

2019 Strategic Planning Kit

Grow your business
with purpose

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Introduction

The majority of small business owners created a business plan as part of their overall launch.

But with the day-to-day of running the business, a lot of time goes by before you refer back to that plan—if at all.

Much can happen in the business during those years: priorities may have shifted, you added new products, key staff came onboard or moved on.

Suddenly, you realize that your course has changed as an organization, but your long-range plans aren't updated to reflect the new direction you're taking. Business strategy means having a long-range plan and milestones along the way that ensures you get there. And it should be something you do year in, year out.

The best way to ensure you reach your goals is to go through the important process of annual planning. This will help you formally identify if you're on track, or even if changes in circumstances—like new technology, market changes, turnover and new products—mean you need to reassess your long-range plan.

Each year, take the time to measure progress and assess the specific steps you'll take in the coming year to ensure that you stay on track.

At **Infusionsoft**, we believe in the power of collaboration. We invite our entire company to participate in annual planning because some of the best ideas come from the people whose hands are closest to the work. 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.

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 imagined.

Luckily, by focusing on proactive and strategic planning, you can take control of your small business and grow your dream into a successful reality.

This kit is designed to get you started on your annual strategic plan. You'll get:

- A detailed walkthrough of each aspect of the planning process
- A roadmap for the process
- A detailed worksheet that will prompt you to establish meeting schedules, tackle issues and set milestones for success

A business owner wears three hats

In his book, [**The E-Myth Revisited**](#), Michael 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, you'd rather come up

with ideas that plan, organize, and manage the financials. However, Gerber insists that all hats must be worn in order to succeed.

Guidelines for strategic success

- Think realistically about where your business is going
- Be flexible about your expectations
- Set concrete performance goals and create a plan to achieve them

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 goals is a great idea, but you need to support them with a realistic plan to achieve success.

This kind of strategic planning is crucial, but you have to do it right. And it takes discipline to do it consistently. This can be tough for most small businesses.

In this strategic planning kit, we're going to look at the strategic planning process Infusionsoft employed to **grow the company over 10 years into a \$100 million enterprise**. By following these guidelines, your business can do more than just survive—you can thrive.

Identify the purpose of your business

Have you ever asked, simply and honestly, “**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 that vision. **That’s why it’s so important to clarify your vision**—understanding the “why” of your business—before building a strategy.

In his book, **Beyond Entrepreneurship**, Jim Collins describes how a business’ vision is made up of three distinct elements: Purpose, Values, and Mission.

Infusionsoft’s purpose and current mission are:

Purpose: To help small businesses succeed.

Current Mission: To simplify growth for millions of small businesses worldwide.

Small Business Success Podcast Ep. 36—Getting Accustomed to Risk with Paul Tobey talks with us about making it after years of hard work and trying to find employees who weren’t just punching a clock. Find out how purpose, values, and mission really do help you attract the right people for your business.

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 that’s just you, 12 others, or hundreds in your business—is crucial to achieving your business goals. Just as valuable, a shared vision helps create a sense of community, making the journey more satisfying.

In the worksheet at the end of this kit, we’ll give you an opportunity to create a purpose statement for your business, which will propel you through your annual planning session.

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+.

Why do we call it SWOT+?

SWOT stands for Strengths, Weaknesses, Opportunities, Threats. This kind of self-assessment isn't new. It's the "+" that's a bit radical. We use the "plus" concept to refer to the inclusive, collaborative approach. Our exercise is not just for top executives: we invite our entire community to participate, and the effect has been powerful for Infusionsoft.

Many years ago, we learned how to take a team through a process that yielded the strategic issues we needed to address in our priority setting. Over the years, we've tried several terms to describe our process, and SWOT+ is the one that stuck.

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 the facilitator of a SWOT+ session creates 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.

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 year.
2. Lessons learned (30 minutes): Include the good, bad, and “ah-ha” moments of the year, and maintain constructive learning rather than allowing it to turn into a gripe session.
3. SWOT analysis: (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 to 5 issues you will to tackle this year or quarter. Based on the previous three 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 to 5 priorities for the year 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.

Understand how strategy guides planning

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

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, we recommend focusing on 3 to 5 core strengths of your company.

Now you may have heard strategy described as an exercise in saying “no.” While it's true that resources can be scarce for many small businesses, annual planning is really about making the best use of all your resources so that nothing is forgotten or ignored. This kind of strategy will help put you ahead of your competitors.

A strategy planning methodology

You need to bridge your overall vision to daily operations. The idea is to break down your 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 coming 3 to 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).

Strengths to leverage: 3 to 5 key strengths you need to utilize to achieve your BHAG.

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

Annual priorities: 3 to 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 to 5 priorities that support the annual priorities. These are spelled out for all four quarters of the coming year, giving you measurable milestones throughout the year.

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 truly possible to bridge directly from your company's overall mission all the way to SMART objectives for each member of your staff. 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.

The accompanying worksheet will take you step by step through each of these strategic concepts: BHAG, TOPS, and SMART. As you answer each question, you'll see how they fit together and align your entire business in one direction.

Perhaps the most powerful effect of this method is that your employees co-create their vision, and then have a tangible map to show how their work contributes directly to the company vision.

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.

Verne Harnish shares a good rhythm in his book, **Mastering the Rockefeller Habits**:

Meeting rhythm

- Two days for annual planning (deliverables = annual and first-quarter priorities)
- One 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. So, we 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.

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

Need a hand as you work through your meeting schedule? The handy chart we included in the accompanying worksheet at the end of this kit will help you plot out the details.

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 three 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 three 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. We 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.

Must-read books for successful strategic planning:

- **The E Myth Revisited**, Michael Gerber
- **Beyond Entrepreneurship**, Jim Collins
- **Built to Last**, Jim Collins
- **Mastering the Rockefeller Habits**, Verne Harnish

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