

# THE STOKELY LETTER



## WHY YOU NEED A STRATEGIC BUSINESS PLAN

Customers are changing.  
Competitors are changing.  
The marketplace is changing.

It has always been that way. But today business seems tougher than ever.

It is tougher. Whether your business is manufacturing office products or fork lift parts, servicing copiers or automobiles, serving depositors and borrowers at a bank or members of a trade association.....your **Customers and Consumers** are smarter than ever, and they are demanding more **Value** everyday.

And that isn't going to change!

Winning companies know that Strategic Business Planning serves as their personalized guide to recognize and compete for the opportunities continually presented by change.

## HOW TO DEVELOP A STRATEGIC BUSINESS PLAN

A company Strategic Business Plan is based on developing answers to three questions:

1. *Where are we today?*
2. *Where do we want to go?*
3. *How are we going to get there?*

These are the key questions whether your firm is a Fortune 500 company or a small to mid-market privately held firm.

Experience shows us that both the quality of the Plan and the Plan's effectiveness in guiding company behavior are greatly influenced by two factors.

1. The **involvement** of those responsible for making it happen.
2. The **commitment** of those responsible for making it happen.

## A CASE STUDY

The Heritage Company is a privately held mid-market sized manufacturer of office supplies. Its reseller customers are

undergoing unprecedented consolidation and are becoming more and more demanding. This is causing increased pressure on Heritage to reduce prices, improve order fill rates and slash delivery times.

Heritage has operated since its inception with an entrepreneurial style. Recently implemented new product and channel initiatives, as well as a quality program, have stretched the organization.

The Heritage Company is at a cross roads. The president decides that the company needs to develop a Strategic Business Plan to guide the firm's future decisions and support their implementation.

The Stokely Partnership Inc. is selected to lead the development of the Plan.

*Success Criteria Number One:*

### LEADERSHIP COMMITMENT

The president is committed to the process. He communicates throughout the company his belief in the need for and benefits from the process to create a company Strategic Business Plan.

*Success Criteria Number Two:*

### PARTICIPANT INVOLVEMENT

We meet individually with each key manager. Our conversations are confidential to assure openness and candor. The discussions help to clarify issues and opportunities each person feels Heritage faces.

We work as a "teammate" throughout the Planning Process.

A general overview of what we have learned is shared with the president. Together we identify and agree on key issues.

*Success Criteria Number Three:*

### AN EFFECTIVE PLANNING AGENDA

We develop a two day off site planning agenda focusing on key issues specific to Heritage Company. Our initial goal of the Planning Session is to answer the first question, "Where are we today?"

Then we will address, "Where do we want to go?" and "How are we going to get there?"

*(Continued)*



*Success Criteria Number Four:*

## **CREATING A SHARED KNOWLEDGE BASE™**

In preparation for the off site activity, three cross functional Planning Teams are created from key persons in the organization.

Each team prepares in advance a presentation on assigned topics.

Officers, managers and supervisors from different departments of Heritage find themselves working together for the first time!

Questions that have not been asked before are now asked. Information that has not been gathered, analyzed and discussed before now provides new insights. A sense of teamwork and discovery builds within each Team.

We serve as a resource for each Team to assure that they accomplish their objective.

*Success Criteria Number Five:*

## **AN EFFECTIVE PLANNING ACTIVITY**

There is excitement and enthusiasm as we gather at the off site location and begin our agenda.

The Teams present their Shared Knowledge Base™ reports. We all gain a broad and deep understanding of "Where we are today". Some of the "old timers" are amazed at what we know now that we didn't know before!

Next, the "Where do we want to go?" and "How are we going to get there?" questions are answered. This is accomplished through structured team and individual activities, brainstorming and consensus building. The methods we use are developed specifically for Heritage.

*Success Criteria Number Six:*

## **ONGOING COMMUNICATION AND VISIBILITY**

Shortly after the Planning Session, the president leads an overview presentation of the results for all managers and associates at Heritage.

Heritage commits to an ongoing and visible plan to implement the action steps which have been identified. Progress in achieving their goals is measured through performance indices that they have developed. These results are communicated throughout Heritage on an ongoing basis.

Plans for next year's Strategic Planning session are already underway to build on this year's success.

Heritage now views this process as its vehicle for continual company renewal.

## **SUMMARY**

- Successful businesses know the value and importance of effective, ongoing Strategic Business Planning.
- The Strategic Planning Process itself is at least as important as the Plan.
- A Strategic Planning Process which includes those responsible for implementing the plan encourages their commitment to achieve it.
- The Planning Process is an annual vehicle for company renewal.

As always, we welcome your thoughts, comments and experiences.



*The vision of things to be done may come a long time before the way of doing them becomes clear, but woe to him who distrusts the vision.*

Jenkin Lloyd Jones

*You either have to be first, best, or different.*

Loretta Lynn

*Never skate to where the puck is, but always to where the puck is going to be.*

Wayne Gretzky

**THE STOKELY PARTNERSHIP INC.**

**BUSINESS GROWTH SPECIALISTS**