1. **PERSONAL OBJECTIVES OF THE BUSINESS OWNER(S)**

**What are your personal objectives as a business owner?**

A strategic plan cannot work unless all the business owners are totally committed and are open with each other about what they want personally from the business. After all, the business is there to serve the business owners, not the other way round.

Ask yourself “What do you want from the business to help improve your life?”

It is the BIG question, and it is the starting point for any strategic plan.

The checklist below is designed to help facilitate an open and frank debate amongst the business owners about their:

* Income target
* Roles in the business
* Exit routes
* Personal ambitions
* Success

The aim will be to get the business owners to complete the personal objectives target and then incorporate these into the strategic objectives.

Take some time to think about the following:

1. Are you happy with what you do in the business (i.e. your position, role etc)?
2. Do you have a retirement date or an exit route in mind?
3. Do you spend enough time away from the business?
4. Are there any particular events, trappings of success or experiences that you would like to happen over the next five years?
5. What are the most important things for you and what gets in the way?

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| **Important Things**  (Please rate) | **What gets in the way?** |
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Now summaries the results of the time you have spent looking at your personal objectives. As you start to look at the business strategy you should be thinking about how the business can help you achieve your personal objectives.

1. **SWOT ANALYSIS**

**What are your strengths, weaknesses, opportunities and threats?**

After you have looked at your personal objectives now is the time to look at your business as it is now, so you know your starting point for the journey ahead.

Take some time to examine your business and be honest in your assessment and make notes about urgent or really important things you need to address. This time you spend will help you when you assemble your strategic plan.

Make notes ahead of preparing your Strategic plan.

1. **PREPARING A STRATEGIC PLAN FOR YOUR BUSINESS**

Now you have looked at your personal objectives in life, what you want to get out of the business and the SWOT analysis so you know where you are, it is time to think about a 5 year plan to achieve those objectives and paint a picture of what your business will be like when it is “complete”.

This means the business works in meeting your objectives, you have eliminated threats and weaknesses and taken advantage of the strengths and opportunities. Once you have the picture or the vision you can then start taking actions to move your business forward. A strategic plan also has the advantage of letting you set targets or milestones so you can break down the end result into easier targets (say, annually).

Example – Draft some notes about what your business will look like in 5 years’ time and you will use this to look at actions you need to take in stage 4 of the process to get you there. For example, if your turnover is £100,000 now and you want it to be £300,000 in 5 years’ time then you can start thinking about how you will achieve this over the period and your annual targets and the actions you need to take to meet those targets.

This will take some time, but the value will be immense, do not worry about the detail, the overall picture is the important thing here.

**Strategic Objectives Checklist –** Write down your vision of the business in 3 years’ time

1. **Name of business**
2. **Type of business**
3. **Products / services offered**
4. **Business size:**
   1. Turnover
   2. Gross Profit
   3. Costs
   4. Net Profit
5. **Value of business** 
   1. Now
   2. In five years’ time

1. **Growth objectives**
   1. Sales
   2. Product development
   3. New products
   4. New markets
   5. Number of employees

1. **Market position** 
   1. Target market
   2. Basis of competition

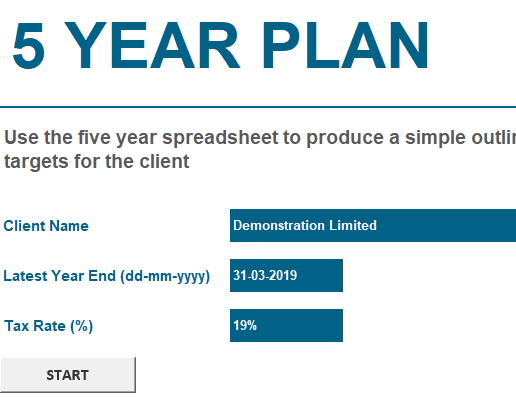
1. **Unique selling points** 
   1. Distinctive products
   2. Distinctive marketing
   3. Distinctive operations
   4. Distinctive customer service

Notes:

1. **WRITING YOUR STRATEGIC PLAN**

Below is a template to help you write your strategic plan down more formally. The purpose of doing this is to again allow thinking time as to what you are trying to achieve and to prepare your plan so that you can share this with key stakeholders in the business. Once this is done you will formulate the actions you need to take to achieve the end result.

In this section of the website you will see a 5-year plan spreadsheet which you can use to keep your target figures or manually using the schedule below.



**Why are these important?**

Because they are your annual targets which you can breakdown into quarterly or monthly figures to measure how you are doing more easily. They are the start of your management information or key targets, and these are vital to keeping you on track towards your strategic plan.

**[ Name of Business ]**

Strategic Plan

For the [X] years

Ending [X]

**Introduction**

This Strategic Plan represents the vision of [ name ].

This is how the business will look in [X] years’ time.

|  |  |
| --- | --- |
| **Contents** |  |
| 1. Products/Services Offered | **[Page No.]** |
| 1. Business Size and Growth Objectives | **[Page No.]** |
| 1. Geographic Scope | **[Page No.]** |
| 1. Target Market and Position Statement | **[Page No.]** |
| 1. Unique Selling Points | **[Page No.]** |
| 1. 5 Year Financial Plan | **[Page No.]** |
| 1. Other Strategic Considerations | **[Page No.]** |

1. **Products/Services Offered**

[Insert the kind of products/services to be offered by the business at the end of [five years].

|  |
| --- |
| **Products/Services** |
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1. **Business Size and Growth Objectives**

[Insert a summary of targets for annual turnover, costs, net profit, number of employees, growth rates etc. In effect this will be a summary of section 6].

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| **Summary Targets** |
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1. **Geographical Scope**

[Insert a summary of the market areas to be given when local or national]

1. **Target Market and Position Statement**

[Insert

* Type of customer
* Attitudes of customers; decision making process
* Position of business in market and its competitors]

1. **Unique Selling Points**

[Insert the Unique Selling Points for:

* Price
* Quality
* Customer services
* Advertising
* Reliability
* Product features
* Any distinctive events]

1. **Five Year Financial Plan**

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| --- | --- | --- | --- | --- | --- | --- |
|  | **Key Targets** | | | | | |
|  | **Current** | **Year 1** | **Year 2** | **Year 3** | **Year 4** | **Year 5** |
| Turnover | £100,000 | £140,000 | £180,000 | £220,000 | £260,000 | £300,000 |
| Direct Cost |  |  |  |  |  |  |
| Gross Profit |  |  |  |  |  |  |
| Sales and Marketing |  |  |  |  |  |  |
| Administration Costs |  |  |  |  |  |  |
| Establishment Other Costs |  |  |  |  |  |  |
| Net Profit Before Tax |  |  |  |  |  |  |
| Taxation |  |  |  |  |  |  |
| Net Profit After Tax |  |  |  |  |  |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **Now** |  | **In 5 Years** |
| Value of Business |  | £xxx |  | £xxx |

1. **Other Strategic Considerations**

[Insert any other features to be included in the plan]

1. **ACTION PLANNING**

Now that you have taken some time to think about what your business will look like in 5 years’ time you can start to think about setting some actions to get you there.

So now think about the SWOT analysis you did earlier and list the Fundamental challenges you must overcome to achieve your plan.

List these in order of importance and work through each issue using the guidance below. Essentially you are going to be designing systems to eliminate the problem from holding you back.

**Fundamental Challenges Priority List**

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| **The fundamental challenges in this business are:** |
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**Fundamental Challenges Worksheet**

This worksheet guides you step by step to meeting the fundamental challenges you face in business. The steps of the process are outlined below. Use this for each challenge identified above and start with the most important one.

**Challenges we face:**

[note down from above]

1. What is the real problem we must face in this challenge?
2. Determine the real business problem

* What results are we not getting in the business because of this problem?
* What is the annual financial effect of not dealing with the problem?
* Give examples of how we get distracted from our long-term aim by the impact of this problem:

1.

2.

3.

1. What is the ‘real’ problem?

* What kind of system would eliminate the problem?
* What result would have to be produced by a system designed to eliminate this problem?

1. Design a system to eliminate the problem

* Who designs the system?
* What are the main steps?
* What forms and documents will be needed to operate the system?
* What scripts will be needed?
* What elements of the management information package will be needed to measure any improvements?
* What employee training will have to take place?
* When is the system going to be up and running?

Now repeat this exercise for each challenge. Note you may have to take your time to start with until you can see results moving forward. Time and resources must be allocated to systemise these challenges. It may be useful to use an outside facilitator to help you on track with eliminating the threats and weaknesses in your business.

1. **MANAGEMENT INFORMATION WORKSHEET**

Now you have a vision of what your business will look like in 5 years’ time and an action plan to improve the systems it is time to install a simple check to make sure we are on track (monthly or quarterly) or not and then to make any necessary adjustments.

Ask yourself the big question:

What do we need to know each month   
to measure how we are doing?

Make a list of financial (turnover, gross and net profit) and non-financial (such as customer satisfaction, quality control, employee training, system changes) information you need:

|  |  |
| --- | --- |
| **Financial Information Needed** | **Non-Financial Information Needed** |
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