



Common Mistakes in Small Business Planning – At a Glance

MISTAKE	WHY	How to Avoid It 
1. Over-estimating Revenue	Unrealistic forecasts will erode credibility	Use research-based projections; create conservative, middle, and best-case scenarios
2. Under-estimating Costs	Cash flow gaps and unexpected expenses	Build detailed expense lists, add 10–15% buffer, track hidden costs
3. Ignoring Competition	Investors won't trust your "no competitors" claims	Identify both direct and indirect competitors; highlight your edge
4. Being Too Vague	Weak, buzzword-heavy plans lack actionability	Be specific with channels, budgets, timelines, and KPIs
5. Forgetting to Update the Plan	Outdated strategies lead to missed opportunities	Review yearly; update financial plan and tactics; keep plan "living"
6. Writing Only for Investors	Plan isn't usable for daily operations	Write for your team first; keep it practical and jargon-free so everyone understands it