

Business Plan Essentials

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Intro

- **About know.space:** Specialist space economics and strategy consultancy, with offices in London and Edinburgh and mission to be the source of **authoritative economic knowledge for the space sector**
- **About me:** 10 years as government economist inc. UK Space Agency Head of Economics (2015-17), UK Research & Innovation Head of Policy Analysis (2017-19); Co-founded know.space in 2019

Our clients



Our services

-  **Investment & business cases**
-  **Socio-economic impact analysis**
-  **Market & industry intelligence**
-  **Monitoring & evaluation**
-  **Strategic intelligence**

First principles

- **What is your funding route / strategy?**
 - Need appropriate vehicle!
 - UKSA / Innovate UK / ESA / Venture Capital / Loan / Other?
 - Research & tailor pitch accordingly
- For calls, **read the bid documents** - then read them again (and read them all!) and consider score weighting
- **Visualise your customer** and speak to their needs - strategic fit, relative focus on impact 'type', funding period and timescales for delivery, etc.
- **Agree your team early on** and secure resources

Example: Key features of a good application (from Innovate UK Good Application Guide)

- 02 Innovation
- 03 A strong business case
- 04 A convincing value proposition
- 05 A credible R&D plan
- 06 The right consortium
- 07 A clear need for support
- 08 The right kind of risk

Best practice principles: drafting

- Make sure the business plan is **self-contained** – can only evaluate what's in the proposal
- Have a clear **summary** with key points – some will only read this!
- When using evidence, reference the source and give clarity on **assumptions**
- Larger bids may require different leads for sections, but try to maintain a **single author's voice**
- **So what?**
- Be clear on **resources, roles and responsibilities**: how many days, who is doing what, etc.
- Good **project management** principles in drafting process, especially regular catch-ups

Common mistakes

Mistake

Description

**Overly
Technical**

Written for scientists and/or engineers rather than bid/plan appraisers

**Unclear what
funding buys**

Financial breakdown does not make clear what the requested funding is purchasing and the evidence for any costings

**Not aligned to
call**

Doesn't meet a given call's objectives, strategic aims, and/or constraints (e.g. funding)

**Management
plan gaps**

Lack of clear work package description, insufficient detail in GANTT, too much in parallel, roles and days per person unclear

**'Black box'
evidence**

Lack of clarity on key underpinning assumptions and/or over-attribution of benefits

**Lack of SMART
objectives**

Not clear what success looks like and how it will be measured (Monitoring & Evaluation)

Example: HM Treasury 5-case model



Strategic Case



Strategic fit (e.g. National Space Strategy) and case for change
Clear narrative: what you're asking for and why



Economic Case



What are the options? Analysis and shortlisting
Potential return, sensitivities



Financial Case



How much, when?
What controls, what evidence?



Commercial Case



How will procurement work?
Who manages risk and is it commercially viable?



Management Case



Delivery plans and milestones
Monitoring and Evaluation, Risk Management

Useful resources

- HM Treasury:
 - Guide to developing the project business case https://assets.publishing.service.gov.uk/media/5bc72a97ed915d0ad7db6cd0/Project_Business_Case_2018.pdf
 - Green Book (guidance on options appraisal and evaluation) <https://www.gov.uk/government/collections/the-green-book-and-accompanying-guidance-and-documents>
 - Business Case reviewers' checklist https://assets.publishing.service.gov.uk/media/626a9a508fa8f57a3b41bc04/Business_Case_Reviewers_Checklist.pdf
- Innovate UK
 - Good Application Guide: https://iuk.ktn-uk.org/wp-content/uploads/2024/03/Business-Connect-Good-Application-Guide_2024.pdf
- ESA
 - https://www.esa.int/About_Us/Business_with_ESA/How_to_do/How_to_prepare_a_good_proposal_after_the_publication
- Online guidance / documentation for previous relevant calls and opportunities

3 key points

1. Tailor to the funding route in question (and read docs!)
2. Don't forget the 'so what'
3. Focus on credible plan for delivery and monitoring progress

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