

The Siburg Company

Strategic Planning for a Business's Overall Success!

By

Daniel R. Siburg, CPA, CVA



Strategic Planning is About Communication

A Strategic Plan is about communicating financial and operational objectives by taking numbers and converting them to words.

Strategic Planning is about the process of setting obtainable and measurable financial and operational objectives.



Question

Does your business have?

- A Strategic Plan
- A budget
- Month end reporting package
- All of the above

The Basis of a Strategic Plan

The basis of a Strategic Plan:

- Relates to the mission of a business
- Relates to the core values of a business
- Presents a unified direction for a business and its operations
- Positively challenges a business
- Is easy to understand both internally and externally when presented or discussed



Things to Avoid

Strategic Plans should avoid:

- Being too far reaching in both:
 - Financial performance
 - Operational achievements
- Providing too much background and history
- Being all about the numbers
- Being any internal business policy statement
- Being too ethereal

Core Concepts

Core concepts of a Strategic Plan need to:

- State the vision of a business
- Clearly state the future direction of a business
- Project a positive direction and path for a business's operations and activities
- Be realistic about future results
- Condense to a single piece of paper



Be Flexible

A Strategic Plan needs to be flexible:

- When external events make the Strategic Plan impossible to achieve or obsolete
- When internal events make the Strategic Plan impossible to achieve or obsolete
- When the assumption which the Strategic Plan were based on were faulty

Think About A Slogan

A Strategic Plan needs a slogan that is:

- Easy to relate to as a concepts
- Easy to remember
- Easy to understand what a business is trying to achieve
- Providing a benchmark for a business and its operations



Examples of Strategic Plan Slogans

The “80 – 80” Strategic Plan: To have 80% of all the call center seats operational at all times and 80% of the operational call centers seats filled by employees

The “20/20/20” Strategic Plan: To grow the business’s revenue by 20% annually, to 20 offices by 2020

Strategic Planning

Strategic Planning provides:

- A direction for a business's activities
- A basis for setting goals and objectives – at all levels of a business's operations
- An objective set of guidelines by which a business can be measured against
- A communication platform for a business both internally and externally



Reasons For Strategic Planning

What are reasons for Strategic Planning?

- Business need to be turned around
- Launch of a new product line
- IPO
- Breaking the business up
- Other reasons

More Than Profitability

Strategic planning needs to be about operations, services, product quality, management performance, and customer satisfaction throughout a business rather than just the profitability of a business.

Why Strategic Planning Works

In any activity, whether it is sports, science or business when a new record, discovery or objective is reached everyone has a new level of achievement to strive for and reach.

Strategic Planning helps set the goals that everyone in a business strives to reach.

It's About Setting Goals

Strategic Planning is the foundation for a business to set obtainable financial and operational goals and objectives at all levels of a business's operations.

It's About Allocation of Resources

Strategic Planning is about setting priorities for the allocation of resources:

- Financial
- Operational
- Human
- Technology
- Capital equipment
- Infrastructure

It's About Taking Risks

Executives need to set dynamic targets when strategic planning and then support managers and employees to achieve these higher levels of performance.

Executives need to be able to have adjustable metrics and measurements to reflect the risk managers and employees are taking.

Focus on Employee Actions

Executives need to be able to accept some level of imperfection related to goals and objectives for exceptional employee efforts.

Executives need to focus on employee actions over results on high risk and low probability initiatives.

Brings About Change

Brings about change means:

- Holding managers responsible for their performance and actions
- Getting employees involved
- Giving employees the ability to make decisions to get things done
- Management must be open to accepting new ideas and changing

Operational Involvement

Operational involvement includes:

- All key operational areas
- Setting realistic and achievable goals and objectives
- Timely review of metrics
- Having a reporting methodology
- Holding people accountable

Align Operational Efforts

Implementing new measurement systems, such as goals and objectives, throughout a business requires communicating and aligning all operational strategies.

A strategic planning focuses across all operational strategies to help implement and communicate a single strategy for a business.

Measurement System

Identify what is going to be measured:

- Financial performance
- Quality metrics
- Customer satisfaction
- New initiatives
- Employee engagement
- Market share



Question

Does your business use goals and objectives?

– Yes

– No

Goals and Objectives

SMART way for setting goals and objectives:

- **Specific**
- **Measurable**
- **Attainable**
- **Relevant**
- **Timely**

How to Set Goals and Objectives

Company Name				
Functional Area of Responsibility				
For Year: 2018				
SMART: Specific - Measurable - Attainable - Relevant - Timely				
Last Updated: January 1, 20XX			Status -	
	Responsible	Due	Completion	
<u>Description of Task</u>	<u>Person (s)</u>	<u>Date</u>	<u>Date</u>	<u>Comments</u>
Major Project Definition				
Steps to Completing project				

Tips to Setting Goals and Objectives

Tips to help with setting goals and objectives:

- Spread the due dates over the whole year
- Avoid assigning yourself as the “Responsible Person” for everyone’s action items
- Be flexible about changing goals and objectives as a business changes direction during a year
- Do a monthly review of the goals and objectives
- Well defined goals and objectives help with annual reviews of employees



Follow Up Is The Key

Goals and objectives as part of the strategic planning process requires routine meetings at all levels of a business to follow up and review the strategic action items that are in process.

Quote

“Strategy is a commodity, execution is an art.”

Peter Drucker

In Summary

Strategic Planning is about:

- Communication
- Setting achievable goals and objectives
- Monitoring and measuring activities
- Receiving and providing feedback on a continuous basis
- Adapting the Strategic Plan as a business's environment changes

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Questions and Answer Session

We will answer as many questions as we can in the time allowed.

Contact Information

Daniel R. Siburg, CPA, CVA

Managing Director

The Siburg Company, LLC

Phone: (480) 502-2800

Email: dan.siburg@thesiburgcompany.com

Website: www.thesiburgcompany.com

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