

# Business Planning

John Knight

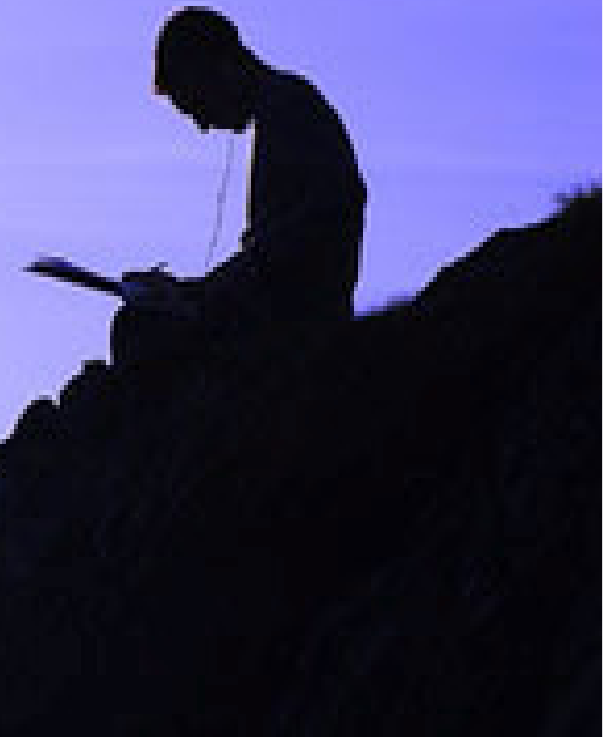
UHY Haines Norton

Wealth Conference  
**2009**

**Ray White**<sup>TM</sup>

# Agenda for today

<b>Identifying Your Growth &amp; Profit Issues</b>	
<b>4 Step Problem Solving Process</b>	
<b>One Page Plan</b>	
<b>Solving You No. 1 Issue</b>	



**Strategic Planning Model**  
**K.I.S.S – one page plans**  
**Is property management any**  
**different to most other**  
**businesses?**  
**Cascading plans**

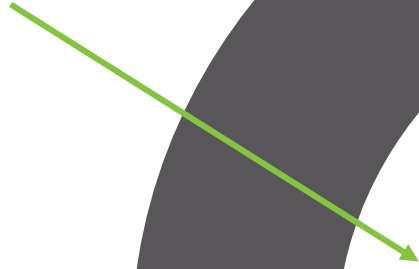
**Now Where How**  
**Problem Solving Sequence**  
**Strategic SWOT**  
**Mindshop Process**

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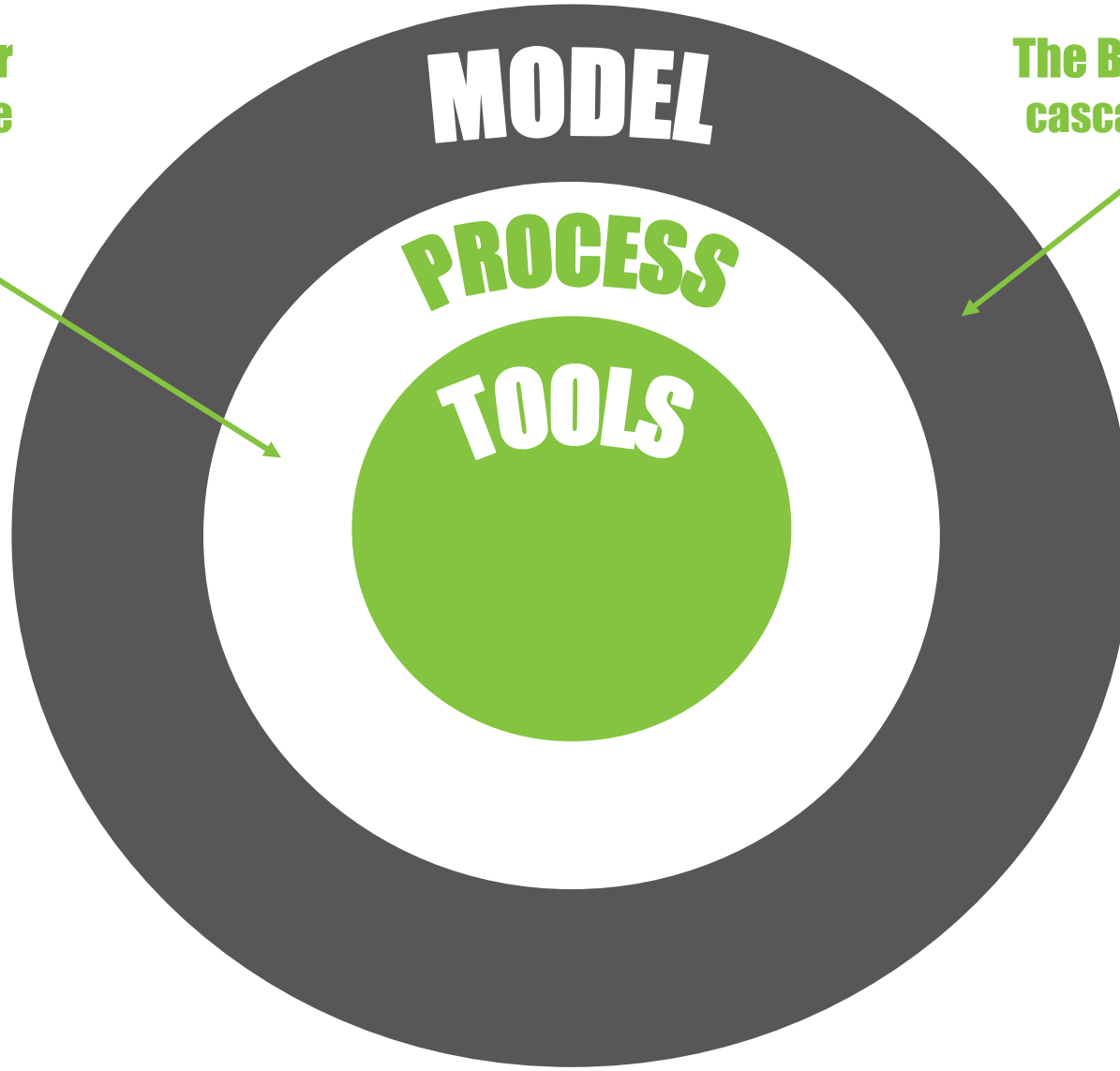
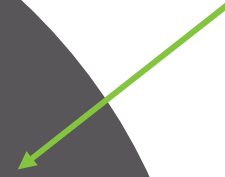
**Model = Overall View**  
**Tools**  
**Process (sequence of tools)**

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**The enabler  
– a sequence  
of tools**



**The Big Picture  
cascading plan**



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# KISS.



# NOW - WHERE - HOW

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**Business  
Plan**



**HOW** do we  
get there?

**Strategic  
Planning**

**WHERE** will  
we be  
in the future?

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**“4 step  
problem  
solving  
process”**

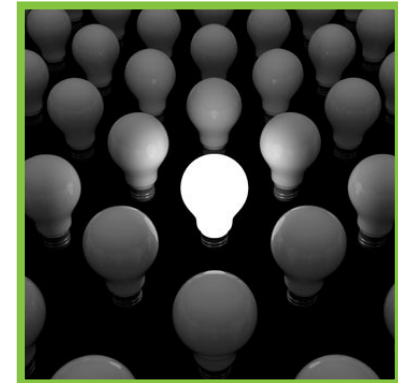
# Powerful Problem Solving Sequence

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**The following tool sequence will enable you to comfortably address of all strategic (or even non-strategic) issues you face in your business.**

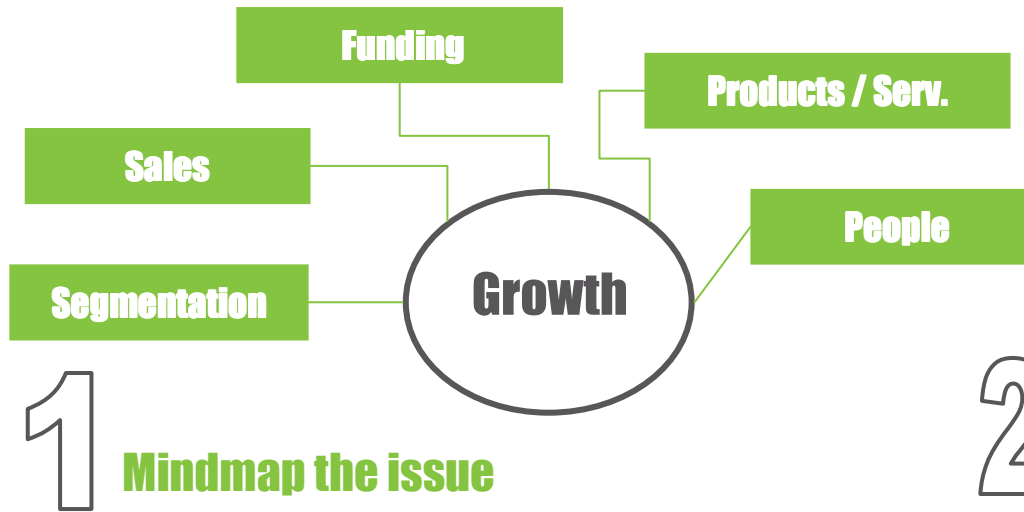
**Mindshop Problem Solving sequence:**

- 1. Mindmap**
- 2. Pareto**
- 3. Force Field**
- 4. One Page Plan**



# Powerful Problem Solving Sequence

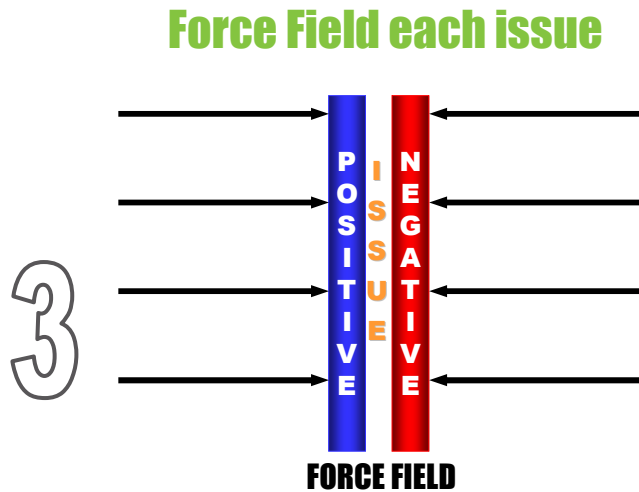
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## Top 3 from Mindmap

1. People
2. Funding
3. Sales

**2 Pareto the Mindmap for Top 3**



## Put into a One Page Plan

**4**

HOW	One Page Plan HOW	WHERE
STRATEGIES	ACTION PLANS	TIMING - Who & When

# MINDMAPPING

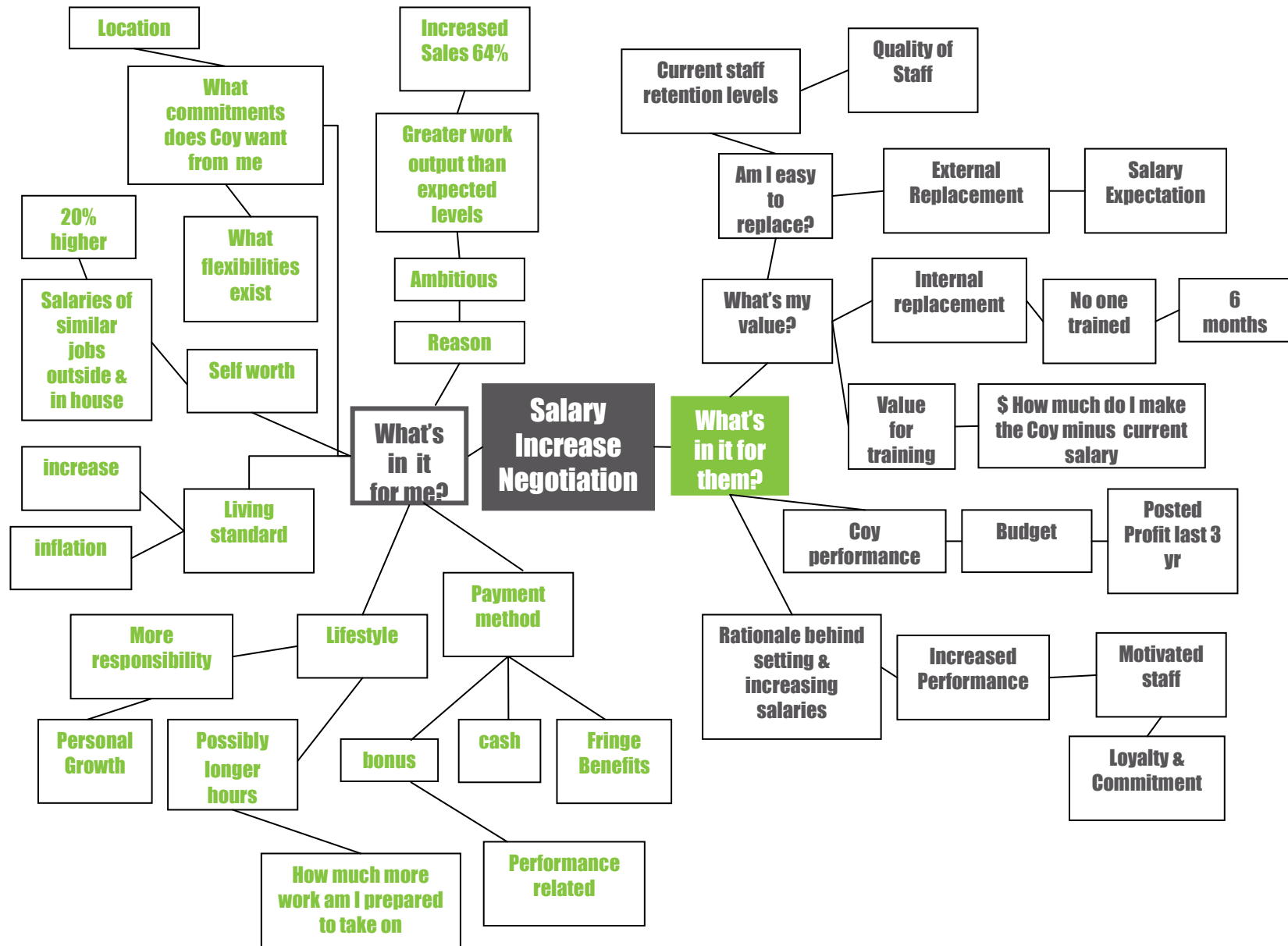
1. Define the issue.
2. Brainstorm the elements.
3. Add branches to form the mindmap.

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# MINDMAPPING

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# PARETO ANALYSIS

**Use this tool when you need to sort out the vital few from the trivial many**

**It is based on the premise that 80% of problems are due to 20% of the possible causes.**

**These 20% are the vital few problems a process improvement focuses on.**

**This tool is also called the 80/20 Rule.**

## **Examples:**

**80% of sales are made by 20% of your sales people**

**80% of your profit comes from 20% of your customers**

**80% of your problems comes from 20% of your products**

**20% of your clothes are worn 80% of the time**

**20% of your products provide 80% of your sales**

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# PARETO ANALYSIS



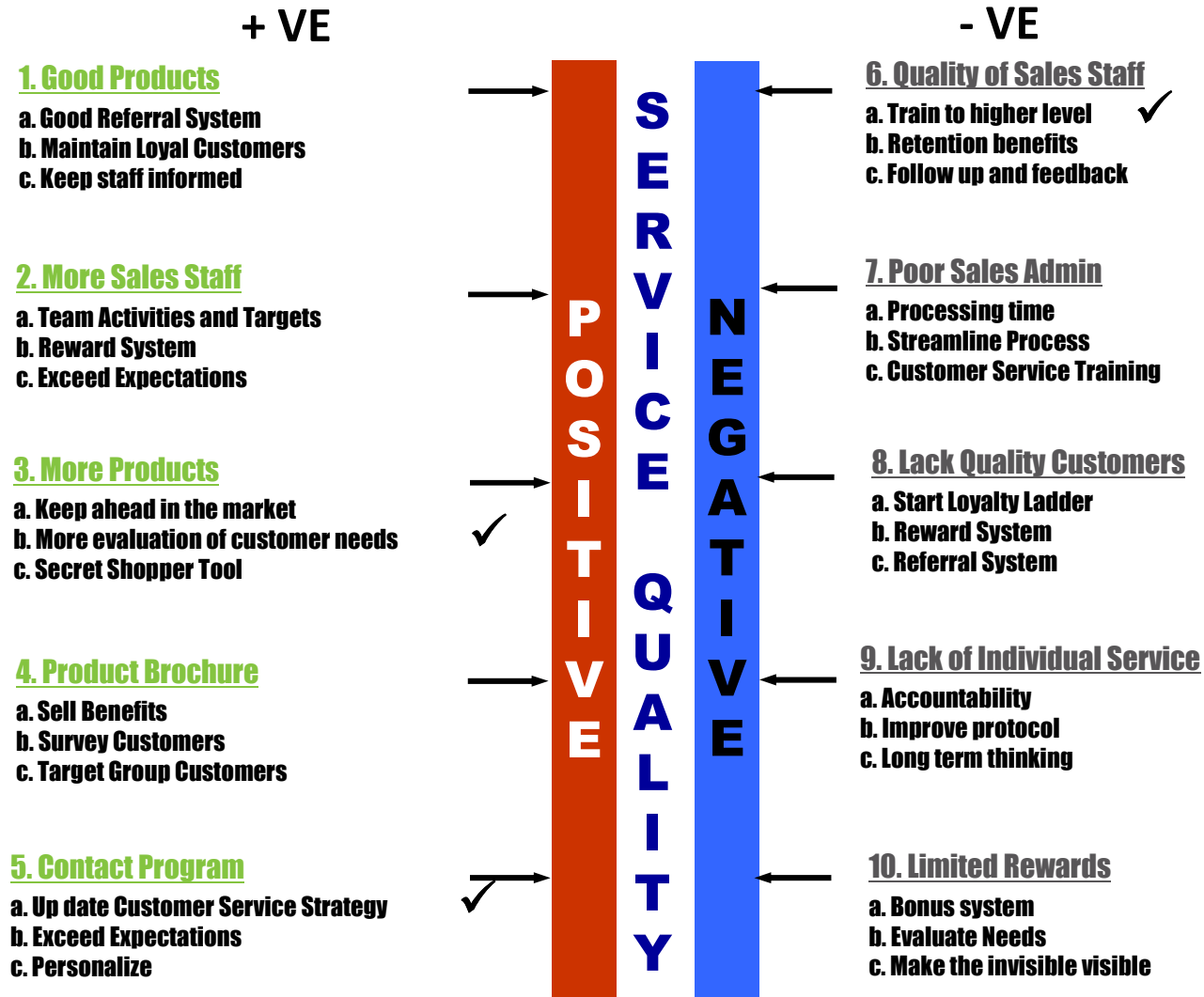
- Price points that maximize sales and margin.**
- Management involvement in the sales process.**
- Innovative incentive program for the sales team. ✓**
- No poor quality customers.**
- Change Organisations structure.**
- Small highly focussed sales force.**
- Leading edge product development. ✓**
- Video links to customers and field staff.**
- Global sales to reduce risk & local economic issues.**

- Double our sales. ✓✓✓**
- Everyone pays on time.**
- Lessen Product Range.**
- No bad debts.**
- Clearer Vision. ✓✓✓✓✓**
- Competitor Analysis.**
- Outsource more.**
- New Website.**
- Launch New Product.**
- Improve client selection process.**
- Implement contact program.**
- Cut unprofitable products.**
- Reduce costs by 10%. ✓✓✓✓**
- Staff Retention. ✓**
- Close Plant.**
- Succession Plan.**

Top Three Issues	
1.	Clearer Vision
2.	Reduce costs by 10%
3.	Double our sales

# FORCE FIELD

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- 3 Key actions to address key issue**
- 1. More evaluation of customer needs**
  - 2. Update Customer service strategy**
  - 3. Train sales staff to higher level**

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**“One page  
plan”**

# ONE PAGE PLAN

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NOW	<b>COMPANY XYZ GROWTH PLAN</b> <b>Date Revised: 10<sup>th</sup> August 08</b>		WHERE	
<ul style="list-style-type: none"> <li>• Sales \$10 million</li> <li>• Stagnant growth</li> <li>• Profit 4%</li> <li>• High turnover employees</li> </ul>			<ul style="list-style-type: none"> <li>• Sales \$15 million</li> <li>• Clear Sales / Marketing strategy</li> <li>• Reduced product lines by 20%</li> <li>• Regular Team Projects</li> </ul>	
STRATEGIES	ACTION PLANS		TIMING - Who & When By	
<b>IDENTIFY PROFITABLE PRODUCTS.</b>	<ol style="list-style-type: none"> <li>1. Activity Based Costing exercise</li> <li>2. Make decision on cutting 20% of products</li> </ol>		<ol style="list-style-type: none"> <li>1. MP</li> <li>2. JS</li> </ol>	<b>Immediate</b> <b>January</b>
<b>ADOPT MINDSHOP PROCESS ACROSS ORG.</b>	<ol style="list-style-type: none"> <li>3. 1 Page Plan top 20% customers</li> <li>4. Get leaders running run 8 week project teams</li> </ol>		<ol style="list-style-type: none"> <li>1. JS</li> <li>2. JS</li> </ol>	<b>December</b> <b>December</b>
<b>ENGAGE NEW SALES MANAGER</b>	<ol style="list-style-type: none"> <li>5. Recruit new sales manager</li> <li>6. Regional selling events</li> </ol>		<ol style="list-style-type: none"> <li>1. BM</li> <li>2. JS</li> </ol>	<b>January</b> <b>February</b>
<b>SURVEY CUSTOMERS</b>	<ol style="list-style-type: none"> <li>7. Survey customers re: needs / wants</li> <li>8. Identify un-tapped new opportunities</li> </ol>		<ol style="list-style-type: none"> <li>1. JS</li> <li>2. JS</li> </ol>	<b>January</b> <b>February</b>

# ONE PAGE PLAN

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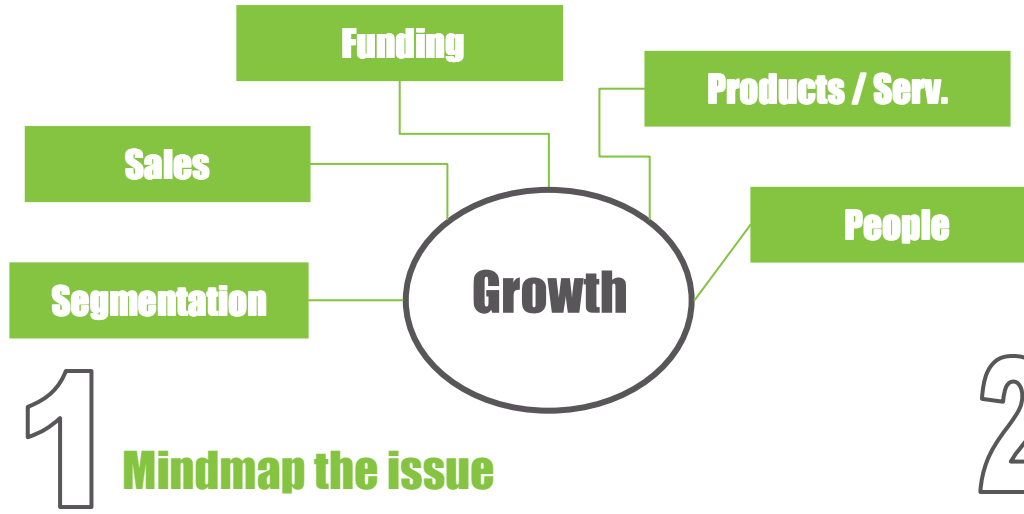
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**TEXT**

# Powerful Problem Solving Sequence

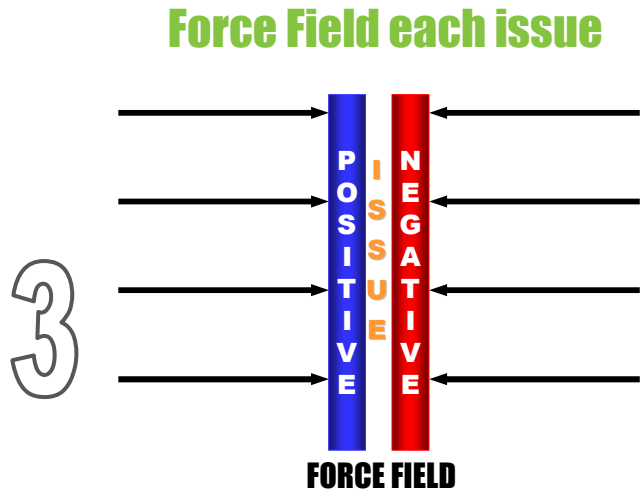
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## Top 3 from Mindmap

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**2 Pareto the Mindmap for Top 3**



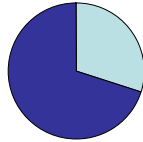
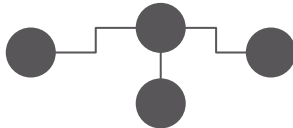


## Put into a One Page Plan

**4**

NOW	One Page Plan		WHERE	
	HOW			
STRATEGIES	ACTION PLANS		TIMING - Who & When	

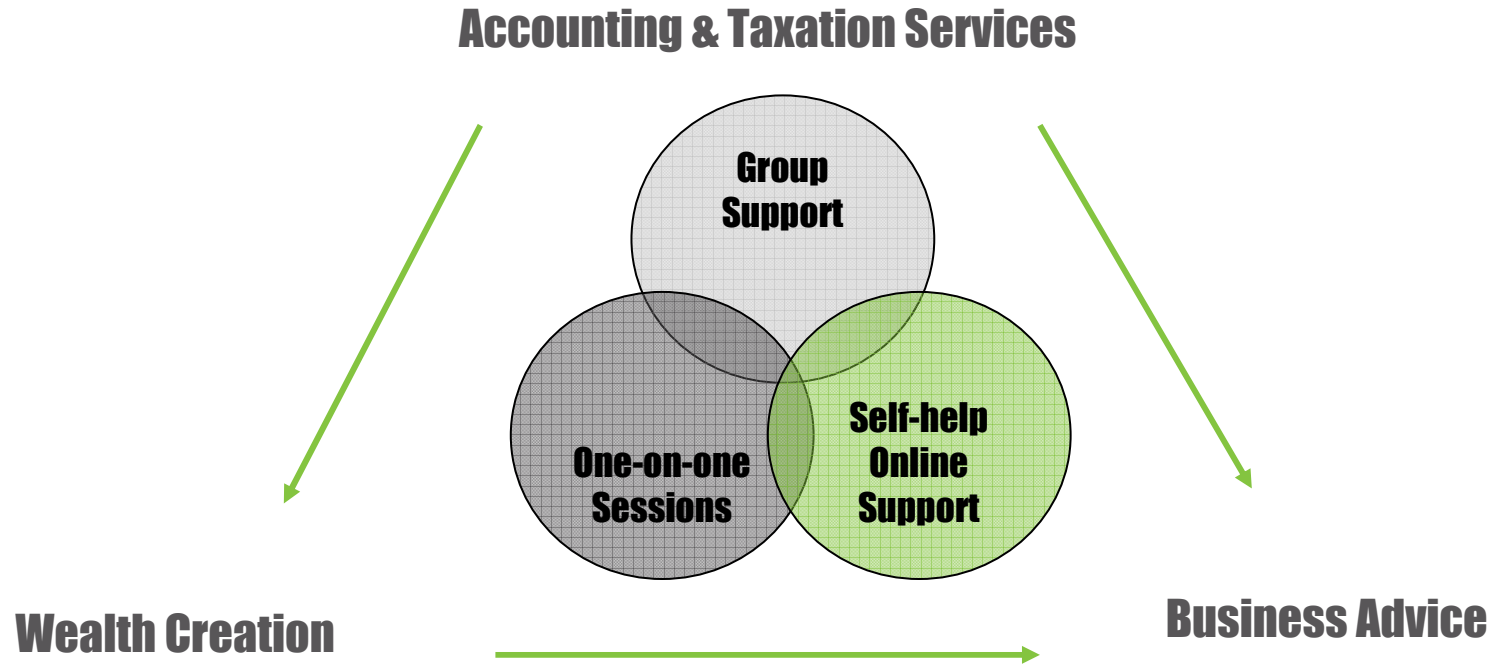
# 4 ways to grow a business

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MARKET PENETRATION	
EXISTING PRODUCTS – EXISTING MARKETS (Easiest but ignored as a strategy)	
<p><u>WORDS</u></p> <p>Increase market share by holding price and increasing value each year</p>	<p><u>VISION</u></p> <p>The Rest  ← Us 30 %</p>
MARKET EXPANSION	
EXISTING PRODUCTS – NEW MARKETS	
<p><u>WORDS</u></p> <p>Open three international markets Appoint local consultants Select market developments coordinator</p>	<p><u>VISION</u></p> 
PRODUCT EXPANSION	
NEW PRODUCTS – EXISTING MARKETS	
<p><u>WORDS</u></p> <p>Alliances Develop phase 2 products Research</p>	<p><u>VISION</u></p> 
DIVERSIFICATION	
NEW PRODUCTS – NEW MARKETS (Most Difficult but looks attractive to do)	
<p><u>WORDS</u></p> <p>High risk Need high profit</p>	<p><u>VISION</u></p> 

# The Implementation Gap

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# Tip #1

**Involve the entire  
team**

**(not only may they have some good ideas – it  
gives them ownership)**

# Tip #2

**Have an open mind –  
facilitate instead of  
dictate**

**(sometimes it helps to have someone else to  
facilitate)**

# Tip #3

**Have a process and  
follow it**

**(some shortcuts will jeopardise the outcomes)**

# Tip #4

**A business plan is not  
a static document**

**(review, realign and reward)**

# Tip #5

**Don't just leave  
it in your drawer**

**(bring it out when you need to  
make decisions or start  
questioning the plan)**

# Tip #6

**Assign responsibilities  
and deadlines  
(delegate, delegate, delegate)**

# Tip #7

**Be realistic yet  
challenging**

**(Rome wasn't built in a day)**

# Tip #8

**Ignore what you  
cannot control or at  
least influence**

**(for example: economy, interest rates,  
government regulation)**

# Tip #9

**Focus on the easiest  
actions that have the  
greatest impact**

**(Pareto knew what he was talking about)**

# Tip #10

**Don't forget to  
implement it!**

**(Implement, Implement, Implement!)**

**Hopefully something for everyone to learn.**

**You need to know your business and the critical drivers of profits and losses.**

**I've focused on the financial aspects of your business – you need to consider the impact of all of this on staff.**

**Questions / Discussion**

Please do not rely on the information or calculations within this presentation without first seeking specialist advice based on your specific circumstances.

Many assumptions have been made within the calculations that are not detailed within this document.

It is important that the principles detailed within this presentation are applied to your specific circumstances before they can be relied on.

We accept no responsibility for any loss suffered as a result of relying on the information within this presentation.

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**Resources:**

[One Page Plan](#)

[Force Field Template](#)



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