

EIGHT NECESSARY QUESTIONS FOR YOUR STRATEGIC PLAN

To produce a strategic plan is one thing; to implement it is another. More than just a best guess of extrapolated numbers for the next five to ten years, strategic plans require action plans. Only action plans reveal to business leaders precisely how to accomplish business objectives.

Before you wrap up your annual planning session and show the world your strategic plan, make sure you know exactly how to execute the plans you prepared. These detailed tactics make the difference.

With my own business interests, and the businesses I consult with, eight trouble-free questions steer the strategic action-planning course. The questions compel business leaders to set goals, construct plans and get to work. Success is the byproduct of accurate planning and assiduous execution.

Key Questions

- **What is happening outside your four walls?** The economic, political and societal environment shifts constantly. Are you ready for economic expansion or contraction? Do you have established legislative and regulatory relationships to call upon when politics affect your business? How do changing demographics affect what you sell, how you sell it and to whom you sell?
- **How well do you understand your customers?** Customers now control your business. With many choices and options, customers will buy from another company if that company gives them what they want when they want it. Are you listening to your customers? Are you asking them about their changing needs? Are you seeking to better your customers' experience with your business?
- **What is the best way to grow your business profitably?** Businesses that profit stay in business. Do you realize that if everything is important, nothing will be important? Are you playing to your strengths and building on your success? Finding your best growth opportunities and eliminating or outsourcing unprofitable lines of business is key to building on your successes and repelling failure.
- **Who are your real competitors?** The business that offers your product with a better price, higher level of service and is taking or keeping away your customers is your real competitor. Why are your customers leaving? Why are they staying with your competitor? Where do you have a clear advantage? Are you informing your past, present and future customers of that advantage?



• **Do you have what it takes?** So many strategies go on the blink because leaders do not sensibly consider whether their business can get the job done. By listening to your customers, sizing up your staff and evaluating your current operations; a clear picture of the likelihood of success develops. Are product changes necessary? Do you need to acquire or develop necessary expertise in your people? Do you have the equipment and systems in place to fill orders and provide outstanding customer service?

• **Are you looking short and long-term?** Strategic action plans need real time results. Breaking down your action plan -- into one, three and five year goals -- provides your business a path toward continued growth. What will you accomplish in one year? In six months? This quarter? Four quarters add up to a year.

• **What critical issues face your business?** Every business holds five or six precarious matters that can mar it gravely or preclude it from capitalizing on new opportunities or reaching its strategic goals. Do you understand these issues? Will you openly talk about them with your Board and senior managers? Will you design plans to respond appropriately should these possibilities become real?

• **How will you continue to make money?** Cash flow is king in any business. Ask the owner. Does your strategy clearly explain how you will create real cash flow now and in the future? Have you incorporated the drivers of cash flow – revenue growth, strong profits, new business and customer loyalty? Better than new business, the best business is repeat business.

Ask these questions as you establish your business' vision and strategy. You will realize that your answers, when applied to your strategic and operational goals, will more deeply involve you in the details of getting things done. The more you understand the process, the sooner you will see goals become results.

