

Business Planning 101: A Four-Step Process

Step 1 - Define Your 3-Year Goal

How much do you want to be selling in three years (gross sales volume, ex. \$1.0M)?

How many clients do you want to have to accomplish your 3-year goal (i.e. 10 accounts with each having \$100K in sales for a \$1.0M goal)?

How do you want to be servicing these accounts (i.e. through technology, through creative, through platform)?

The 3-year goal is important to establish a target for your business. Once established, the next step is to start reverse engineering the plan to ensure that it is realistic.

Step 2 - Define Your 2-Year Objective

Where do you need to be in 24 months from a revenue perspective to accomplish your 3-year goal?

How many clients do you need, and what volume per client?

How do you want to be servicing these accounts?

How will you have to be supported to service these accounts?

Next, look at your business from a milestone standpoint. This will provide you a target that represents a key benchmark. By defining your 24 month milestone, you can now back into your 1-year plan.

Step 3 - Define Your 1-Year Objective

Where do you need to be in 12 months to accomplish your 36-month goal?

How many of your current clients are in alignment with your 3-year plan?

How many of your current clients are NOT in alignment with your 3-year plan?

How many of your current clients are being serviced in alignment with your 3-year plan?

This is the moment of truth. Most people that perform this exercise quickly realize that many of the things that consume their day are not in alignment with their 3-year goal. Said another way, they are working hard but not necessarily smart. Most sales professionals in the promotional industry should probably fire up to 50% of their current business. This exercise will hopefully provide you with this type of visibility.

Step 4 - Define Your Quarterly Metrics

What do you need to do in Q1 (Jan-Mar) and in Q2, Q3, Q4?

Define the daily tasks you need to complete to achieve each quarterly goal.

This should be a deep dive into the tactical actions you take to run your business. Some professionals will need to fire clients, while others will need to start prospecting. Some will need to find a business partner to relieve the administrative burden, while others need a technology platform for scaling their customer opportunity.