

PLANNING

Every business needs a plan

EXECUTE

TRAINING

MATERIALS

ROLL-OUT

Most business owners at some point have had to write a business plan, but I am willing to bet that it was never intended or used to help direct or grow their business and that once the purpose for which it was written was satisfied it started gathering dust.

As the great "Zig Zigler" says to salespeople the world over " if you don't have a plan, stay in the car". What does this mean for many businesses trading right now?

There are many different ways to write a plan for a business, but the secret is in the research, the content and the implementing. I have included steps to what I believe to be the information that will help you improve your business.

Invest the correct amount of time researching and completing your plan, revisit it throughout the year and update it properly every 12 months, use it as a tool not a task.

You started or purchased your business because you had a dream and it is very likely that your business is your largest asset.

Ensure that you invest the correct amount of time working on your business because ultimately you will be the winner.

Executive Summary

Start by making a great first impression, in many cases the quality of information read here will determine if the reader continues to read the rest of the document and if it is just for your internal use this is your opportunity to promote your business even to yourself, you may find that some days this will be motivational.

Describe the business, its products or services and the market it operates in. Outline who is involved in the business, from you the owner, through to managers and key-staff. Be informative and excite the reader, write the summary in a conversational tone and write it in such a way that the reader could imagine that you were explaining your business to them in a friendly and confident manner. Take your time writing this and make it genuine, Google some examples for inspiration.

Mission & Vision

Your Vision describes the direction that your company is heading towards. It should be clear and achievable.

"Coca Cola" has the following for their Mission Statement.

Our Roadmap starts with our mission, which is enduring. It declares our purpose as a company and serves as the standard against which we weigh our actions and decisions.

- To refresh the world...
- To inspire moments of optimism and happiness...
- To create value and make a difference.

Your Mission Statement is the reason your business exists, the philosophy behind why your business was started and how it is an asset to your industry.

"AUDI" has the following for their Vision Statement.

IAC is a customer focused, technology driven company with dedicated people, focused on developing, producing and delivering high quality automotive products in time, on target to exceed customer expectations and to provide exceptional stakeholders value.

"The overriding idea is to build up an atmosphere of trust, cooperation and intensive communication."

This can be an ideal time to involve not just "Key Staff" but all staff, ask them what the company stands for, develop the themes together then look to deliver on the promises together.

Business Description

Begin with a short description of your industry. When describing the industry, describe the present outlook as well as future possibilities. Provide information on all the various markets within the industry, including any new products or developments that will benefit or adversely affect your business.

When describing your business, describe its products or services and its structure. For example; what the business is involved in, wholesale, retail, food service, manufacturing or service-oriented. Also state whether the business is new or already established.

In addition to structure detail whether the business is a sole trader, partnership or limited liability, who are the shareholders and directors and what skills they will bring or do they bring to the business.

Management, Key Staff, Advisors & Joint Ventures

One of the most important components to success in business is the expertise, experience and qualifications of your management team and the attributes, talents and abilities of you and the key members of staff.

Outline a brief resume of management and key staff - their qualifications, the experience and expertise that each of them has. Be creative with this, you want your readers to feel that they are doing business with a company of professional, highly skilled industry experts.

Advisors, as the saying goes, "it is hard to fly like an Eagle when you are surrounded by Turkeys". Look around yourself, are the people that are in a position to help your business, actually doing that? If not, improve the relationships you have or look to grow them elsewhere.

JV's, do you actively look to align yourself with businesses that can help your business grow, or add value to the products or services that you provide for your customers? List them here and find more, list potential ideas for growth and expansion into this area.

Situation Analysis

Describe your current market position, any advantages that you may have over your competition such as exclusive products, key personnel, competitive pricing or unique assets. How big is your market and what is your current share of it, how has it changed over the last 12 to 36 months and why.

This is a great opportunity to reflect on triumphs or hardships, you can learn from both. Describe in detail any failures and what you have learnt from them while also highlighting the wins, these could potentially be repeated or planned in new areas with similar results.

Talk with your staff and ask them to describe how they see the business, what changes they would look to make and their opinions of changes that have happened. If you have employed industry experts then use their knowledge and experience wisely, this can be great for making staff feel included and valued and often it can help you understand situations better.

SWOT Analysis

I feel most businesses fail to do this effectively. This is a fantastic opportunity to meet with staff in either business units or as a complete group and discuss the serious issues facing your business. Most industry professionals have worked for other organisations before they came to work for you, they have knowledge and ideas that they have witnessed in these companies, they also have learnt experience of when things didn't work out well. This is Gold!!

You will also find that a high percentage will have a network of peers that are in similar or same industries. You are not asking them to be deceitful or dishonest when comparing strengths and weaknesses of other businesses.

How can you truly grow without gauging your progress? You don't hire staff and then never evaluate them again, but many business owners I have met do just that with their business.

Strengths - List the strengths your company has as a business, along with any strengths that your business has in your industry and how this adds value to your market.

Weaknesses - List any weaknesses your business has, along with weaknesses when compared to your competitors.

Opportunities - What opportunities have you identified for your business and what opportunities are there for your industry now and in the near future.

Threats - What threats can you see for your business moving forward and what potential threats are there for you and your competitors, for example technology.

Competitive Analysis

The purpose of the competitive analysis is to determine the strengths and weaknesses of the competitors within your market, an opportunity to find areas that will provide you with a distinct advantage and to try and find ways to prevent others from entering your market.

Identify your current and potential competition. Look at your market from your clients' perspective and group all your competitors by the quality of what they offer or their price point. Then group competitors according to their various competitive strategies so you can decide what is working and what isn't.

Analyse your competitors' strengths and weaknesses. Your competitors' strengths and weaknesses are usually based around having, or not having, key product lines, key staff, quality market share, unique price points and assets.

Sales, Marketing & Advertising

Detail how you market your product or service. Who your clients and potential clients are, and how they are evolving. In addition to this is how you are selling to your market? Include your 12-month sales and marketing plan here. Highlight areas that you have identified for, Up-sell & Cross-sell opportunities, JV opportunities & Loyalty programs. Provide advertising strategies and budgets for print or TV advertising, direct mail, brochures & web.

Meet with your sales team and start recording what is working and what is failing in your industry, for example fax-outs were once fantastic for some products and completely useless for others, these are trends.

Right now, I believe the best way to make sales is through rapport and meeting with clients and prospects regularly. Does this suit your product, service or industry? If not, what does? This can also be an excellent time to mystery shop your competitor, discover for yourself and let your sales staff discover too why others are buying there.

This is also a great opportunity to involve non recognised sales people in your business for their input, both in the opinions of your sales team and constructive advice, but also in creating a team of sales people that stretches throughout your whole business they may already have the next referral or big account as a close friend or someone in their network of peers.

Industry Analysis

Describe in detail the industry that you are involved in, what is happening to your industry? Is it growing or shrinking? Is technology going to change it dramatically in the foreseeable future?

Provide details of your clients or target markets, such as an estimated value of your industry, geographical location of your clients, historical impacts such as in the early 1990's, technology changed the Architectural, Engineering & Surveying industries; this provided amazing opportunities for new and established service providers to sell new products and services.

Again involve the whole business with this, opinions are important and others might be right? This can be a crucial point in your companies future, often many businesses are so busy concentrating on the present that they are too slow to take advantage of the future.

As an example look at Telecom in New Zealand, Vodafone entered the texting market first, why did Telecom not lead this? How much market share did this one area of business cost Telecom?

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