



## Say “NO” to Business Plans!

### A Non-Traditional Approach to Planning

***Summary: Planning is a process not a destination. The following provides a time-efficient, flexible approach to creating a sales and marketing growth map for your business.***

*“Organizations are successful because of good implementation, not good business plans.” Guy Kawasaki, The Art of the Start*

Here is a fact that may surprise you: When business school professors and journalists surveyed *Inc* 500 CEOs about whether they had a formal written business plan before launching their business, only 30-40% said yes. And two thirds of these successful entrepreneurs said they significantly strayed from their original concept.

### The Growth Map – A “live” guide for your business

Perhaps after reflecting on your own business experience, you are not so surprised. In the past you have probably purchased software or hired a consultant to help you put together a comprehensive business plan. After weeks of meetings and piles of data, you produced an elegant bound document of several dozen pages.

But in the months that followed, that plan collected dust as you got back to the real work of running your business and searching for new opportunities. Clearly there is a disconnect – small business success is not dependent on the traditional, comprehensive business plan.

Why? Because traditional plans do not take into account the strengths and realities of small business:

- 1) Your competitive strength against larger competitors is the ability to change and adapt quickly. Your plan should let you do this.
- 2) The marketplace (and current economic backdrop) is changing very quickly. You should be able to jump on opportunities and minimize losses from these changes.
- 3) Technology now allows you to test many versions of marketing copy, ads, etc. and immediately observe the impact on your sales. If a marketing tactic is not working, you should try another.

The bottom line is that you need a plan that gives you structure and flexibility. You need a live guide that you can look to for direction, and also for options. The



following (which we will call a growth map to distinguish from a traditional plan) was designed to do just that. But before starting, a few clarifying words:

- This map was created for a functioning small business, not start-up ventures. It assumes you have your target markets defined as well as your product/service offerings.
- This is an internal, company document only. If you need to solicit funding from investors or banks, you will need to produce a more elaborate formal document.
- This plan is only focused on issues of sales and marketing. (We leave other important considerations of finance, operations and staffing to other, more qualified counsels.)
- We won't go into the nitty-gritty of tactics (stay tuned for future RoadMap Marketing Toolkits).

So let's start with a step-by-step process for generating a growth map:

### **1. Pre-Meeting: Set aside resources.**

Experts tout the need to commit and "stick to the plan". Here, you need only be concerned about committing to up front resources that you will invest in growth sales and marketing efforts.

Time: Schedule two hours for your growth meeting.

People: Invite all "growth-influencing" employees / contractors to this meeting.

Money: In 2006 the average business invested 4% of gross revenues in marketing. This number may vary by the type of margin you have, the industry you are in, or the real economic challenges you now face. But set aside a budget that you can invest in growth activities.

Place: Remove all distractions. Shut off the phone, etc. and consider an offsite location. If you can, use an outside objective resource like an advisor or facilitator to look at things from a fresh perspective.

### **2. Pre-Meeting: Look backwards at history.**

Have the following data prepared by your financial and marketing personnel:

The Year in Review:

- Revenue by quarter by source of income
- Key overall marketing metrics by quarter



- Inquiries (such as Website unique visitors, size of social network, media mentions, blog mentions, etc.)
- Prospects (such as Newsletter sign-ups, responses to direct mail programs, referrals, etc.)
- Customer retention
- Review/Scoring of Past Marketing Initiatives. For each marketing tactic or program from the previous year, how many sales, new customers, prospects and inquiries did you receive?

### 3. Pre-Meeting: Look at the landscape.

Assign someone to conduct a situational analysis or an overview of the current state of key customers, key competitors and key events (economic or market based). This does not (and should not) be complex, just those key factors that directly affect the growth of your business.

- For each of your major customers, do you anticipate any major changes in the quantity or product mix of their purchases?
- For a few major competitors, what is their current size, strategy and pricing? What customers of yours are they actively pursuing?
- What local or industry events may affect your growth plan in the year to come?

### 4. Meeting: Agree on a Common Destination.

The process of planning is often more important than the plan itself. Your growth meeting will get everyone on the same page with common goals, priorities and accountability. If possible, select a resource (internal or external) to facilitate the meeting, coordinate all the pre-work and keep the meeting on track.

In order to keep your growth session on track and energizing, lead the group toward a common goal by using this agenda:

- Purpose of this session (to produce a growth plan that will guide us through the next one or two quarters).
- Review of last year (summary of step 2)
- Situational Analysis (summary of step 3)
- Your growth goals (in \$ and % growth) by product/service line and/or customer group. (Use the last edition of Toolkit and the worksheet to set



goals. (<http://roadmapmarketing.com/Expertise.html>)

- Stretch
- Moderate
- Survival
- Brainstorm (step 5 below and the Marketing Scorecard)
- Agreement on Tactics
- Assignment of Responsibility for each Tactic
- Contingencies (step 6)
- Date for Next Review



## 5. Meeting: Brainstorm possible growth tactics.

Plan backwards. Start at your sales goal and then think how you will get there. (Example: for each sale we need x number of sales leads (proposals written, store visitors, etc.) and y prospects.)

Brainstorm all those marketing and sales initiatives that may drive revenue. As a basis you have the learnings from last year – those programs that worked and those that did not. Use the [Marketing Scorecard](#) to list these ideas and any new ones from the group. To help guide (but not stifle the process) you can look at the following four routes to growth:

- Actions to raise price and grow margins
- Ways to sell more to existing customers.
- Programs to generate new leads
- Targeting the most profitable markets

After listing the possible tactics, “score” them by ease of market access, revenue potential and cost. (Use the instructions for the scores listed on the scorecard.) Narrow in on those two or three tactics with the highest score and focus on these initiatives in the next quarter.

## 6. Meeting: Look forward and anticipate changes.

Especially in such turbulent economic times, things are bound to change. As a group, agree on potential “triggers” which will undermine your progress toward goal. If these occur, assign contingency plans so you are ready.

## 7. Follow-up: Communicate your plan.

Take advantage of the energy and cohesiveness of your meeting. Prepare a brief summary (two pages) of your final growth plan. This paper should document your goals, your tactics, who is responsible and how you will measure your progress. Communicate this summary to as many people as possible. You want to get as many “feet on the street” selling for your firm.

## 8. Move ahead.

Regularly communicate results versus goals in a visible public way so everyone remains focused on the common goal.

And finally, keep it fresh – update your growth map with a meeting every month or quarter.



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