

The Business Plan Cheat Sheet for Modern Entrepreneurs

A concise, results-driven guide to building a real business plan by leveraging AI effectively.

By Henry Collins, author of *Demystifying AI for Business Executives*

32-page entrepreneur guide

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Preface

A business plan has little value if it exists only in your head. Without a clear, documented roadmap, decisions become reactive instead of strategic. That lack of direction helps explain why nearly 20% of U.S. businesses fail within their first year, and about 50% don't make it past five years, according to the United States Bureau of Labor Statistics.

While a business plan can't guarantee success, it gives you structure, clarity, and a measurable path forward—turning ideas into a real, executable strategy.

Why a Business Plan Matters

- **Clarifies your vision**
Forces you to define what your business is, who it serves, and how it creates value.
- **Provides direction and focus**
Keeps you aligned with your goals so you're not constantly shifting strategies or chasing distractions
- **Improves decision-making**
Gives you a framework to evaluate opportunities, risks, and trade-offs more objectively.
- **Identifies risks early**
Helps you spot potential challenges before they become costly problems.
- **Strengthens financial planning**
Outlines revenue streams, expenses, and cash flow so you can manage money intelligently.
- **Attracts funding and partners**
Demonstrates credibility and preparedness to lenders, investors, and collaborators.
- **Creates accountability**
Turns ideas into measurable goals with timelines, making progress easier to track.
- **Supports long-term growth**
Provides a roadmap you can refine as your business evolves, helping you scale with intention.
- **Builds confidence**
Knowing you have a plan reduces uncertainty and helps you move forward with purpose.

Designed to save you time and money

This guide is built to help you create a formal business plan quickly and efficiently. Each section uses short, focused bullet points for fast reading, paired with clearly marked Action Prompts to keep you moving and AI Assist Tips to help you refine and organize your ideas faster.

Wishing you success as you build your business.
Henry Collins

Contents

A quick guide designed for people who don't have time to read a textbook.

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How this guide works

Each page gives you one idea, one action, and a suggested way to use AI. The writing is short on purpose. The thinking should be deep.

Introduction

There are two types of business plans: the kind that looks good and the kind that actually works. Most people write the first. This guide is about building the second.

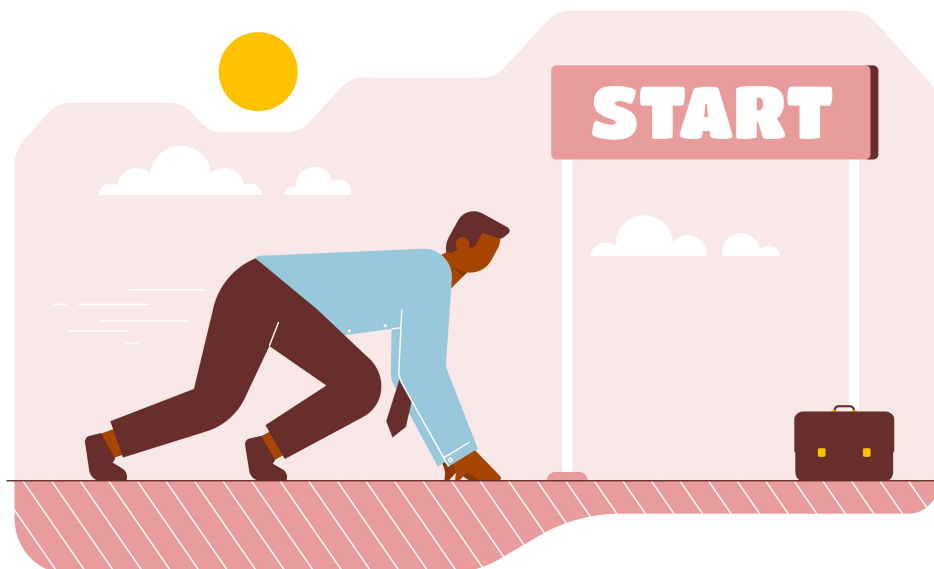
- You are not writing to impress.
- You are writing to test reality.
- The business plan should expose weak assumptions early.
- The exercise matters as much as the finished document.

Your job

Use this guide to break your business into parts and examine each part carefully. If a section is difficult to answer, that is exactly where you need to slow down.

AI assist

AI can make the process faster and cleaner, but it must not replace the discipline of thinking through the business yourself.



How to Use This Guide

Do not read this like a textbook. Use it like a workbench. Read a page, answer the questions, and move forward. The point is not to create a thick document. The point is to force clear thinking before money is spent.

- Keep your answers short.
- Use plain language.
- Write assumptions where you do not yet have facts.
- Update the plan as you learn.

Your job

Open a blank document or notebook. For each page, write only what you know, then mark what still needs proof.

AI assist

Use ChatGPT, Claude, or Gemini to turn rough notes into cleaner language. Use Notion AI or Microsoft Copilot to organize sections. But keep your own decisions visible.



The Truth About AI

AI is one of the best planning assistants an entrepreneur can use. It can generate ideas, summarize research, compare competitors, draft language, build simple tables, and help you test scenarios. But AI can also make weak ideas sound strong.

- AI helps you move faster.
- AI does not replace judgment.
- AI can invent facts unless you verify them.
- AI should challenge your thinking, not do your thinking.

Your job

For every AI-generated section, ask: what is the source, what is the assumption, and what must I verify in the real world?

AI assist

Suggested tools: ChatGPT, Claude, Gemini, Perplexity, Microsoft Copilot, Notion AI. Use Perplexity or search-based tools when you need current facts.



What a Business Plan Really Is

A business plan is not a fancy document. It is a stress test. It takes your business idea apart and asks whether each piece can survive contact with customers, competitors, suppliers, costs, and cash flow.

- What are you selling?
- Who buys it?
- Why would they choose you?
- How do you deliver it?
- Can the numbers work?

Your job

Write one paragraph explaining why this business deserves to exist. If the paragraph feels vague, the business model needs work.

AI assist

Ask AI: "Act like a skeptical investor. What are the weakest parts of this business idea?"



Break the Business Into Parts

Most businesses do not fail all at once. One part breaks first. It may be poor pricing, weak demand, high overhead, slow collections, bad staffing, or unclear positioning. Your plan helps you identify the weak part before it becomes expensive.

- Product or service
- Market and customer
- Revenue and pricing
- Operations and staffing
- Financials and cash flow

Your job

Rate each component from 1 to 5. Anything below 4 needs more research, clearer assumptions, or a simpler model.

AI assist

Use Miro AI, Whimsical AI, or FigJam to create a visual map of your business model. Seeing the parts helps reveal gaps.



Define the Business in One Sentence

If you cannot explain the business simply, the market will not understand it either. A clear business sentence creates discipline. It prevents the plan from becoming a collection of disconnected ideas.

- We provide [product/service]
- To [specific customer]
- To solve [specific problem]
- By [unique method or advantage]

Your job

Complete this sentence: "We provide _____ to _____ so they can _____." Rewrite until a stranger can understand it.

AI assist

Use ChatGPT to generate ten versions of your one-sentence description. Pick the simplest one, not the fanciest one.



Problem First

Strong businesses solve problems people care enough to pay for. Weak businesses start with a product and hope customers will care. Begin with the pain, frustration, delay, cost, risk, or missed opportunity your customer already feels.

- What is the problem?
- Who has the problem?
- How often does it happen?
- How painful or costly is it?
- What do people do now?

Your job

Write the problem in the customer's words. Avoid internal language. Use the words a buyer would actually use.

AI assist

Use AI to create interview questions for potential customers. Then talk to real people. Do not let AI invent customer pain.



Your Solution

Your solution must connect directly to the problem. Do not describe features first. Describe the result. Customers usually care less about what you built and more about what changes for them.

- What do you offer?
- How does it solve the problem?
- What result does the customer get?
- Why is this better than doing nothing?

Your job

Write three benefits your customer receives. Then identify the feature or process that creates each benefit.

AI assist

Use AI to translate features into benefits. Prompt: "Convert these features into customer benefits using plain language."



Your Advantage

Every plan needs a believable reason customers will choose you. "Better service" is not enough. Your advantage must be specific, visible, and meaningful to the buyer.

- Faster delivery
- Lower total cost
- More specialized expertise
- Easier access
- Better trust or compliance
- Stronger local relationships

Your job

Write your top three advantages. Then ask whether a competitor could easily copy them. If yes, strengthen the advantage.

AI assist

Use Perplexity or Google to identify competitor claims. Use AI to compare your positioning against theirs. Verify competitor data manually.



Define the Customer

A market is not "everybody." A real customer has a profile, a problem, a buying trigger, and a reason to act now. The tighter the customer definition, the easier it is to market and sell.

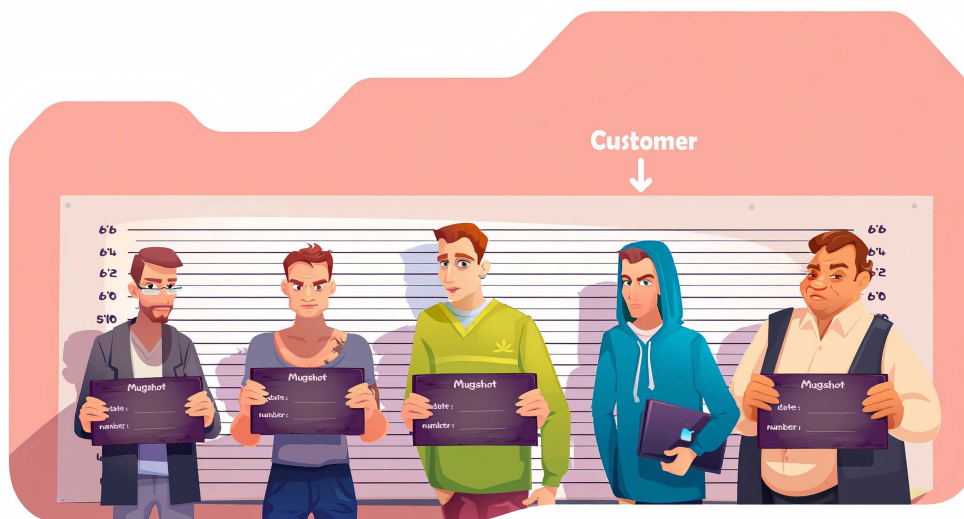
- Consumer: age, location, income, lifestyle, buying behavior
- Business: industry, size, budget, decision maker, urgency
- Nonprofit or government: mission fit, funding source, approval process

Your job

Describe your best customer in one paragraph. Then describe who is not your customer.

AI assist

Use ChatGPT to create customer personas, but treat them as drafts. Test them against real conversations and available data.



Size the Market Without Guessing

Market size is not a decoration. It shows whether the opportunity is large enough to support the business. Be realistic. A small reachable market with clear demand is stronger than a huge fantasy market.

- Total market: everyone who could use the product
- Serviceable market: the segment you can realistically reach
- Early market: the first buyers most likely to say yes

Your job

Estimate the number of potential buyers you can reach in the first 12 months. Show how you arrived at the number.

AI assist

Use Perplexity, Census data, Data.gov, Statista, IBISWorld, Google Trends, and local business directories. AI can summarize, but you must cite and verify.



Study the Competition

Competition is not always another company selling the same thing. It may be a spreadsheet, a habit, a manual process, a larger vendor, or the customer doing nothing.

- Direct competitors
- Indirect competitors
- Substitutes
- Do-it-yourself alternatives
- The cost of doing nothing

Your job

List five competitors or alternatives. For each, write what they do well and where they leave an opening.

AI assist

Use AI to build a competitor comparison table. Then confirm pricing, features, and claims from company websites or direct outreach.



Validate Demand

Do not confuse interest with demand. People may compliment your idea and still never buy it. Demand shows up through signups, deposits, letters of intent, pre-orders, pilots, referrals, or repeated customer conversations.

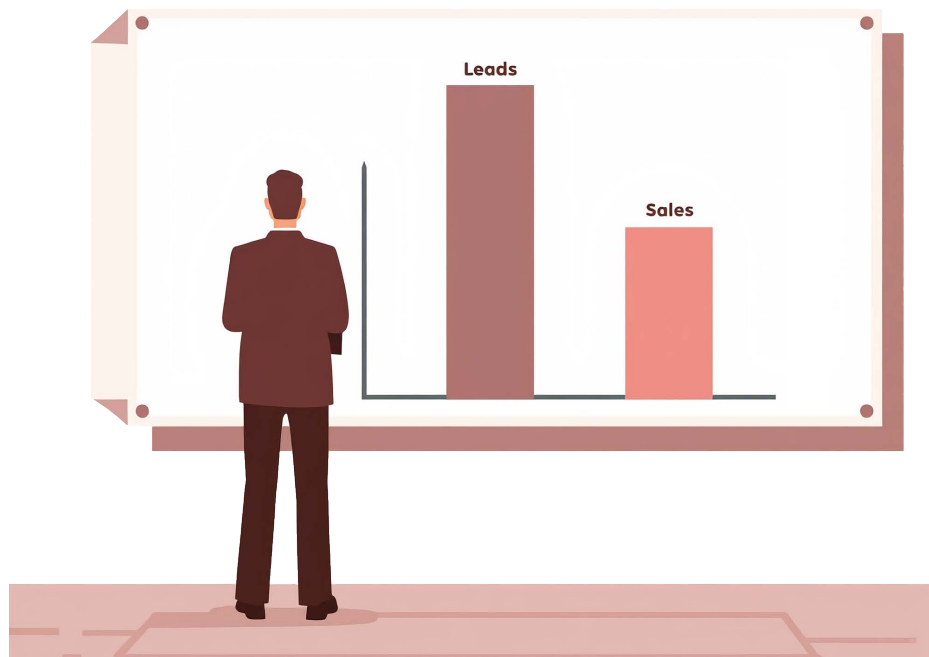
- Customer interviews
- Surveys
- Landing page tests
- Pilot programs
- Letters of intent
- Small paid trials

Your job

Choose one simple validation test you can run in the next 30 days. Define what result would prove real interest.

AI assist

Use Typeform, Google Forms, SurveyMonkey, Tally, or Airtable forms. Use AI to draft survey questions, but keep them short and unbiased.



Choose the Revenue Model

The revenue model explains how money enters the business. A good revenue model is easy to understand and easy to track. Complicated pricing may impress on paper but confuse customers.

- One-time sale
- Subscription
- Service fee
- Retainer
- Usage-based pricing
- Licensing
- Commission or referral fee

Your job

Pick one primary revenue model. Add secondary models only if they support the main business.

AI assist

Ask AI to compare revenue models for your industry. Then decide based on how your customer actually buys.



Set the Price

Pricing is a business decision, not a guess. Too low and you starve the business. Too high and you slow adoption. The right price reflects value, cost, competition, urgency, and trust.

- What does it cost to deliver?
- What do competitors charge?
- What value does the customer receive?
- How often will they buy?
- Can the business survive at this price?

Your job

Create three prices: low, expected, and premium. Explain what must be true for each price to work.

AI assist

Use Excel, Google Sheets, or ChatGPT to model price changes. Never let AI pick the price without your cost and market assumptions.



Know Your Break-even Point

Break-even is the point where sales cover costs. It is not the dream number. It is the survival number. Every entrepreneur should know it before launching.

- Fixed costs: rent, software, salaries, insurance
- Variable costs: materials, commissions, shipping, contractor labor
- Contribution margin: what remains after variable costs
- Break-even sales: the minimum needed to stay alive

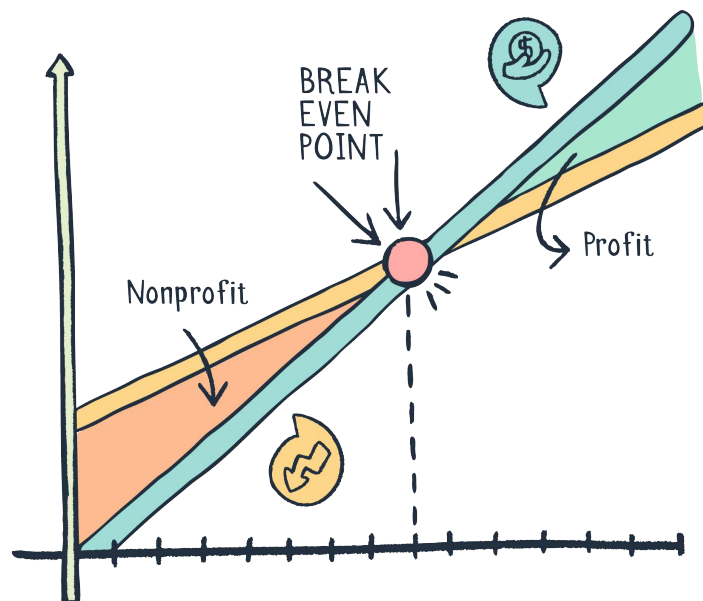
Your job

Calculate how many units, clients, subscriptions, or projects you need each month to cover costs.

AI assist

Use spreadsheets or LivePlan to calculate break-even. Use AI to explain the formula, but verify the math yourself.

BREAK EVEN POINT GRAPH



Build Simple Scenarios

A plan should never depend on one perfect forecast. Build three cases: conservative, expected, and optimistic. This shows you understand uncertainty and have not fallen in love with one outcome.

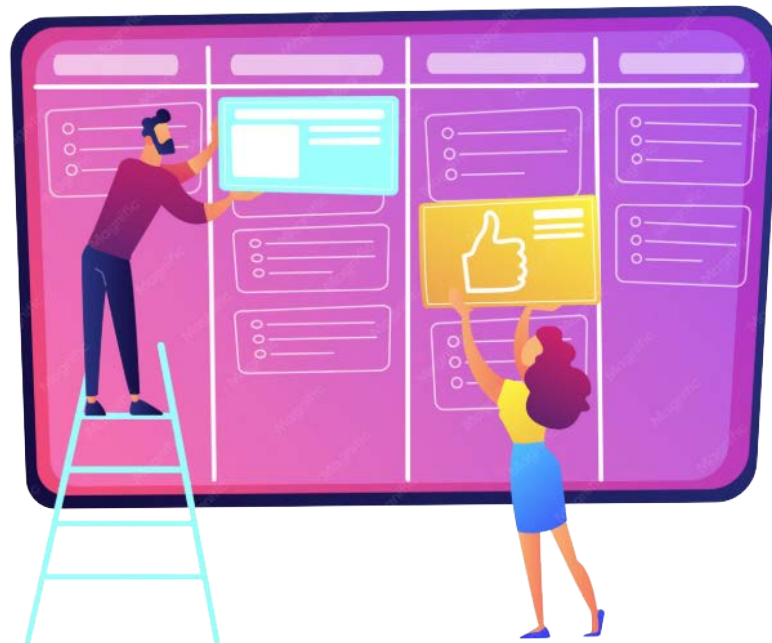
- Worst case: what if sales are slow?
- Base case: what is realistic?
- Best case: what if demand is strong?
- Trigger points: what action will you take if numbers miss?

Your job

Create three versions of first-year revenue. For each, write what staffing, marketing, and cash needs would change.

AI assist

Use ChatGPT, Excel Copilot, Google Sheets, LivePlan, or Causal to model scenarios. You choose the assumptions.



Operations: How It Runs

Operations explain how the business delivers value every day. This is where vague ideas become real work. If the operation is too complex, the business may fail even with demand.

- Customer intake
- Order or service delivery
- Quality control
- Billing and collections
- Customer support
- Reporting and follow-up

Your job

Write the step-by-step customer journey from first contact to completed sale.

AI assist

Use Miro AI, Lucidchart, or Whimsical to draw the workflow. Use Zapier or Make to identify tasks that can be automated.



Staffing and Skills

Do not build a large team too early. Identify the skills required first, then decide what must be hired, outsourced, automated, or handled by the founder.

- Founder responsibilities
- Critical hires
- Contractors and freelancers
- Advisors and mentors
- Skills gaps
- Training needs

Your job

List every major task in the business. Assign each task to owner, contractor, software, or future hire.

AI assist

Use AI to create job descriptions, contractor scopes, and onboarding checklists. Review carefully before using.



Marketing That Converts

Marketing is not just promotion. It is the process of reaching the right people with the right message at the right time. A good plan names channels, budgets, offers, and follow-up.

- Positioning statement
- Lead source
- Offer or call to action
- Follow-up process
- Budget
- Measurement

Your job

Choose three marketing channels. For each, explain why your customer is likely to be there.

AI assist

Use Canva, Adobe Express, Jasper, Copy.ai, HubSpot, Mailchimp, and ChatGPT. AI can draft copy, but your customer insight must drive the message.



Sales and Customer Follow-up

A business plan should explain how interest becomes revenue. Many entrepreneurs focus on marketing but ignore the sales process. Leads do not become customers by accident.

- Lead capture
- Qualification
- Presentation or proposal
- Objection handling
- Close
- Onboarding
- Repeat sale or referral

Your job

Write your sales process in seven steps or fewer. Define what happens after someone shows interest.

AI assist

Use HubSpot, Zoho CRM, Pipedrive, Airtable, or Monday.com. Use AI to draft email sequences and call scripts.



Startup Costs

Startup costs are the money needed before the business can operate properly. Underestimating this number is one of the fastest ways to create stress and poor decisions.

- Legal setup
- Licenses and permits
- Equipment
- Website and software
- Inventory or materials
- Marketing launch
- Professional services
- Cash reserve

Your job

Build a startup cost list with vendor quotes where possible. Mark each item as required now, required later, or optional.

AI assist

Use AI to brainstorm cost categories. Then replace estimates with real quotes from suppliers, software vendors, contractors, and advisors.



Cash Flow Is Survival

Cash flow shows when money comes in and when money goes out. A business can show profit on paper and still run out of cash because customers pay late, expenses arrive early, or growth consumes working capital.

- Monthly cash receipts
- Monthly expenses
- Loan payments
- Owner draw or salary
- Taxes
- Cash reserve
- Accounts receivable timing

Your job

Create a 12-month cash flow. Identify the lowest cash month. That is your danger point.

AI assist

Use QuickBooks, Xero, Wave, Excel, Google Sheets, or LivePlan. Use AI to explain cash flow logic, not to invent numbers.



Profit vs. Cash

Profit is important, but cash keeps the doors open. Profit tells you whether the business model can work. Cash tells you whether the business can survive the month.

- Revenue is not always cash received
- Expenses may be due before customer payments
- Inventory ties up cash
- Growth can increase cash pressure
- Loan payments affect cash even when not fully shown as expenses

Your job

Write two numbers: expected monthly profit and expected ending cash balance. Track both.

AI assist

Ask AI to explain the difference between income statement, balance sheet, and cash flow using your business example.



Funding Strategy

If you need money, explain how much, why, and what it accomplishes. Do not ask for a round number because it sounds good. Tie the funding request to specific uses and milestones.

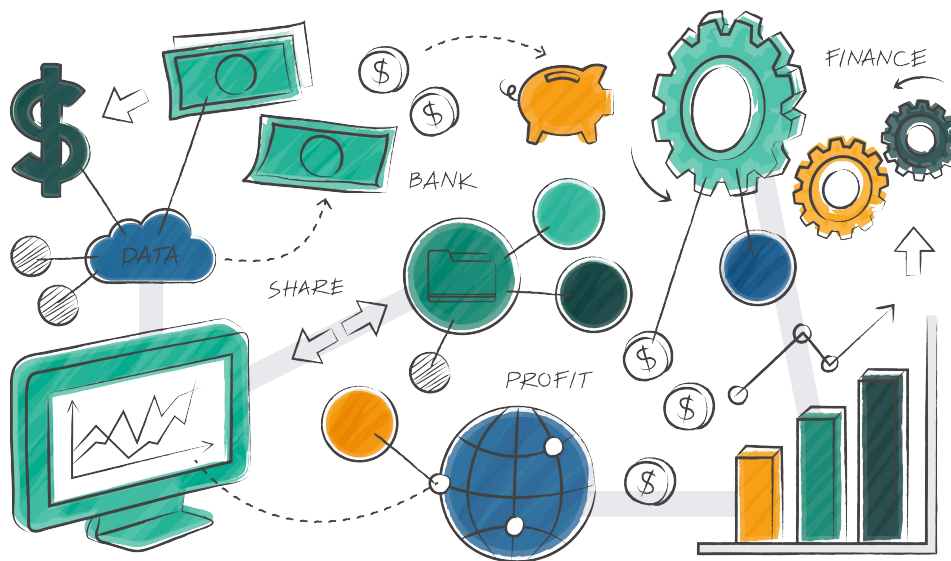
- Owner investment
- Bank loan
- Line of credit
- Grants
- Investor capital
- Customer deposits
- Vendor credit

Your job

Write a use-of-funds table. Every dollar should have a job.

AI assist

Use AI to draft funding narratives and investor questions. Use your accountant or advisor to review the structure before submitting.



Year 1: Survival and Validation

The first year is not about looking big. It is about proving the business can attract customers, deliver value, collect money, and improve based on feedback.

- Validate demand
- Acquire first customers
- Control costs
- Build repeatable delivery
- Track cash weekly
- Fix weak assumptions

Your job

Define five first-year milestones. Each milestone should prove the business is becoming more real.

AI assist

Use Notion, Trello, Asana, ClickUp, or Airtable to track milestones. Use AI to convert goals into monthly action steps.

2025 Company Milestones



Years 2-3: Growth and Systems

After validation, the focus shifts to repeatability. Growth without systems creates chaos. Years two and three should strengthen sales, delivery, staffing, financial discipline, and customer retention.

- Increase revenue
- Improve margins
- Build standard operating procedures
- Hire or outsource key roles
- Strengthen marketing channels
- Measure customer retention

Your job

List the systems you must build before growth becomes manageable.

AI assist

Use AI to draft SOPs, training materials, dashboards, and customer support scripts. Review them with the people doing the work.



Years 4-5: Scale and Expansion

Scale should come after the model is proven. Expansion may mean new locations, new customer segments, new products, licensing, franchising, partnerships, or technology upgrades.

- New markets
- New products or services
- Strategic partnerships
- Automation and technology
- Management depth
- Exit or valuation goals

Your job

Write what the business should look like in year five. Then work backward to what must happen in years one through four.

AI assist

Use AI to build a five-year roadmap, but challenge every assumption about staffing, capital, market demand, and operational capacity.



Assemble the Plan

Now turn the work into a clean plan. Keep it short. A strong plan does not need heavy language. It needs logic, evidence, and clear numbers.

- Executive summary
- Company overview
- Market research
- Marketing and sales strategy
- Operations plan
- Financial projections
- Roadmap
- Appendix

Your job

Write the executive summary last. It should summarize the best evidence in the plan, not introduce new claims.

AI assist

Use AI for editing, formatting, and clarity. Do not let it rewrite your business logic or conceal uncertainty.



Final Reality Check

Before showing the plan to anyone, challenge it hard. A weak plan should break in your hands before it breaks in the market.

- Would I invest my own money?
- What assumption worries me most?
- What must be proven first?
- Where could cash run short?
- What would make me stop or pivot?

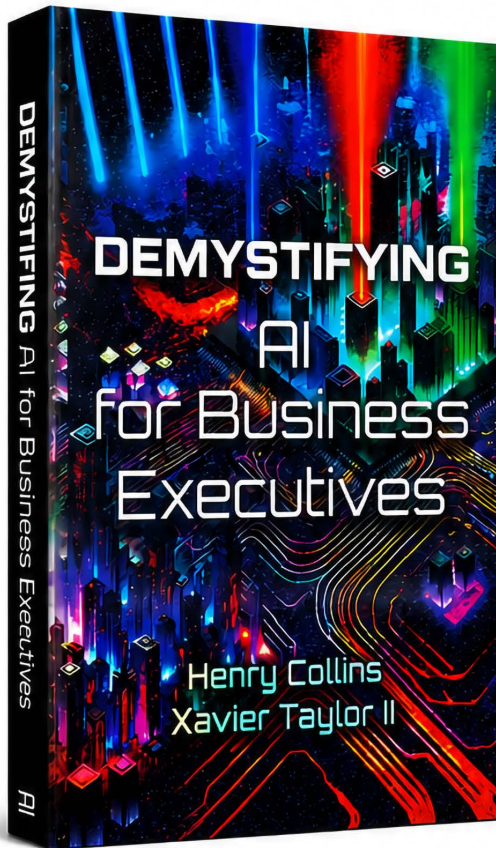
Your job

Write the top five risks and the action you will take to reduce each one.

AI assist

Ask AI to act as a lender, investor, competitor, and skeptical customer. Use the criticism to strengthen the plan.





DEMYSTIFYING AI | for Business Executives

*Cut Through the Hype.
Unleash Real Business Value.*

Artificial intelligence is everywhere.
But separating hype from real possibilities
can be challenging.

Demystifying AI for Business Executives
is a practical, executive-focused guide that
shows you how to understand, evaluate, and
apply AI services to drive meaningful results
in your organization.



UNDERSTAND WHAT MATTERS

Clear, non-technical
explanations help you
see beyond the hype
and grasp AI's true
business potential.



PRACTICAL IDEAS YOU CAN USE

Actionable strategies
and real-world
examples from
companies already
using AI successfully.



COLLABORATE WITH IT

Learn why partnering
with IT is essential,
what to expect, and
how to overcome
common challenges.



EXECUTIVE-FRIENDLY GUIDANCE

Written for executives,
not engineers.
Includes a glossary
so AI jargon is never
a barrier.



DRIVE RESULTS ACROSS FUNCTIONS

Explore AI applications
that improve operations,
boost efficiency, and
create competitive
advantage.



“The big merit of this guide is that
it offers an **overview of AI's capabilities**
and the **possibilities** offered to companies
to take advantage of AI services.”

*Demystifying AI means understanding the substance
behind the hype and recognizing its usefulness.*

—Onlinebookclub.com

INSIDE THIS BOOK YOU'LL FIND:

- ✓ An introduction to the real potential of AI in business
- ✓ Practical guidance for successful AI adoption
- ✓ Lessons from real companies and real results
- ✓ Insights for organizations with IT teams and resources
- ✓ A glossary of key AI terms and concepts

WHO THIS BOOK IS FOR



Business executives, leaders,
and decision-makers who
want to harness AI to
improve their organizations.



Ideal for medium to
large organizations
with IT teams ready
to execute.



Whether you're new to AI
or looking to go deeper,
this book helps you lead
with confidence.

AI ISN'T JUST THE FUTURE—IT'S YOUR NEXT COMPETITIVE EDGE.
DEMYSTIFY IT. APPLY IT. LEAD WITH IT.



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