

# CREATING THE FUTURE OF YOUR BUSINESS



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## CHAPTER ONE

# Introduction to strategic planning

*“A goal without a plan is just a wish.”*

Antoine de Saint-Exupéry



**The primary job  
of management  
is to prepare  
their company  
for the future.**

This first chapter introduces the concept of strategic planning at a high level, setting the stage for what's to come in later chapters. It provides a definition and reasons why it's important to have a strategic plan for your company.

### **Are you prepared for the future?**

Have you asked yourself lately, “Am I prepared for the future?” For small, medium or large businesses, there is one constant truth — the primary job of management is to prepare their company for the future. And since no one can foretell the future, management must make the best assessment they can with the information they have available. In order to do that successfully, businesses have to regularly question what they know, how they know it and what that means with respect to running their business.



This is particularly important when preparing a marketing plan or engaging in any marketing and sales activities. Without a strategic plan in place, the task of marketing becomes very difficult. Imagine trying to design a social media strategy, a PR strategy, a lead generation process or a meaningful website without knowing who your target customers are and what matters to them.

This eBook will provide tips and guidance on how to engage your company in a strategic planning process and prepare for the future, whatever that may look like. You will learn the basic structure of a successful strategic plan, so that you can make a real difference at your company, now and in the years to come.

## **What is strategic planning?**

Strategic planning is an often misunderstood concept and a more often misapplied practice. In simple terms, it is the assessing of current circumstances and the market forces affecting your business. From that, you then deduce the alternatives for dealing with these circumstances and then decide on a course of action to prepare the company for a successful future.

This involves not only an analysis of the market, but also an analysis of the competition and the economics of the day, as well as other current events at play, such as politics. Furthermore, it requires taking a hard look at your corporate mission statement and core values to discover a unique brand that sets you apart from the rest. With this foundation in place, you will find it easier to build your strategic plan, and ultimately your marketing plan.

**Strategic planning is the assessing of current circumstances and the market forces affecting your business.**

## Five reasons to have a strategic plan

The lack of a strategic plan can have catastrophic results, like missing big opportunities by not being ready to capitalize on them when they come. There are ways to position your company to be prepared when opportunity knocks. The following five reasons demonstrate the value of having a strategic plan for your organization:

- **Without consciously selecting a goal, whatever results you achieve are purely accidental. Sometimes accidents are wonderful, sometimes they're not.**
- **If the company doesn't have a clear vision of the future, then management can't communicate effectively with its team what it wants them to do.**
- **If there is a variety of things that the marketplace can dump on you and you haven't thought through how to react, then you are left to plan in the midst of a crisis.**
- **Participating in a strategic planning process is one of the most effective team building exercises a company can engage in.**
- **And lastly, if you have a wonderful opportunity come your way and you aren't prepared to deal with it, you are unlikely to take full advantage of it.**

There are ways to position your company to be prepared when opportunity knocks.

## Summary

Strategic planning isn't easy, but it is vitally important to the survival of any company. It takes time and dedication to identify your competitive edge and what goals you want to accomplish. To be a great manager, you should know and understand how to develop a useful strategic plan that will energize your team and ensure the success of your company's marketing and sales effort. A strong strategic plan will help build a robust marketing plan. The benefits far outweigh the effort! So, let's get started...

## CHAPTER TWO

# How to make strategic planning successful

*“Following the rules of your industry will only get you so far.”*

Max McKeown, *The Strategy Book*



Do not let  
skepticism and  
negative comments  
deter you from  
getting started.

Starting with a blank piece of paper can be confronting. And a brand new strategic plan is no different. This chapter provides some tried and true tips to keep in mind, so you don't have to re-invent the wheel.

### **Stay the course**

Strategic planning is often viewed with great skepticism and trepidation. Partly because at least one member of every management team has been involved in a strategic planning process that didn't work well. But as mentioned previously, strategic planning is a valuable process and essential if you want to build a workable marketing plan in the end. So, it is important to not let the skepticism and negative comments deter you from getting started.

## Keys to success

Lessons learned from experienced professional strategic planners over the years show that certain key factors must be present for such efforts to succeed. The following things will help ensure your strategic planning process is successful:

- **Involve all the key people in your organization.**

Most managers have limited power to approve things, but have great ability to undermine anything. So no matter how wonderful a strategic plan is, if every key manager hasn't bought into it, it will have a hard time being successful. The fewer people involved in the process, the less time it will take; but the more people included, the greater the buy-in to the resulting plan.

- **Listen to everyone.**

Make sure that all stakeholders are heard during the strategic planning process. Most managers know that their recommendations will not always be accepted, but they at least want to be listened to. If you fail to include everyone's input, you may be creating a non-supporter, who may challenge and even damage the process later on.

- **Make sure everyone attends all planning sessions.**

To ensure complete support and buy-in by all managers, it is important that they attend every strategic planning session (and there likely will be several, but more about that later) and participate fully. When someone has attended a discussion and had their input, they are more likely to accept the group selecting a strategy contrary to their suggestion. However, if



**Make sure that all stakeholders are heard during the strategic planning process.**

they miss the discussion, then they haven't experienced the rationale behind the decision and are from then on a reluctant participant and reluctant supporter of the final product.

- **Adequately assess your business environment.**

Resist the urge to shortcut the analysis process. Accurate and adequate information about internal and external constraints and competitor information is vital in developing a sound strategic plan. If you have to spend money on market research or on customer service information, then do it. Make sure you know what information you need and get as much of it as you can before you make any strategic decisions. There is no such thing as perfect knowledge, but most businesses don't realize how much is available and often start planning too soon.

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- **Resist trying to get things done quickly.**

Remember that all of your managers already have full-time jobs and that the initiatives associated with a strategic plan will require extra effort and resources above and beyond what they are already doing. In order to make realistic progress, extra incentives and additional resources may need to be provided to team members.

- **Seriously commit to what needs to be done.**

In order for the agenda that arises from any strategic plan to get accomplished, the entire organization must commit to it. Each manager must not only commit to getting their part of it done, they must also commit to their cohorts getting their part done as well. A time will come when things will get difficult and it will look easier to let the whole exercise fade away. This is when leaders need to intervene and refocus their team on the results. The slogan "No pain, no gain" is as applicable here as in physical fitness.

## Summary

Strategic planning can be a complex and involved process. The most important ingredient is the team of managers. Their active participation is key and their buy-in to the final results essential. If the process is set up properly from the beginning and everyone knows what is expected of them, great results can be achieved. Starting too soon (before gathering enough information) and giving up too soon (when the going gets tough) are both pitfalls to avoid.

# Overview of the strategic planning process

*“One bold step leads to another”*

Anuranjita Kumar, *Can I have it all?*



In the previous chapters, we defined strategic planning and looked at the keys to success. Next, we're going to look at the process itself to better understand how to produce a successful outcome.

## A step-by-step process

The ultimate aim of the strategic planning process is to reveal a collection of long-term goals and objectives in various areas that will improve the likelihood of success for the venture. The process is made up of several parts, or steps. While future chapters will explore more of the details in each of these steps, it's useful to have an overview first. Refer to the steps below as a general guide to follow while developing your company's strategic plan.

### Step 1 - Company assessment

The first step is to perform an assessment of your company. Prior to the strategic planning sessions getting under way, the organizers should gather as much pertinent information as possible on the company (its past performance, any

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previous plans, and their results) and disseminate it to the participants to review beforehand. Most of this may have been seen before, though it may not all have been brought together in this way. This is the same information that will later be used to conduct a SWOT analysis. SWOT stands for Strengths, Weaknesses,\* Opportunities, and Threats.

## **Step 2 - Mission, vision, values, and positioning**

The first planning session should be devoted to answering specifics about your company, what products and services it provides, and what makes it different from the competition. The following items will be the output from this “brainstorming” session:

- **The Mission statement should be a concise statement about what the company does, for whom, and what benefit customers receive.**
- **The Vision statement is a snapshot of what the company wants to become.**
- **The Values list enumerates the ideals the company is committed to operate by.**
- **The Positioning statement combines elements from above into a marketing focused statement.**



The Values list enumerates the ideals the company is committed to operate by.

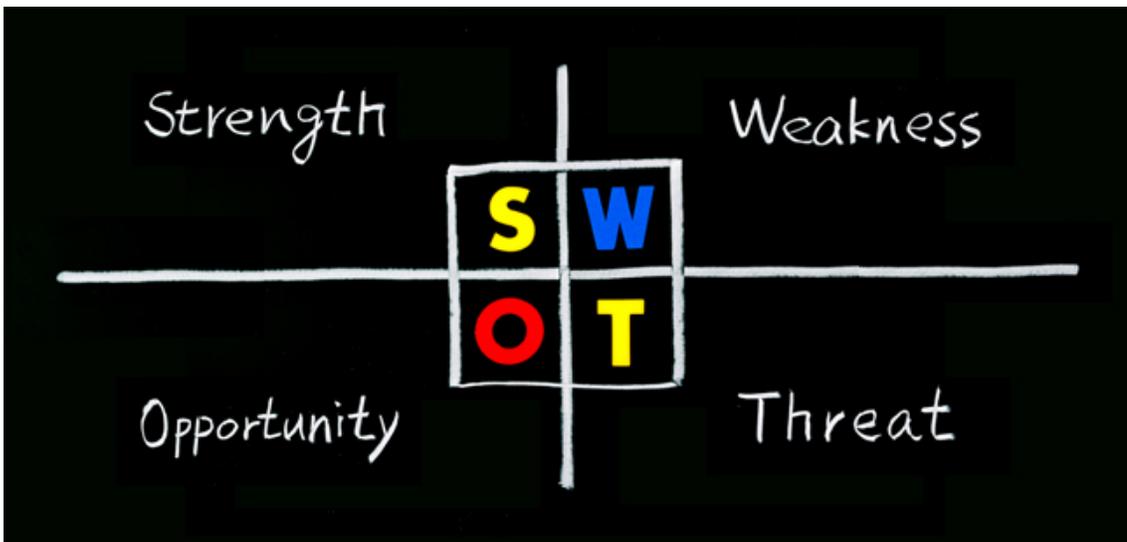
\*Note: These days, it is in some organizations more politically correct to discuss “Challenges” rather than Weaknesses so as not to hurt anyone’s feelings.

### Step 3 – SWOT, competitor, and marketplace analysis

The second planning session focuses on your company's place within the market and how it stacks up against the competition. It may be helpful to have key managers present a brief overview of their section of the company covering all pertinent aspects of their division.

This is when a SWOT analysis is performed. As preparation, you may ask each participant to make an initial SWOT assessment on their own, consolidate and distribute these to the participants, and then review and revise them in the planning session.

The competitor analysis looks at all major competing companies in your market space, what services they offer, and how your company compares with them.



SWOT stands for Strengths, Weaknesses,\* Opportunities, and Threats.

### Step 4 - Key result areas

The third and fourth planning sessions are for identifying the key areas in which you want to achieve results for your long-term goals and objectives, before getting into the specifics. For example, the most common areas of results are: 1) Profitability, 2) Growth, 3) People, and 4) Services. Sometimes, Innovation is added, or Research and Development. These areas obviously should be selected based on the circumstances and needs of the company. Identifying them before setting goals ensures that you and your planners develop a balanced plan taking all areas into account, as well as focusing on the relative importance of each area.

## Step 5 - Objectives

In the fifth planning session, you will identify the objectives that fall within each of your previously defined key result areas. This exercise identifies the primary focus of the strategic plan and provides the framework for later developing specific goals for each of the objectives. Make your objectives bold and meaningful, as they are meant to stretch the company beyond the status quo.

## Step 6 - Strategies, goals, projects, and action

In the sixth (and final) planning session, you will next identify the particular strategies and goals necessary for achieving each of your objectives. Each objective will give rise to multiple goals with their own strategies and several resulting projects.

The challenge here is to keep working until specific and measurable goals have been developed with assigned responsibilities and specific timeframes for when they will be achieved. This is the tough part. The tendency is to leave things vague. The challenge is to be specific and measurable.

## Step 7 - Implement, publish, and follow up

At this point, it's time to take all the brainstorming, analysis, and specific action items and publish your strategic plan to all the stakeholders. The published plan becomes a working document that is used in the implementation phase and should be regularly reviewed to measure your progress and reset goals. This is the most difficult and potentially most rewarding part of the process.

## Summary

Strategic planning is not difficult, but it is complex. Having a clear overview that identifies each of the steps in the process makes it much easier for participants to understand and engage productively — every step of the way.

The tendency is to leave things vague.

The challenge is to be specific and measurable.

# Planning for planning

*"I believe that people make their own luck by great preparation and good strategy."*

Jack Canfield



This chapter delves into the preparation phase. Before jumping into a strategic planning exercise, it is important to consider how things are going to happen and plan for as much of it as you can. In other words, you need to preplan before you start planning.

If you just jump right into the planning process, you will no doubt regret it later.

## Ten steps to preparation

Like most things, if a strategic planning process is to go well, it needs to be thoroughly prepared for. Here are 10 things to consider as you make preparations for your strategic planning exercise.

### Step 1 - Select the team

Selecting the right team is crucial. In a regular staff meeting, introduce the idea of a strategic plan and why you need one. Put on your sales hat here, as this may involve some convincing. Then, discuss with your key managers who should attend the strategic planning sessions. There will be pressure to keep the process to the top few. Resist this and make sure you include all the managers who will be instrumental in the success of the plan.

## **Step 2 - Select the location**

A successful planning process will often include a number of planning sessions that are each 3 to 4 hours in length. Instead of succumbing to the temptation to have these sessions in your office, select an offsite location that is away from the normal workday interruptions. A nearby hotel meeting room is an ideal place unless your company has a retreat of its own.

## **Step 3 - Develop a schedule**

Start with four 4-hour planning sessions and space them a week to 10 days apart. Then, schedule several weeks of time to consolidate the results of the initial planning sessions and prepare a preliminary report on the decisions reached. As part of the schedule, set a deadline for presenting the new plan to the entire company. More on this later...

## **Step 4 - Prepare the location**

In preparation for the planning sessions, procure a number of large easel-supported note pads, or flip charts (hotels always have these supplies handy) and a healthy supply of 3x5 post-it notes. Make sure you also have a good supply of black and colored marking pens as well.

## **Step 5 - Prepare the participants**

Before the first planning session, meet with each participant and review the planning process with them. Make sure that they have scheduled each planning session in their calendar and that they know it is imperative that they attend all sessions. Provide them with the pertinent background materials and request that they read it in advance of the first session.



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## **Step 6 - Prepare internal background material**

Prepare copies of any previous strategic plans, business plans, or goal-setting exercises. Collect financial performance information for the past five years and summarize the figures for the participants. Chart pertinent performance indicators, so that trends are clearly visible. Also, gather and prepare to present any pertinent performance information for specific departments, divisions, or subsidiaries.

## **Step 7 - Prepare external background information**

Assemble as much information as possible on competitors and their business plans. Package this information in a format that is easy to read and understand by the participants. Gather any pertinent governmental or regulatory information that will shape your planning and again summarize this so that all of the participants can understand it. You may want to ask some of the participants to assist you with the preparation of this information.

## **Step 8 - Prepare the introductory presentation**

Prepare an initial slide presentation of the condensed material you have distributed to the participants. The theme of this presentation should be about your current state, simply put, "Where are we now?" The aim is to present in a concise way where your organization is at the time you start this process, what you have achieved to date, and where you have fallen short. Try to keep this brief, but thorough.



Resist taking  
shortcuts in the  
preparation phase.

### **Step 9 - Consider a facilitator**

Think about having someone from outside the company facilitate your strategic planning sessions. It's very difficult to be a facilitator and a participant at the same time. The facilitator's job is to be impartial and unbiased. The facilitator should also make sure everyone participates. This often means quieting those who want to talk a lot and drawing out those who are reserved. It's crucial that everyone participate so that the entire company is represented and in the ultimate plan.

### **Step 10 - What have you forgotten?**

Ask yourself what else you can do to make the planning process successful. Is there anything else that you can do to improve participation? The pre-planning you do now can greatly enhance your chances of developing the best strategic plan for your company.

### **Summary**

Resist taking shortcuts in the preparation phase. If you just jump right into the planning process, you will no doubt regret it later. Questions will come up during the planning process that will have answers in carefully prepared planning materials. Without all the internal and external background information, you and your team will be left making assumptions and planning around them when the assumptions may not be accurate. There will be enough things that come up in the planning sessions that need to be researched between sessions. Try to reduce as much of this as possible with good pre-planning meeting preparation.

## CHAPTER FIVE

# Mission, vision, and values

*“The best vision is insight.”*

Malcom Forbes



In the previous chapters, we reviewed the rationale and preparation necessary to lead your team through a productive strategic planning process. It's now time to get down to work and actually start the planning process.

### **The first planning session**

Like most things, if a strategic planning process is to go well, it needs to be thoroughly prepared for. Here are 10 things to consider as you make preparations for your strategic planning exercise.

The goal of the first strategic planning session is to produce a mission statement with accompanying vision statement and values list. These statements and lists comprise the initial, more abstract and less specific portions of your company's strategic plan. They will form the basis for your objectives, strategies, and action items that will be developed in later planning sessions.

Introduce the plan

The goal of the first strategic planning session is to produce a mission statement with accompanying vision statement and values list.



Have everyone comfortably seated, so that they all can participate easily.

Assemble your team in a meeting place where you can meet comfortably for several hours. Have everyone comfortably seated, so that they all can participate easily. Discourage distractions. Limit visitors and prohibit the use of computers, phones, tablets, and email devices (yes, pencil and paper are excellent for taking notes). Introduce the plan and don't go any further until everyone understands this is a serious exercise that requires their full and focused attention.

### **What constitutes success?**

Following your introduction, ask the following question, "What will we have to accomplish during the planning sessions for you to judge them a success." On a large easel pad, write down the answers. Make sure you get at least one comment from every participant. Keep this list posted in clear view throughout the planning process and occasionally revisit it to acknowledge what items have been accomplished and what items remain to be done.

### **Create the mission statement**

Your organization may already have a mission statement. If you don't, this is when you will create it. And if you do have a mission statement, you want to set it aside and completely recreate it here. Let go of any attachment to whatever you have done in the past and start anew.

## A basic format to follow

The basic format of a mission statement is:

***Our mission is to provide [some service] to [some group] so that they receive [some benefit].***

This statement is not about your company and how much you want to make in profits this year. It is outer-directed and is focused on the benefit you will be providing to your customers over the long term. Following this basic format helps you to get started in the right direction. You may very well rearrange the wording later into something you like better.

You're probably saying to yourself that you have seen a lot of mission statements for other companies that don't read like this at all. In addition, some companies have what are really "vision" statements that they call "mission" statements. A vision statement is a statement about where you want to be at some point in the future. If you want to be the market leader, that would be reflected in a vision statement, not a mission statement. A vision statement is about you; a mission statement is about your customers.



**A vision statement is a statement about where you want to be at some point in the future.**

## What to avoid

Please be aware of one of the pitfalls of writing a mission statement. It is not a slogan or an advertising tool. In the planning session, focus on developing a statement that is meaningful to the planners in the room — that may not necessarily be shared outside the company. By doing this, you avoid trying to impress someone with the statement, but rather work to create something that will help you build a useful plan.

## **Create a vision statement**

Some companies feel they need more than a mission statement to shape their strategic plan. A vision statement, which is a clear, concise statement of where you want the company to be at some point in the future, may well fill the bill.

Ask your team if there is some overriding objective that they want to achieve that can be shaped into a vision statement. Or better yet, ask them to envision how the company will look in say 5 years from now. How big will it be? What kind of work will it be doing? Who will its clients be? Use these and questions like them to completely describe your imaginary company of the future.

## **Create a values list**

The next objective in this planning session is to produce a list of things that as a company you value and intend to operate by. These will obviously be driven by the personal values of the company's leaders, but should include input from all of your team members. Discuss the items thoroughly until you have a consensus.

This list of values can be as long as you like, but there is benefit to brevity. Mission and vision statements are often communicated to employees and other stakeholders, as they will be very interested in what you say you value. They will study your list carefully and they will measure your commitment to living them day in and out, both inside and outside your company. Therefore, a shorter rather than longer list may be more appropriate.

## **Wrap it up**

At the close of this first planning session, review the mission statement in light of the work you did on vision and values see if it warrants any changes. Do the same with the vision statement and the list of values. As a last item, revisit the list of objectives that you created at the beginning of the day and see if any changes are necessary there. It's important to remember that planning is an iterative process, in which what you learn and decide on as the sessions progress informs and refines your previous work.

## CHAPTER SIX

# Strengths, weaknesses, opportunities, and threats

*“A wise man will make more opportunities than he finds.”*

Francis Bacon



This chapter focuses on how to use the SWOT analysis technique to evaluate your company and its current position in the marketplace. The thoroughness of this analysis will greatly impact the ultimate success of the entire strategic plan and marketing plan, as well.

### Company checklist

#### Financial

- Revenue and profitability history for the last five years
- Budget vs. actual performance for the last five years
- Income statement by quarter for the last two years
- Balance sheet comparison by year for the last five years

#### Marketing

- Pros and Cons of current website
- Pros and Cons of current sales support material
- Pros and Cons of current advertising activity
- Needed marketing initiatives
- Budget issues in marketing - percent of revenue for the last five years
- Review of lead generation efforts

## Market Assessment

- Issues in the marketplace
- Competitor summary
- Changes in customer needs

## Sales

- Pros and Cons of how sales force is currently structured
- Pros and Cons of current sale compensation plan
- Sales results by sales person, team, office, and division

## Operations

- Pros and Cons of current method of service delivery
- Comparative performance of separate offices or divisions

## Personnel

- Summary of HR issues
- Summary of recruiting and hiring success

After you have gathered all of this information, make copies for each participant. You will probably want to put it in a 3-ring binder for easy review and reference. Then, deliver the prepared material to each participant at least a week before the first planning session.

## SWOT Analysis

In the planning session, set up four easels with pads of large paper. On the top of each, write these main headings: Strengths, Weaknesses, Opportunities, and Threats. Then, with you team, brainstorm and list as many things on each easel as you can. Start with Strengths and

Weaknesses first, as these are the easiest. Try not to edit too much and debate whether you have the right item on the list—that will come later.

Next, focus on Opportunities and Threats. These will be more difficult, but again work to list as many things as possible on each easel. Remember that Strengths and Weaknesses are internally focused concepts; whereas, Opportunities and Threats are external concepts.



Once you have exhausted your brainstorming work on each list, take a break. After the break, start reviewing the items on each list to make sure they are in the correct bucket. Next, review the wording. Are you saying exactly what you mean to say? Start a new page if you have to and rewrite the items to make sure they are stated the way you intended. After this refinement, remove the pages of paper from the easel and mount in the room where they are visible to all attendees.

Next, take each of the Weaknesses on the list and ask the group what can be done to mitigate that weakness. Put all ideas down on paper. After that, review the Threats. Ask the group what can be done to protect the company against such threats. Make a list on a fresh piece of paper.

After you have reviewed the negative items, review the Strengths and ask the group what you must do to maintain each one. Next, review the Opportunities list and ask what needs to be done to take advantage of each opportunity so that your company will thrive and grow.

Resist the effort to turn any of these into action items just yet. We will discuss more about that in the next chapter, which deals with preparing the Action Plan, without which nothing changes!

## **Review mission, vision, and values**

At the close of this planning session, post the mission and vision statements and the values list from the last planning session. Ask the group to review these in light of the SWOT analysis work you have just completed. Often insights that arise from the SWOT exercise result in changes or additions to the work done in the previous session. Keep modifying until you have a true picture of your company reflected in your mission, vision, and values. As mentioned earlier, this will become critical input for your Marketing Plan.

**Often insights that arise from the SWOT exercise result in changes or additions to the work done in the previous session.**

# A closer look at SWOT

*“We cannot solve our problems  
with the same thinking that created them.”*

Albert Einstein



This chapter is primarily for those individuals who are not familiar with how to perform a SWOT analysis. And for veterans of the process, consider that no matter how much we think we understand something, it is often helpful to see another take on the subject.

## What is SWOT?

First, SWOT is an acronym for Strengths, Weaknesses, Opportunities, and Threats. It is a mainstay of strategic planning and marketing planning. It has been around awhile — long enough to become trite and even criticized in some circles. There is also a plethora of material on the Internet that you are free to wade through at your leisure. Here, I will try to lay out the basic framework and offer a few tips and suggestions on how to make it a useful exercise for your organization.

## Internal versus external issues

The first thing to note is that the four parts of the exercise can be sorted into two camps: internal issues and external issues. The internal issues are Strengths and Weaknesses and the external issues are Opportunities and Threats. While this distinction is not absolute, it is nearly so.

## Tell the truth

By looking at and listing the company's Strengths and Weaknesses you are exploring those things internal to your business operations that are so because of culture, habit, economic limitations, or simply operational blindness. For the analysis to be effective, the truth needs to be told. To get at the truth may involve approaching the analysis in multiple ways simultaneously. In-person confidential interviews of executives, plus open group discussions can each be effective depending on the particular corporate culture and temperament. The aim is to generate as complete a list as possible, regardless of sensibilities, or the progress of the company will be compromised.

## The hard part

Listing Opportunities and Threats is often less controversial, but more difficult. In many cases, executives can more easily see the Strengths and Weaknesses of the organizations (especially in other departments) than they can see what is happening in the marketplace. To adequately analyze Opportunities and Threats one needs a clear understanding of the marketplace and the forces affecting it, as well as the strengths, weaknesses, and capabilities of the competition. To conduct this exercise effectively requires more than a group discussion. It requires market intelligence that most companies lack. Market surveys, industry experts, and industry conferences are all sources of obtaining external information.

Probably, the most difficult component of the SWOT analysis to consider is Threats, because a company can be threatened from many directions. There are the obvious competitor initiatives and market ups and downs, but often overlooked are threats from unexpected places. Kodak never saw cell phones as a threat, but the heart of Kodak's customer base is now taking all of their photos on the phone in their pocket. Further, in a rapidly evolving marketplace, conducting a Threat review every year or two may be too infrequent.

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## Final product is not neat

The SWOT diagram shown in nearly every book and article is a cute little square with four interior squares to help represent the separation of internal and external components of the analysis. What this diagram infers is that one should finish up the analysis of their company with bullet points in four small boxes. Without realizing it, most people assume they are to whittle their lists down to a small number of items, so that their diagram will fit neatly on one page of paper. My suggestion is to create a list in four columns and let the list run on as far as it does, rather than limit it too much. Over time, you will see that some items can be consolidated and others will turn out to be a subpart of another item. But, many items that seem minor and could be stricken from the list won't ever be addressed unless they stay on the list. Prioritize the list, if you wish, but restrain from editing it too heavily.

Prepare the four lists on one page arranged in four columns in the SWOT order. Prepare it in a professional way, so that it can be circulated around the company for comments and suggested changes. After comments and changes have been incorporated, then publish with a date clearly marked on every page.

## The fun part

A SWOT analysis is not an end in itself. It is generally part of a strategic planning or marketing planning effort. If done at a division level, it may be intended as part of a business plan. In any event, the fun part comes next. The SWOT analysis should trigger a number of questions. Here are some to begin the process:

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
How do we capitalize on these?	How do we compensate for these?	Do our strengths allow us to take advantage?	How do we protect ourselves?
Where can we become even stronger?	Which can we eliminate and how?	What resources do we need to take advantage?	What do we need to change?  Which markets or products should we abandon?

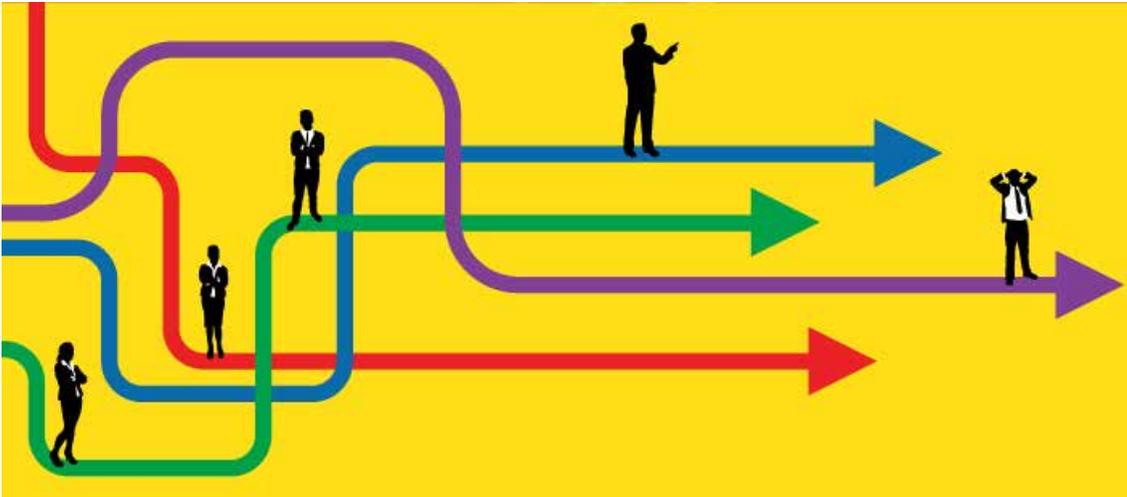
Use these as a starting point and explore what the SWOT analysis is telling you and how best to move the company forward.

A thorough SWOT analysis is almost always well worth the effort. It helps to focus marketing, prioritizes the items that management must address, and keeps the company as a whole working on the right things.

# Objectives and goals

*“If you don’t know where you are going,  
you’ll end up someplace else.”*

Yogi Berra



Now that you’ve completed the preparatory work and SWOT analysis, it’s time to move on to the actual strategic planning process. This phase does not take much explaining, but it does require a lot of work on your part. In fact, to adequately complete what is outlined in this chapter will likely take two and sometimes three planning sessions.

The aim of this phase of the planning is to begin developing specific action plans. Actions will come from objective, goals and strategies. First, a few definitions. Dictionary definitions of goal and objective are so similar as to be indistinguishable. In the context of this eBook, “goal” will be used to mean something specific and measurable, and “objective” to mean something less specific and more abstract. (Please note that some authors on the subject completely reverse them.)

## Key result areas

Before launching right into listing objectives and goals, it is helpful to consider a way to break the work into pieces or sections. I call these sections of the plan Key Result Areas.

Breaking the process into sections allows you to make sure you are fully addressing each area, as well as observing the natural tension between each area. The basic four and most commonly used Key Result Areas are: 1) Growth, 2) Profitability, 3) Service or Products and 4) Personnel. Depending on the industry, planners will sometimes opt to add more areas in which actions are required, such as Innovation or Compliance. It's totally up to you!

## List of objectives

Take each of the actionable areas and list specific objectives to be accomplished. Have your planning team generate at least one and as many as five objectives in each Key Result Area. For example, under Growth, one might have as an objective: "To aggressively acquire businesses that fit our criteria;" or in the Personnel area, you might have the objective: "To maintain a capable and motivated workforce."

## List of strategies

After completing the list of objectives, begin developing a list of from one to five strategies for each objective. The strategies should answer the "how?" for the way that the objective will be achieved. Again, be very specific.

## List of goals

Next, take each strategy and develop at least one goal for each. The goals should not only be specific, but they should also be measurable, have a stated deadline, and have a person assigned who will be responsible for making it happen. Be sure each goal is driven by both the associated objective and the specific strategy you are working on.

## Put it on the wall

As you begin this process, a lot of ideas will flood out. You will see as you start writing things down that you will put things in the wrong place and need to rearrange them as you work. For this reason, the war room approach with a large blank wall and lots of large index cards and tape (or large Post-its®) will make the process come to life. This flexible, real-time scenario allows for several people to work on items at the same time. The aim is to get as much up on the wall as you can. Avoid editing and censoring until later in the process. And most importantly, encourage everyone to participate.



When the pace of ideas and new items going up on the wall begins to slow down, start reviewing the items to make sure they are in the correct category. Often, many of the objectives will turn out to be goals associated with strategies and are really goals with a timeline and responsible person missing. This is where the tape and the wall come into play, making it easy to move things around. Involve the entire team in these discussions and joint decisions, so that they all begin to own the results.

**Encourage everyone to participate.**

## **Document results**

Now you are ready to pull it all together. Document the results from this and previous strategic planning sessions and publish it in an interim report. Then, distribute the report to all the participants and request their comments and feedback. Meet with each team member and review the report together, making sure that they don't have a problem with what is stated in the report. Make any necessary corrections and publish the final strategic plan.

## **Summary**

This part of the strategic planning process is the real meat of the exercise and I am sure you see that you can't just jump it with the prior planning and preparation we've outlined in previous chapters. Remember to be patient and allow the process to be disorganized for a while as ideas flow from the participants. Save the editing and organizing for later as you get ready to document and ultimately implement your plan.

# Implementation – making it happen

*“Ideas are easy. Implementation is hard.”*

Guy Kawasaki



This chapter talks about the most important step in the process. If nothing is implemented, then nothing changes. So, pay close attention.

## **Are your deadlines realistic?**

One of the dangers in any planning process is that in the enthusiasm of the process, everyone underestimates the time it takes to get things done and deadlines that once seemed reasonable, turn out to be unrealistic. Often, many things get scheduled for completion in the first quarter after the plan was created, with fewer and fewer action items left to do in subsequent quarters.

As you begin to implement the plan, convene a meeting of your team and other key personnel and review the deadlines to make sure they are reasonable and achievable within that timeframe. In so doing, fight off the natural urge to stretch

things out too long. Note that things you learn during the first quarter will naturally cause you to adjust some of your plans for later quarters.

## **A living, breathing plan**

For utmost convenience, keep all of your work in an easy-to-read planning document; preferably in a 3-ring binder, so that it can more easily be updated and augmented.

When you feel comfortable with the plan, hold a company-wide meeting and present the basics to all employees, soliciting their feedback, as well. Based on this feedback, make additional changes to the plan. The aim here is for your entire staff to feel included in producing the results the executive team has outlined.

## **Monday morning quarterback**

A certain amount of constructive criticism is expected, even welcome, to ensure the health of your strategic plan and its continual improvement. However, some types of criticism can have a negative effect, impeding progress and bringing others' enthusiasm down.



**The implementation phase is when more naysayers or critics tend to speak up.**

The implementation phase is when more naysayers or critics tend to speak up. Typically, they did not have any input when the strategic plan was being developed; but after the fact, they chime in with counterproductive comments and in some cases a desire to kill the plan altogether. Try to find a way to engage them in a task related to their immediate work area and see if that will turn them into an advocate of the plan.

It's important to address such negative vibes, as it can be contagious to others who may be looking for an out. Creating change is one thing; walking the talk is another. And to be truly successful, everyone needs to be on the same playing field.

## Follow-up meeting

Schedule a meeting of the original participants 90 days after the final planning meeting to check on the progress made in the first quarter. Each person who is responsible for a goal should have prepared and distributed their plan for accomplishing it and should be prepared to present their progress in the 90-day meeting.

The first quarter review is often challenging, as much of what people hoped to accomplish doesn't usually get done. Use this group session to explore how to make the next quarter more productive.

## Next year

The first year of a new strategic plan is always the most difficult. Planning in future years will be easier as the executives, the planning team, and the whole organization have been through one full cycle of the plan know what to expect.

Avoid the trap of just increasing last year's goals by some amount and attempting a linear extrapolation of the previous plan. Take a fresh look when reviewing the SWOT analysis. In particular, check to see if the correct Key Result Areas are still relevant. Then, repeat the process as described in Chapter 7. You now know the drill...

**The first year of a new strategic plan is always the most difficult.**

# Conclusion

*“A leader is best when people barely know he exists, when his work is done, his aim fulfilled, they will say: we did it ourselves.”*

Lao Tzu



This final chapter brings us full circle, with a review of strategic planning highlights. You now have the tips and tools to help make your company’s strategic plan the best possible plan it can be.

## **It’s not rocket science.**

If you follow the steps laid out in this book, you are well on your way to becoming a strategic planning expert. While it’s not the easiest thing to do, keep in mind that following a step-by-step process and being determined to see it through till the end is half the battle. Logic and fortitude will go a long way in getting you to your final objectives. Hopefully, the mystery has been unlocked and your confidence has been boosted, so that you can take this on in a powerful way without needing expensive consultants to do it for you!

## Things to remember

The desire for success is a driver that underlies all business goals. While every company is different and its employees have different needs, there are some basic principles that all strategic plans have in common. Below are some of the key things to remember from Strategic Planning 101:

- **Perform a comprehensive assessment of your company**
- **Clearly define your mission, vision, and values**
- **Do a market, competitor, and SWOT analysis**
- **Outline key result areas, objectives, strategies, and actions**
- **Determine objectives, goals, responsibilities, and timelines**
- **Implement, publish, and follow-up**
- **Review and modify the plan**

The desire for success is a driver that underlies all business goals.

## The marketing plan

With a good, strong strategic plan in place, you will be more prepared to tackle the task of spearheading your company's marketing plan. You already know how you compare to your peer companies and what your inherent risks are, as well as your weaknesses and opportunities. Go ahead and map that information onto a plan for increasing market share and taking on other such goals that need to be addressed in a solid marketing plan. It's all connected to the same path to success.



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