

Your Game Plan

Strategic Planning for Small Business

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Your Game Plan

A Winning Strategy for Small Business

Have you stayed awake at night, fueled by an awesome idea for a new product or service?

Did you always imagine the day you could stop working for someone else?

Do you get excited about filling an unmet need?

Have you often dreamed of taking on the challenge of running your own business and enjoying the rewards of success?

Did you leave a company or a job you weren't excited about, only to end up feeling the same way you did before? Did you have an idea that you just knew, deep down in your gut, would have a positive impact on the world? Maybe you experienced what small business thought leader [Michael Gerber](#) refers to as “an entrepreneurial seizure” where you couldn't scratch the itch of being your own boss until it became a reality.

Like many new small business owners you probably dream of financial independence, the freedom of spending your time as you wish, being your own boss or feeling content by filling a void in the market. But most importantly, you want to achieve something you've never had the opportunity to achieve.

Unfortunately, many go-getters don't know what's in store as they venture forward to implement their brilliant ideas; they just know they want to go into business for themselves. However, sometimes the reality of owning a business is more daunting than you imagine. Luckily, by focusing on proactive and strategic planning, you can take control of your small business and begin growing your dream into a successful reality.

A business owner wears three hats

Gerber describes three hats worn by new business owners. You probably feel comfortable in two of them, the “technician” and “entrepreneur” hats, but you also acquired a “manager” hat along the way, which may be a less natural fit. The manager hat requires planning and pragmatism. If you’re like most entrepreneurs I’ve met, you’d rather come up with ideas than plan, organize and manage the financials. However, Gerber insists that all hats must be worn in order to succeed.

Speaking from firsthand experience, these hats might become your only wardrobe—unless you have a proper business strategy in place.

The importance of strategic planning

Turning your vision into reality requires a healthy, realistic approach and a well-crafted path toward success. You need to think realistically about where your business is going and be flexible about your expectations. Setting concrete performance measures is a great idea, but you need to support them with a realistic plan to achieve them.

This kind of strategic planning is crucial for success, but requires knowing how to do it and the discipline to do it consistently. Unfortunately, most small businesses don’t do strategic planning very well.

Will you be an exception to the rule?

In this e-book, I will share the strategic planning process we’ve used to grow our company over the past 10 years. By following these guidelines, your business can do more than just survive. You can thrive.

Let’s get started.

Clate’s Guidelines For Strategic Success

- Think realistically about where your business is going
- Be flexible about your expectations
- Set concrete performance measures
- Create a plan to achieve performance measures

01

Step One: Identify the purpose of your business

Have you ever asked yourself, quite simply,
“What is the purpose of my business?”

Every business needs a vision to guide and influence strategies and decisions. After all, if you don't know where you're going, you'll never get there.

In addition, to build cohesion and foster growth, everyone in your company has to share the vision. That's why it's so important to clarify your vision -- understanding the “why” of your business -- before building a strategy.

At Infusionsoft, we like the way [Jim Collins](#) teaches about vision in his book *Beyond Entrepreneurship*.

Collins breaks vision work into three distinct elements: Purpose, Values and Mission.



...if you don't know where you're going, you'll never get there. ”

Infusionsoft's purpose and current mission are:

Purpose: To help small businesses succeed.

Current Mission: To create and dominate the market for all-in-one sales and marketing software for small business, with 100,000 customers worldwide.

Every employee at Infusionsoft knows our company vision from the start. We also reference our purpose in conversations, meetings, email exchanges and more, so it shapes our work each day. A vision shared by all employees, whether it's just you or 12 others, is crucial to achieving your business goals. Just as valuable, a shared vision helps create a sense of community, making the journey more satisfying.

A shared vision helps create a sense of community, making the journey more satisfying.”



02

Step Two:

Analyze results for continuous improvement

We like to involve Infusionsoft employees from every department in our quarterly planning process. They give input through a series of exercises we call SWOT+.

In a SWOT+ session, everyone's voice is heard. It's a great way to celebrate successes, learn from mistakes and move forward as a team, but it's important that the facilitator of a SWOT+ session create a completely safe environment where honest input can be given and received openly.

Perspective is another necessary factor for a successful SWOT+ session. While a group will naturally respond to questions from their own team or department's point of view, the facilitator should help maintain a company perspective. Everyone is working toward shared solutions that support the mission.

Encourage everyone to speak up and participate. Write down all the ideas, preferably on poster board or giant, sticky notes hung on the wall. As you progress through the SWOT+ exercises, you can refer to the work you did earlier in the session.

Why do we call it SWOT+?

Many years ago, I learned how to take a team through a process that yielded the strategic issues we needed to address in our priority setting. A traditional SWOT analysis, a well-known term, is one of the exercises in that process. Over the years, we've tried several terms to describe the process and SWOT+ is the one that stuck.



SWOT+ is an exercise in focus and alignment, a bridge between your mission and the goals and priorities you'll identify in the next step."




Take Action

Involve your entire team in a SWOT+ exercise.

The full SWOT+ process:

- 1. Accomplishments (at least 30 minutes):** Talk about all of the good stuff and create a positive vibe, reflecting on the great work and results of the previous quarter.
- 2. Lessons Learned (30 minutes):** Include the good, bad and "ah-ha" moments of the quarter, and maintain constructive learning rather than allowing it to turn into a gripe session.
- 3. SWOT analysis: Strengths, Weaknesses, Opportunities, Threats (1 hour):** S & W are internal to the business; O & T are external. Spend up to 15 minutes on each item. Move through these sections in order, but allow for a few additions to previous topics as people get more ideas.
- 4. Strategic Issues (30-60 minutes):** This is the culminating step to identify the top 3-5 issues you will to tackle this year or quarter. Based on the previous 3 steps, use this step to capture strategic issues in this format: "How do we achieve X outcome, given Y situation or obstacle?" Caution: The focus here is to articulate the core issues; don't attempt deep problem solving at this point.

With strategic issues in hand, the group can now identify the top 3-5 priorities for the year or quarter ahead. Remember, SWOT+ is an exercise in focus and alignment, a bridge between your mission and the goals and priorities you'll identify in the next step.



Where performance is measured, performance improves. Where performance is reported, performance improves dramatically. Where performance is reported publically, performance improves exponentially.”

03

Step Three:

Understand how strategy guides planning

Regardless of the size of the organization, strategy is often misunderstood – and rarely done well.



When you take the time to define where you're going, you can develop a plan, stay on course, make adjustments as needed and reach your destination."

The foundation of a great strategy is leverage: Use your organization's strengths to gain an outsized return. With this in mind, what resources and capabilities can you leverage for maximum gain?

Performing an inventory of assets is a good place to start. To develop a competitive advantage that is sustainable, I recommend focusing on 3-5 core strengths of your company.

You may have heard strategy described as an exercise in saying "no." While it's true that resources for many small businesses can be scarce, making the best use of all your resources can put you ahead of your competitors.



A Strategy Planning Methodology

The structure we use to bridge our vision to daily operations at Infusionsoft is called our “Strategy Planning Methodology.” It breaks down our current mission into annual and quarterly priorities. The work of quarterly priorities then gets broken down into SMART objectives with specific owners and deliverables. Here’s what the process looks like in more detail.

Mission:

The current mission is typically achievable within the next 3-5 years. We often use the term BHAG (pronounced BEE- hag) or **Big Hairy Audacious Goal** (from the book [Built to Last](#) by Jim Collins). It’s fun to say “BHAG,” but just think of it as your current mission.

Strengths to Leverage:

3-5 key strengths you need to utilize to achieve your BHAG.

Strengths to Develop:

3-5 key strengths you will need to develop in order to achieve your BHAG.

Annual Priorities:

3-5 priorities you will focus on this year to either leverage current strengths or develop new strengths that will move you closer toward your BHAG.

Annual Priorities must:

- ✓ Support the current mission (via strengths to leverage and develop)
- ✓ Be set annually by the leaders
- ✓ Not become individualized by each department

Quarterly Priorities or Tactical Operating Priorities (TOPs):

3-5 priorities that support the annual priorities.

SMART Objectives:

Projects and/or large tasks required to achieve the quarterly priorities.

SMART stands for:

- ✓ **Specific:** Specific enough to fully understand
- ✓ **Measurable:** Can tell when it's complete
- ✓ **Achievable:** Can be completed
- ✓ **Relevant:** To the game plan
- ✓ **Time-Bound:** Has a deadline (a specific date)

As you can see, the Strategy Planning Methodology makes it possible to bridge directly from your company's overall mission all the way to SMART objectives. These objectives form the basis of specific decisions and actions that your employees need to carry out this quarter to make progress toward the mission. When everyone's on board, you've got a winning strategy—and a plan to make it happen.

04

Step Four:

Establish a meeting rhythm for success



Strategic planning isn't a one-time event. Once you've identified a strategy, it's crucial to stay focused."

One of the best ways to do that is with a steady rhythm of productive meetings. Use them to assess and learn from successes or failures of the current strategy, make course corrections and identify priorities for the coming quarter or year.

You may be wondering how often to revisit your strategic plan. The best meeting rhythm is specific to your business. **You'll need to identify the right mix of daily, weekly, monthly, quarterly and annual meetings for your business, and make them happen consistently.** If you have employees, draw upon their knowledge of key dates and deliverables to help find the right meeting rhythm.



Take Action

Work with your team to identify a cadence of ongoing meetings that will support your defined goals and objectives.

Based on ideas that [Verne Harnish](#) shares in his book, *Mastering the Rockefeller Habits*, our Infusionsoft leadership team follows this rhythm:

Meeting Rhythm

- ✓ 2 days for annual planning (deliverables = annual and first quarter priorities)
- ✓ 1 day for quarterly planning (deliverable = priorities for upcoming quarter)
- ✓ Half day monthly meeting to discuss progress on quarterly priorities and business-critical issues
- ✓ Weekly meeting to review key performance indicators for the business
- ✓ Optional: quick huddles for daily win/loss reporting

Strategic planning requires thoughtfulness and time. I recommend devoting two full days each year to create Annual Priorities, and one full day each quarter for Quarterly TOPs. Also, plan to spend a half day each month to assess progress on SMART objectives and discuss unexpected events or results that surface in the course of running your business.

Communication with your employees is critical to keeping the business on track. At times, this may mean holding daily, 15-minute huddles to review key metrics or other performance indicators. The sooner you get your business into a consistent planning and execution rhythm, the sooner you'll be able to delegate more responsibility to your team.

05

Step Five:

Involve and motivate your employees



Involving your team in the strategic planning process increases their personal investment. This is powerful, because it drives organizational alignment and a higher probability of success.”

Your team can provide you with a range of perspectives to help shape a winning strategy.

Your strategy must translate into day-to-day activity. Otherwise, how will team leaders know what to do in order to achieve the company’s goals? Daily relevance is also a key for employees who aren’t in leadership roles. They need to be aware of how their job affects the mission of your business. Each person matters. People need to know why and how their daily activities support the mission.

Increase employee clarity and confidence

At Infusionsoft, we’ve found an excellent way to provide clarity and confidence to employees. We call it “Big 3.” These are the 3 primary responsibilities of each role. The Big 3 do more than help employees know how they are doing in their roles, they also help connect the dots between what employees do each day and the company’s mission.

For some employees, the Big 3 can change quarterly. For others, it may make more sense to keep their current Big 3 for an entire year. But for everyone, it's important to review Big 3 periodically to ensure clarity and alignment with your mission and SMART objectives.

By focusing on three key metrics, employees see how their performance affects the company as a whole. It can be too easy for someone to sit at a desk, wondering about the impact they have on the mission, unsure of the real difference they are making. Regardless of what you call it, you and your employees will feel more confident if you create this type of mechanism to gauge performance.

At Infusionsoft we review the Big 3 on a quarterly basis. We also ask our employees to report progress and results for their Big 3 each Friday. That way, everyone knows how they contributed to our success before heading home for the weekend.

Take Action

*Define 3 key primary responsibilities that connect to your overall mission.
Work with your team to create a Big 3 for each of your employees.*

Company culture and employee productivity

People are the core of Infusionsoft. Part of our strategy is to help employees do their best possible work, and we do this by creating an environment where people feel comfortable. We want them to feel safe and valued by their co-workers, so they can express their ideas and follow their passions.

Each individual has a unique and special skill set we call “**native genius.**” In order to achieve our company goals, we foster an environment where each employee is empowered to thrive and exert their own special abilities. It works. People who feel uplifted in their work environment feel valued by the company and more emotionally invested. In turn, this motivates them to produce amazing results. I attribute a big part of our success at Infusionsoft to our culture.

Take Action

Identify your own native genius and work with your team to identify the native genius of each employee.

Conclusion

Strategic planning is the link between a great idea and business success. Based on the purpose for your business, a smart strategy helps you develop a plan of action. To help you and your team stay on track, meet at regular intervals to assess and enhance your strategy. Employee involvement is a key to motivation, aligning personal goals with your company mission. Analyzing company, team and individual performance is a great way to keep everyone working together.

In small business, a strategic game plan can help you do more than just survive. You can thrive—and win.



Where performance is measured, performance improves. Where performance is reported, performance improves dramatically. Where performance is reported publically, performance improves exponentially.”

Clate's Must Read Books

About the Author

Clate Mask, Co-founder & CEO, Infusionsoft – An entrepreneur since early in his career, Clate thrives on turning small businesses into big businesses. He's led the company to land three rounds of venture capital totaling \$71 million including a recent \$54 million Series C led by Goldman Sachs.

Regarded as a leading authority on small business marketing with a career in technology and entrepreneurship that spans more than a decade, Clate has been named an Ernst & Young Entrepreneur of the Year finalist, a Top 100 Small Business Influencer for two consecutive years, Business Leader of the Year by the Arizona Technology Council and most recently a "Most Admired CEO in the Valley" by the Phoenix Business Journal. Co-author of the New York Times bestseller *Conquer the Chaos: How to Grow a Successful Small Business Without Going Crazy*, he is a national speaker on entrepreneurship and writes regularly for media like *BusinessWeek*, *VentureBeat* and *Small Business Trends*.



Clate Mask

CEO & Co-founder of Infusionsoft

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Ready to plan
your own business
strategy?

Our worksheet will help
get you started.

Strategic Planning Worksheet

Turning your business vision into reality requires a healthy, realistic approach and a well-crafted path toward success. You need to think realistically about where your business is going and be flexible about your expectations. Setting concrete performance measures is a great idea, but you need to support them with a plan to achieve them.

Use this worksheet in conjunction with our Strategic Planning E-book to help you create a strategic planning process that will help your business survive, and thrive.

Step One: Identify the purpose of your business.

Every business needs a vision to guide and influence strategies and decisions. After all, if you don't know where you're going, you'll never get there.



What is your company purpose?



What are your company values?



What is your company mission?

Inspiration.

Read about our [culture](#) and learn more about how Infusionsoft [refined our own purpose, values and mission](#).

Step Two: Analyze results for continuous improvement

In a SWOT+ session, everyone's voice is heard. It's a great way to celebrate successes, learn from mistakes and move forward as a team. It's important that the facilitator of a SWOT+ session create a completely safe environment where honest input can be given and received openly.

Involve your team in a SWOT+ exercise

- 1. Accomplishments (30 minutes):** Talk about all of the good things and create a positive vibe.

Tip: Reflect on the great work and results of the previous quarter. This is your chance to pat yourself and your team on the back for a job well done.

- 2. Lessons Learned (30 minutes):** Include both the good and bad, "ah-ha" moments of the quarter.

Tip: Maintain constructive learning rather than allowing it to turn into a gripe session.

3. SWOT analysis: Strengths, Weaknesses, Opportunities, Threats (1 hour):

Strengths & Weaknesses are internal to the business; Opportunities & Threats are external. Spend up to 15 minutes on each item.

Tip: Move through these sections in order, but allow for a few additions to previous topics as people get more ideas.

4. Strategic Issues (30-60 minutes): This is the culminating step to identify the top 3-5 issues you are going to tackle this year or quarter.

Based on the prior 3 steps, use this step to capture strategic issues in this format: **“How do we achieve X outcome, given Y situation or obstacle?”**

Tip: The focus here is to articulate the core issues; don't attempt deep problem solving at this point.

Step Three: Understand how strategy guides planning.

The foundation of a great strategy is leverage: use your organization's strengths to gain an outsized return. With this in mind, what resources and capabilities can you leverage for maximum gain?



List The 3-5 core strengths of your company.



What is your BHAG?

BHAG: (pronounced BEE- hag) Big Hairy Audacious Goal

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List 3-5 key strengths you need to utilize to achieve your BHAG.

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List 3-5 key strengths you need to develop in order to achieve your BHAG.

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List 3-5 priorities you will focus on this year that will move you closer to your BHAG.



List 3-5 TOPs/quarterly priorities that support your annual priorities.

TOP: Tactical Operating Priorities



For each quarterly priority, list 5-10 SMART objectives that will help you achieve your quarterly goals.

SMART: Specific, Measurable, Achievable, Relevant, Time-Bound

Step Four: Establish a meeting rhythm for success

Strategic planning isn't a one-time event. Once you've identified a strategy, it's crucial to stay focused. One of the best ways to do that is with a steady rhythm of productive meetings.

Create a meeting schedule that meets your objectives. For each, identify the key players who will need to be involved, the time necessary to complete your objectives and any other essential items (such as meeting space).

	Key Players	Time	Space	Other
Annually				
Quarterly				
Monthly				
Weekly				
Daily				

Step Five: Involve and motivate your employees

Involving your team in the strategic planning process increases their personal investment. This is powerful, because it drives organizational alignment and a higher probability of success.



The Big 3: Define 3 key primary responsibilities that connect to your overall mission. Work with your team to create a Big 3 for each of your employees.



How often will you review and track and measure your Big Three?



Identify your native genius. Work with your team to identify the native genius of each employee.

Strategic planning is the link between a great idea and business success. In small business, a strategic game plan can help you do more than just survive. You can thrive—and win.