**Business Plan**

**Introduction**

The initial stages of setting up a business involve start-up costs whose need arises constantly as the business expands or develops new products and services. The costs of starting and operating business are usually so high that it requires souring for finances from banks and other lending institutions. Lending institutions and private investors require a blueprint in the form of a business plan to enable them to conduct a cost-benefit analysis of the proposed business to enable them to forecast the future of the business in terms of success factors and also the likely additional costs that may arise. Therefore, it’s important that someone seeking to start a business begins with a clearly written roadmap of the potential business to source for the required funds from the lenders. This paper seeks to develop a business plan for the creation of the Cardiac Wellness Center for the St. Louis Medical Center.

Developing a proper budget for a health facility allows for the provision of better patient care services, boosts revenue, and appropriate allocation of the necessary care resources. A well-developed budget provides the nurse leader with effective parameters for monitoring departmental performance based on workflow processes that facilitate efficient data collection for easy coordination of services and activities. Additionally, implementation of the business plan and regulating the budget through the application of the appropriate corrective measures depending on the need. Therefore, this paper will also evaluate the proposed budget for SMLC and come up with some recommendations for change and improvement of the plan. This will be done through a clearly defined budget development steps to support the analytic findings and the necessary conclusions.

**Steps of Developing a Budget**

Implementation of a well-structured process of developing a budget forms the basis of proper managerial practices for organizational growth and development.  The following are some of the steps involved in the process of budget development;

1.    Analysis of the Average Daily Census (ADC) – This is important as the initial step since it involves the evaluation of hours for patient care within the facility.

2.    Determining daily hours of care provided to the patients – This helps the organization to determine the number of workers needed to provide the patients with the required level of care. In the event that the available workers are not sufficient, the organization comes up with additional strategies to address the issue (Finkler et al., 2013).

3.    Evaluating the patient acuity – This step involves determining to amount of resources supply required to sufficiently care for every unit at the facility as reflected in the budget.

4.    Analyzing the equipment required for each unit – The cardiac wellness center requires sufficient supply of equipment such as beddings, and wound vacuums. This information helps the management to develop ways through which the equipment can be acquired either by rental or purchase.

**Analyzing the Sample Budget**

The forecasting and development of a unit budget for a healthcare facility require the application of proper strategies to ensure that all parameters are well addressed. The proposed budget for the Cardiac Wellness Center at the St. Louis Medical Center seems rather fixed with regard to responding to unexpected changes. Various factors should be considered when evaluating the appropriate budget to improve the outcomes for the care unit. A flexible budget is important as it accommodates the changes in facility revenue and operating costs which may either be fixed or variables. In a healthcare facility, a flexible budget is required to accommodate the variations in patient number or acuity (Dunham-Taylor, 2014). These variations affect the operating costs, the revenues, and other issues such as over-time working that is not reflected in the fixed budget. This, this budget provides the exact values without allowing the flexibility to accommodate the changes in variables.

**Improvement strategies for budget development**

These are the approaches that the organization can employ to increase the effectiveness and the general success of the proposed budget. The process of budget development can be improved through forecasting, efficient communication, analyzing the pro-forma documents, and streamlining the entire process of service delivery to improve the decision-making processes for critical areas.

**Supporting Evidence**

The proposed budget outlines a comprehensive analysis of how various requirements at the cardiac unit will be financed. The budget development process is enhanced through the application of proper forecasting techniques to provide predictions regarding the probable outcomes during the implementation processes (Finkler et al., 2013). The facility management uses forecasting to evaluate the data related to costs of supplies and staffing to ensure that decisions are made from an evidence-based approach. Additionally, it enables the supervisors to predict the expected number of patients and other important factors used in the process of budget development in every care unit. Therefore, forecasting increases the efficiency at all levels and units within the organization. This is since the focus data helps the management to determine the number of resources required and the number of staff to provide the required level of care.

The next strategy of improving the budget appropriation process is by the creation of a pro-forma statement that is used to predict the probable shape that the proposed budget will take after implementation. This is based on the analysis of various critical factors. When insufficiency is noted within the care unit, the management uses a pro-forma statement to validate the need to increase the budget allocation depending on the identified need. Additionally, a pro-forma can be used to predict the likelihood of an increase in the organizational revenues and various ways through which the costs can be reduced within the budget (Stenmark, 2013). Basically, a pro-forma statement provides the management with a detailed summary of the probable financial implications of the presented business plan based on the observation made from the information at hand. Employing effective communication strategies between the workers and the management is also important in the process of budgeting since all employees will be made to understand the benefits of providing accurate information regarding the patient acuity, the daily inflow of patients, and the equipment required to guide the budget development process for every fiscal year.

**Conclusion**

The concept of budget development is essentially the backbone of a successful business plan. Therefore, the identification and the application of the various concepts according to the steps of the development process helps the organizational management to plan the budget successfully. A nurse manager is responsible for the development of the budgetary requirements for their respective unit. This involves tedious calculations that require experience and skills to accurately determine the patient inflow, acuity, and admission days. These strategies aid the process of formulating a practical budget through forecasting, effective communication, and the use of pro-forma statements for a successful implementation of the budget.

**References**

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