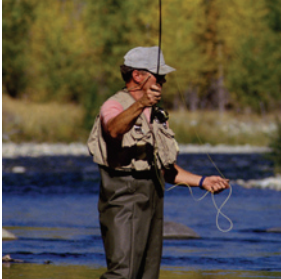


# STRATEGIC BUSINESS LEADERSHIP®

ACHIEVE GREATER PERSONAL AND BUSINESS SUCCESS



*Achieve Your Personal and  
Business Visions—and Get  
What You Want from Your  
Business and Life*

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# You Need A Plan

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The 21<sup>st</sup> century business landscape is more challenging than ever before. Consequently, members of an organization—including management—can become so involved and bogged down in daily routine activities that they often lose sight of their company’s purpose. And business owners, who may at one time have had a clear vision for their company, find themselves overwhelmed by organizational problems—losing perspective of business goals, objectives and future opportunities. Strategic Business Leadership<sup>®</sup> (SBL) is a process that provides direction and meaning to day-to-day business operations.

The SBL process is ideal for the privately owned business. Its purpose is to help you unleash the data necessary to create an effective strategic plan, allowing your business to capitalize on its strengths, neutralize its weaknesses, take advantage of opportunities and prepare for potential threats. SBL will help you find the best future for your company and the best path to take in to order reach that destination.

## Strategic Planning: What Is It?

Strategic planning is first and foremost a management tool. Like any other management tool, its primary purpose is to assist an organization to perform better and, ultimately, achieve success. Strategic planning can help an organization refocus its energies, ensure that all “team” members are working toward the same goals, and aid in making the course changes that are a response to an ever-changing marketplace. In short, strategic planning provides a framework that guides choices; these choices, in turn, determine the future direction and mission of a company.

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*Strategic planning unveils: What a business is, what it does and why it does it – with a focus on the future.*

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Many experts describe strategic planning as a process for renewal and transformation. They state fundamental differences between long-term business planning—which is reactive—and strategic planning—which allows an organization to create its future.

In long-term planning, experts believe goals and projections are based on the assumption of organizational stability. Strategic planning, on the other hand, assesses the role of an organization in context to its environment. This enables an organization to adapt its services and activities to stay in tune with the changes occurring in its environment. It provides the basis not only for improving performance, but also for the restructuring of daily activities, management, collaboration and evaluation of an organization’s progress in these efforts.



The final plan serves as a systematic management tool for problem solving, market planning, product and/or service development and full business plan preparation. The goal is to integrate all aspects of a business’s activities in a mutually supportive system. The plan is no more and no less than a set of decisions about what to do, why to do it and how to do it.

Successful strategic planning:

- Guides choices and leads to action
- Creates a shared vision
- Is an all-inclusive process between top management and/or business owners
- Focuses on an organization's environment; is external
- Is a key part of effective management



### Strategic Planning: Why Do It?

There are many reasons for developing a strategic plan—guidance, action and change, just to name a few. Planning and goal-setting have continually proven to be positive influences on overall business performance. Since strategic planning is all about goal-setting, its impact, if executed correctly, can unequivocally help a business operate better.

Furthermore, today's businesses must cope with constant changes in demographics, evolving workplace requirements and a roller-coaster economy. These obstacles can have both a positive and negative impact, thereby affecting each business differently. The best approach for dealing with these challenges is through strategic planning. Putting these challenges into perspective through a well thought-out strategic plan allows a business to address problems in a coordinated way. By bringing together the various elements of a problem, a total solution can be developed. This allows an organization to modify its environment and gain control of its future.

### Strategic Business Leadership® (SBL)

When it comes to business ownership, most entrepreneurs have a definite purpose in mind. They have an understanding of their external and internal environments, especially as they relate to the competitive forces that affect or impede the fulfillment of that purpose, and a creative nature that allows them to effectively respond to those forces. In fact, entrepreneurs carry around much of the information needed to create a rudimentary business plan right in their heads.

The steps of the Strategic Business Leadership® (SBL) process will help transfer the information kept in your head and the heads of your top management into a well-developed written plan so you have a precise roadmap of where your company is going. SBL also allows you to measure your progress step-by-step.

If ever there were a place where vision and reality meet, it is in the *written* strategic plan. The act of thinking about everything that must go into the plan will force you to think through the logistics of your business and perhaps even come up with some ideas you hadn't before considered.

A *written* plan can help you organize all the pieces that have to come together in order for your business to be a success. Many small-business owners believe they can keep track of everything without the need to write it down. A written plan, after all, is really just the embodiment of the internal planning that every business owner does anyway. However, the structure that a written plan provides makes it more likely that you will consider all relevant factors and that nothing of importance slips through the cracks.

Furthermore, even if your business is successful, and you have a well thought-out plan in your head, you need to be able to communicate your plan and collaborate on it

with others. Professional advisors, investors, management and employees all need to know what the future plans are for the company. They need to see where they fit in, how they can help and be able to share suggestions based on their expertise that will help the company succeed.

Having a written plan is an essential communication tool. It's just not practical to explain your operations and vision in person each time someone needs to know who you are and what your company is all about. Moreover, the odds are that most entrepreneurs have not thought out every significant aspect of their future business. Going through the process of creating a written strategic plan can help you be sure you haven't missed any significant factors that can cause your business to do a quick nose-dive.

SBL is a unique process. It is different from the strategic planning processes used by large conglomerates or publicly traded companies. With SBL, there is greater involvement on the part of the business owner; more flexibility is utilized in developing the strategic plan, and both a "personal" and "business" vision are defined.

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*An SBL plan is only meaningful for a privately owned business when considered in an integrated manner with the owner's personal vision for the business.*

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As the business owner, you will complete a variety of activities for each of the steps in the SBL process. These steps take place before a planning team, if there is one. A planning team generally consists of the top management team. The team will help guide strategies to meet the goals set. The planning team will not be involved until your thoughts as the business owner are committed in writing.

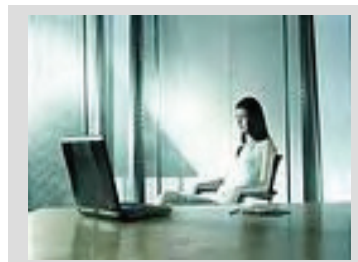
SBL considers your path to success to be much like riding a bicycle. The Front Wheel

of the SBL bicycle represents the business owner and his/her personal vision of happiness and success, summarized in a written series of concise 100-Word Statements. SBL's Rear Wheel represents the business and the plans (also broken down into written 100-Word Statements) required to reach professional success.

The business owner steers his/her SBL bicycle toward the future and begins pedaling on the journey of success. As the Rear Wheel, or business, revolves forward, it automatically transfers the forward motion to the Front Wheel—the owner's personal dreams of success. The business generates the power that leads to personal and professional fulfillment.

It's important to understand that your role as strategic business leader will not be easy. The process can be complex, challenging and even messy. There will be defensiveness and sensitivity from the others involved, particularly those who feel threatened. Therefore, don't be surprised if you find yourself experiencing feelings of frustration, anger or lack of fulfillment.

Strategic Business Leadership means continually asking the questions: are we taking the appropriate action, and are we doing the right thing? Strategic leadership is focused on the future, which is always subject to change, yet, to a certain extent, still predictable in the context of an organization's environment. Being a successful business leader requires constant "out-of-the-box" thinking that takes into consideration the big picture. It means having the willingness to embrace and adapt to changing circumstances.



## Steps to Success

The steps of SBL are designed for the small to medium-sized business to develop practical and workable strategic Action Plans with time-phased, measurable Goals. The program is ideally suited to allow the business owner to work at his/her own rate of speed.

Nearly every step throughout the process is detailed in a written 100-Word Statement. This ensures that only the most powerful and influential elements are included and that the plan is easy to update and modify as needed.

The SBL process involves an orderly sequence of activities, each vital to the process as a whole. The steps are:

### 1. *Company and Personal Vision*

A no-holds-barred written statement of what you want your company to be in the future—and what you personally want from your life.

In a privately owned business, there are typically two complementary business visions—each must be in sync with the other. One is a “Shared” Vision, which is openly communicated to employees and customers.

The other is the “Personal” Vision, which is kept “close to the vest” by the owner. It contains elements the owner does not wish to share with employees or customers. This may include plans to sell the company or bring on a relative to run the business.

### 2. *A Look in the Mirror*

A SWOT analysis of company Strengths, Weaknesses, Opportunities and Threats.

Some questions emerging during this phase include:

- Why does the business exist?
- What does your company do best?
- What is unique or distinct about your business?
- What is the basic need that your product or service fulfills?
- What is your customer’s view of the quality of your product or service?
- What are the principles, beliefs and values that guide corporate behavior in a positive way?

### 3. *Company and Personal Plans*

The Critical Success Factors (CSFs), Goals (short-term goals realistically attainable within 36 months), and Strategies and Action Plans collectively keep your company moving forward toward greater success. Goals and Action Plans must be specific and measurable. In addition, Action Plans must meet the SBL “S.M.A.R.T.” criteria:

S= specific  
M= measurable (impact to goal)  
A= attitude  
R= responsible party  
T= timeline

#### *Sample CSFs:*

- *Development of specialized new products*
- *Sales increases to offset higher wage costs*
- *Operating at full capacity*

#### *Sample Goals:*

- *Develop one new product within 10 months, two within 24 months and two more within 36 months*
- *Increase gross profit from 21% to 23% by year’s end*
- *Increase sales of current products by 10% by year’s end*

*Sample Strategies:*

- *Research alternative new product markets for customers, competitors and suppliers*
- *Create a new product development plan*
- *Create the new product marketing and sales plan*

*Sample Action Plans:*

- *Director of marketing to complete market evaluation by 10/15 concerning potential for new products*
- *Review options and recommendations from research team on 10/25*

Additionally, you will develop personal plans. These follow similar guidelines as company plans, but will focus on goals that have the greatest impact on your personal life.

#### 4. *Making it Happen*

Three key elements that maximize the likelihood that plans will be successfully carried out:

*Results-Driven Communication*

Using these instrumental facets of reciprocal communication will ensure that directions are clear and effect an emotional commitment or buy-in from all key players. Methods include the how, when and where of effective communication and establishing company culture.

*Weekly Review and Modification of Your Plan*

One of the most important factors in this step is scheduling time to monitor and revise your personal plans. Do this review weekly, if possible, and somewhere outside of work. Keep in mind, that no matter how much you

plan, you have to plan for the unexpected. Doing a weekly review will allow you to factor in the unplanned events.

*Self-Accountability*

As a business owner, you are vital to the success of your Action Plans. You are responsible for getting things done. One of the benefits of having a TAB facilitator/coach is that he/she will enforce accountability on you.

#### 5. *Turning the Wheel*

Ultimate success is dependent on being committed to keeping the SBL Rear Wheel constantly in motion. This takes a level of self discipline and accountability that is difficult for most business owners to achieve without the help of a coach.

Perpetual forward motion cannot take place without the consistent weekly review of the plans. Benchmarks and timelines must be checked, and revisions made as needed. Upon completion of an existing plan, it must be decided if a new plan will be implemented. The SBL process limits users to working on five plans at a time.

Staying on course toward success also requires the flexibility to embrace an unexpected change in plans. The business owner must be able to easily veer his/her SBL bicycle off the planned course and take an alternate course when appropriate.

Course changes can be necessitated by myriad factors including cash flow difficulties, a break-up in a partnership, the loss of a major client or customer, or a shift in focus due to a change in personal passion.

#### **Bringing in the Planning Team**

Upon completion and commitment to paper of the first three steps of the Rear Wheel, the business owner can call in a planning team (key employees and the owner), to

thoroughly review and discuss the 100-Word Statements.

The planning team's job is to challenge these statements and make any modifications they deem necessary and are agreed to by the business owner. When brought in early in the game, a planning team can save valuable time and energy on the part of the business owner.

The planning team should be a combination of "visionaries" (individuals who recognize the potential of the company) and "actionaries" (those who are cautiously optimistic about the current status of the company's resources and objective about the reality of the projected goals and tasks). The team should also consist of individuals with varying positions of power. Other interested individuals should also have the chance to be heard by all decision-makers.

Bringing in a planning team helps ensure that the Rear Wheel keeps turning and moving the bicycle forward, toward the future.

### **The Benefits of Strategic Business Leadership<sup>®</sup> (SBL)**

The SBL process can progress as rapidly or as slowly as the business owner wishes—ranging from one hour per month to a comprehensive, two-day off-site planning session, led by the certified coach to even more frequent planning sessions. The SBL process may reinvent your company and, again, is never ending. The company is thus "evergreen," growing and continuing to improve and expand.

If all steps in the SBL process are followed, the results will be the following:

- A demystification of the strategic planning process for your management team, with an ease of use and

understanding, replacing dread for the process.

- The entire management team will have a very clear picture of the strategic direction of your company and its vision.
- Both a "personal" and "company" vision are defined, which can be combined into missions.
- Your SBL-Certified Coach will facilitate the planning process, ensuring that all components are addressed and that input from all key players within the organization helps maintain balance and buy-in to the resulting plan. Your coach will also work with you to minimize planning barriers, using their experience as a source of tried and true processes.
- Your company will have better focus. It will be able to direct its resources, time and employees' efforts in the desired direction and avoid fragmentation on lower priority issues.
- The expression of everyone's best thinking.
- Commitment from all management on the key points of each step.
- The development of the strategic plan acts as a filter for any operational plans, new products or services, or new market opportunities being considered before implementation.
- Answers to questions about actions that should be taken for opportunities, such as:
  1. *Does this opportunity complement or violate the vision of the business?*
  2. *Does this opportunity deserve more or less emphasis in the future?*

3. *Does this opportunity involve products, markets and users that can be supported by the company's current areas of excellence? Or, will it require excellence in areas beyond the company's current capabilities?*

4. *Does this opportunity meet the size-growth, return-profit guidelines?*

- New insight into your business and a possible change of direction for your company.
- A tool for taking your company to the next level.

*An SBL plan is a dynamic document that should be updated on a regular basis.*

## **Conclusion**

Many business owners resist the concept of planning, using excuses from “I don't have time” to “Planning is too restrictive for my business,” to “I'm doing well, why do I need to change?” This is unfortunate because all businesses, even successful ones, can benefit from strategic planning. You might carry around the best-laid plan right in your head. But until you get it down on paper, you may never know what vital elements are missing that may or may not pose a serious threat to the success of your business. And the only way to clearly communicate your thoughts and personal vision for the company to others is through written word. Trying to articulate it verbally may cause confusion and misinterpretation—which could lead to unhappy, unproductive and uncooperative employees, partners and others.

A carefully constructed strategic plan can help any business do a better job. Periodic assessments to re-examine roles and responsibilities help focus efforts, leverage resources, reduce organizational redundancy and ensure accountability within a business.

Preparing a satisfactory strategic plan is a challenging, yet essential exercise—made all the more easier using the Strategic Business Leadership® process. SBL helps entrepreneurs to understand more clearly what they want to achieve and how and when it can be achieved. With a good plan, management doesn't get lost or constantly wander down dead-ends. Nor are unforeseen issues likely to sneak up on businesses that have written strategic plans.

An effective strategic plan is a “living” document that, with ongoing monitoring and revision, serves as a compass for guiding the business through inevitable change. When developed in conjunction with the SBL process, a strategic plan charts a business's direction, shapes its future and secures its growth and prosperity. No privately owned business should be without one.

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