



Strategic Planning for Your Business

It's that time of year when we should all quit working *in* our business so we can work *on* our business. Failure to do so can result in unanticipated—and unwelcome—surprises.

Failure to do so can also result in your missing out on wonderful opportunities that were right under your nose all the time. You were just too busy working *in* the business to see them.

All of us who own and operate—and probably live—in our business are limited by time and by resources. So it makes sense to stop from time to time to make sure we're putting our limited resources into the most important areas.

We live in a world of astonishing change—technical, social, population growth in our area, population ageing throughout the country, just to name a few.

Those who do the same things the way they always did are almost certainly going to work harder to maintain their present status, and almost certainly are going to lose ground to someone who finds a way to do the old things in new ways.

And it's not just in small business. My pastor, who was a military chaplain, wants to adopt a Zero-Based Budgeting concept for our Church. He wants us to get away from increasing last year's Mission budget by some arbitrary percentage, just because that's the way we've always done things.

Our business just completed our 6th Annual Strategic Planning Retreat, and it's a wonderful thing to reflect on where we have come, and to know that we have some certainty about where we are likely to go next.

I remember our first two attempts at doing this. We spent a lot of time and energy in the first two years, and never produced anything worthwhile! We knew what outcome we should have—sort of—but had no methodology or structure to get us there.

Now, though, we can do the whole thing in 9 hours of formal meeting time. We—the four of us—probably consume another 12 hours in getting ready and in followup activities after the Retreat ends.

Our business, which is a year-round tax, small business monthly reporting, and business counseling practice, is heavily influenced by advances in computer technology.

We face a bewildering array of hardware, operating system, application software, and other technology decisions.

Good decisions can lead us into new, profitable things we haven't been doing, as well as help us do the old things in newer and better ways.

Bad decisions can cost us time, money, and frustration.

And no decisions at all can lead to our going out of business within 5 years if we don't keep pace.

I have seen it happen. Within five miles of Fort Mill.

Strategic Planning helps us keep on track. It also reminds us that our growth in one dimension such as Technology must be balanced by equivalent growth in other areas.

Thus, our Strategic Planning focuses on five interpedentely linked aspects.

These five focuses are Customer Service (which is always first), Operations, Marketing, Education, and Technology.

Significant advances in any one focus are certain to affect the other four.

And just as certainly, significant deficits in one focal area are going to be felt in the other four.

Strategic Planning in the corporate world is now a managerial specialty unto itself. Large corporations have their own discrete departments, usually headed by a Senior Vice President.

Similarly, the MBA schools now offer concentrations just in Strategic Planning.

I've fulfilled the Strategic Planning role first at a medical school and later in an acute care hospital, and I can tell you that the need for strategic planning in a small business is just as acute.

Probably the need for planning in a small business is even more important than in the large organizations. The amounts of money at risk are greater, but so are the resources and the financial reserves.

For most of us Small Business Owners, however, the consequences of seriously bad decisions or of major opportunities missed are too terrible to contemplate.

We can lose the business and the family's primary source of income if we're wrong.

Now let me tell you the good side. It's not all that hard, it doesn't consume all that much time once you have the basic methodologies nailed down, and it is really quite a lot of fun.

I mean that about fun. It's wonderful to hear your co-workers say, "You know what, if we just did this one thing, we could..." And you're going to hear a wonderful idea that you never, ever would have thought about. And in future Planning Retreats you will look back at that time and say, "I don't even want to think about what would have happened if we hadn't done..."

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