

4 Items Your Assisted Living Facility Business Plan Must Contain

If you're thinking about building an assisted living facility, one of the very first steps you need to take is crafting a business plan. There are several reasons why an assisted living facility business plan is so important.

For starters, it works as a road map for your business, spelling out in detail your goals plus strategies to reach them. Having this type of document will provide your company with a cohesive vision for future growth and keep you on track as you're building your business.

An assisted living facility business plan is also vital because it's likely you'll need to have it in order to secure financing. Most banks won't even consider lending you money to start a company unless you have a thorough and accurate business plan in place.

But what type of information should you include in your assisted living facility business plan? No two business plans are exactly alike, but you'll find that many of them do share a common structure. The sections that are considered to be most essential to your business plan are:

1. Company Summary

In the "Company Summary" portion of your plan, you're going to provide an overview of your business. Within this section, you need to write in detail about the mission of your company. Why are you building an assisted living facility? What is the purpose of your business? What services do you provide and why? What goals do you hope to reach?

This section of the business plan can also contain an outline of how your company will be organized. How many staff members will you need? What type of management positions will there be? Who do the various staff members report to?

2. Market Analysis

In order to convince a bank to lend you money for building an assisted living facility, you'll need to show that you've done your research. You should have a thorough understanding of the industry that you're entering into and be able to demonstrate that through your business plan.

That's where the market analysis section comes in. In this portion of the assisted living facility business plan, you'll be providing an industry overview detailing current market conditions and trends.

To fill out this section, you should be able to answer questions like:

- Who is currently using these services?
- What is the size of the market right now?

- How is the market changing? Is it growing or shrinking?
- What is the potential size of the market?
- Are our services suitable for the current market?
- How much of the market share can we expect to earn?
- Who are our competitors? How do we distinguish ourselves from them?
- What barriers to entry are there and how do we overcome them?
- What are the figures – how much money might be made?

In the end, you should be able to demonstrate that there is a current need in the market for the services you provide and that the economic outlook is favorable.

3. Financial Plan

Here is where you get into the nitty-gritty details of your finances. How much will building an assisted living facility cost? How much money do you need up front? Once the facility is built, how many residents do you need every month to be able to pay your bills?

Make sure that you provide as many details as possible. Try not to overlook anything. Think about what kind of salaries your staff members will earn. How much do you expect your utilities to cost? What about food, linens, and entertainment expenses?

In addition to answering these questions, it's also a good idea to include a break-even analysis to show how long it will take before you start making a profit. Banks are especially interested in any information you can provide about profitability.

4. Strategy and Implementation

This portion of the assisted living facility business plan is where you explain how you're going to achieve your goals. How will you reach your target market? What kind of marketing strategies do you plan to use?

It's also wise to include a list of milestones in this section. For example, you can set dates for:

- When you secure all the funding necessary for building an assisted living facility
- When construction will start and end
- When you'll buy furnishings
- When advertisements will run in local newspapers or on the radio
- When you'll finalize arrangements with medical suppliers
- When you'll start interviewing potential staff members
- When employee training will take place
- When the first residents will be able to move into the facility
- ...and so on

Don't Be Afraid to Ask for Help

If the idea of writing your own business plan for building an assisted living facility sounds daunting, there's good news – you don't have to do it yourself. There are plenty of places to turn when you need help.

If you still want to tackle most of the writing yourself, there are apps and websites you can use to provide some guidance. For those who prefer to let a professional take over, you can hire a writer or company that specializes in drafting business plans. You may have to pay a bit more money, but it'll save you time and effort in the end.