

## **7 Keys to Planning for Profitable Growth**

By Wayne Wilson

**Most owner/CEOs started businesses and became successful by doing something that they already knew how to do**, and were good at, be it designing products or selling them. When the momentum of that initial success slows and the business plateaus, other business techniques must be brought to bear. One of those techniques is business planning.

Trying to get entrepreneurial owner/CEOs to adopt business planning processes is sometimes like wrestling a swordfish off the coast of Florida – they will fight you until they can't fight you any more. But it should not be that hard.

**The business planning process is really about clearly defining** who you are, what you want to do or accomplish, how you're going to do it and by when, and with what result. It's a process of asking yourself and your management team a few simple questions; thinking about, researching and agreeing on a set of answers; and then getting on with whatever those answers suggest you should do. Remember the old saying, "If you fail to plan, you are planning to fail."

**Here then are my seven keys to planning for profitable growth.**

### **1. Situation Assessment**

Think of the business planning process as planning for a journey. The first step in that journey is determining where you are now and under what conditions the journey will take place. Ask these questions about your business:

- Who are you?
- Where are you?
- What does the terrain look like?

Take your time here. Do not go to the next step until you are comfortable that you have developed succinct and comprehensive answers to these questions. Write them down in clear, simple language.

### **2. Mission & Vision**

Many entrepreneurs and CEO's of companies in transition disdain spending time on "the vision thing." But this is not about crafting lofty language and vague objectives. You are really trying to develop coherent answers to two very basic questions:

- What are you trying to accomplish?
- What do you want to be when you grow up?

Here's another way to think about these questions:

- Who are your customers?
- What are their problems?
- How can you help your customers solve their problems?
- What's in it for you if you are successful in helping your customers solve their problems?

Think intently about what your success will look like and what it will feel like. Be as specific as possible. Write it down.

### 3. Strategies

A journey can follow a variety of different routes many of which will eventually get you to your destination. They will differ in their length, cost, complexity, and the sights or hazards to be found along the way. One of the purposes of business planning is to find an elegant route, that is the simplest, least expensive, and most straightforward route that will take you to your destination.

Ask yourself these questions:

- What paths are available?
- Which ones make sense for your business?
- Which ones can you execute with a high probability of success?

Pick one to three strategies and commit to them. Write them down.

### 4. Goals

Everyone has goals, but for some reason many of us are loathe to write them down, let alone tell anyone else what they are. If we don't tell anyone, then we can't be held accountable. But that can cause a bigger problem. If your managers and employees don't know what your goals are, how are they going to know what they should be doing? Meandering employees is a sure route to mediocrity if not failure.

Ask these questions:

- How big do you want your company to become?
- How fast can it grow?
- When will you get there?

The specific answers are far less important than having answers that are achievable and that can satisfy your needs while allowing you to remain true to your mission. Write them down.

### 5. Action Plans

People really seem to hate action plans. They represent the performance choke chain around the necks of those meandering owners, managers, and employees. Action plans should be short (one page or less) and very specific while covering all of the key steps needed to achieve success in each particular area of the business. They should answer these questions:

- Who will do what?
- By what time will it be done?
- What is the expected result in dollars, numbers of sales, new customers, etc?

Action plans must be written down, tracked, and updated if and when necessary. And they should form the basis for incentive compensation for those responsible. Specific bonus objectives, like the hangman's noose, tend to focus the mind.

### 6. Communication

To be effective, mission, vision, strategies, goals, and action plans must be communicated to everyone in the organization. How else will your managers and employees know what to do if you do not tell them where you are going, how you are going to get there, and what is expected of them?

- Tell everyone.
- Keep telling them.
- And keep telling them (until they believe it).

Everyone learns through repetition – children, students, employees, and colleagues. And they need constant reassurance – that they know what they should be doing and that everything is going to be all right. Providing that constant reassurance on those two key points is the essence of leadership.

### 7. Execution

Once you know where you are, what your mission is, how you're going to accomplish that mission, and that your colleagues are on board, all that remains is to:

- Do it.
- Review it.
- Change it if necessary, but keep doing it.

With a good, clear, achievable business plan in hand, continuous, unrelenting execution is the central key to success.

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The star player of North Carolina's men's basketball team and National Player of the Year, Tyler Hansbrough, is the epitome of unrelenting execution. Referred to by television sports analysts as a player with more "will than skill," Hansbrough's team nickname is "Psycho-T." He is on the court practicing his game every day, 365 days a year. And when he's playing, it shows.

In the technology industry, people often disparage Microsoft, especially (and maybe jealously) for their phenomenal success. Without condoning their methods, one does have to marvel at one of their key success factors – unrelenting execution.

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Success in business often comes down to the two elements of the old selling maxim – **Plan your work and work your plan.** And in war, sports, and business, those who want it most will usually win.

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**Wayne Wilson** is the Principal of Wayne Wilson & Company, a business advisory services firm providing executive coaching and advisory services on growth-related issues to owner/CEOs of middle market companies. For more information, visit [www.waynewilson.com](http://www.waynewilson.com).  
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