidance: Be transparent about challenges like initial costs and provide strategies to mitigate them, such as phased service rollouts or partnerships.

The content of this guidance document is intended to provide general information and guidance to the reader on the subject matter. The NBMS does not provide legal/accounting or professional advice. Specialist advice should be sought about your specific circumstances where necessary.

7. Not Knowing Your Distribution Channels:

- Example: Planning to offer Virtual Care without a robust IT infrastructure.
- Avoidance: Detail how services will be delivered, including in-person consultations, telehealth, and partnerships with labs and pharmacies.

8. Including Too Much Information:

- Example: A 100-page business plan filled with irrelevant medical jargon.
- Avoidance: Focus on key elements, maintain clarity, and keep the plan concise and relevant to stakeholders.

9. Being Inconsistent:

- Example: Contradictory patient volume figures in different sections.
- Avoidance: Ensure all sections align and data is consistent throughout the document.

10. One Writer, One Reader:

- Example: Only the clinic founder writes and reviews the plan.
- Avoidance: Have multiple reviewers, including health-care experts and potential investors, provide feedback and help catch errors.

The content of this guidance document is intended to provide general information and guidance to the reader on the subject matter. The NBMS does not provide legal/accounting or professional advice. Specialist advice should be sought about your specific circumstances where necessary.