

Hi everyone. This is Wayne Rivers at FBI, where *We Build Better Contractors*.

Last week we talked about six tips for getting off to a fast start in the new year, and one of the tips is to review your strategic plan. So, this week I want to talk about what is a strategic plan not. I guess there might be an infinite number of ways to create a business plan. And boy, we've seen all of them I think over the years. So, I want to talk to you specifically about what is a business plan not. Okay? Why is this important to you? Because a business plan should look a certain way, feel a certain way, inspire your people in a certain way, and these attempts that we've seen that have come across our desks over the years don't do any of that stuff. I guess there's a lot of difference in how people define business plans.

So having a mission, vision and value statements alone is not a business plan. In the 1980s, when I was really coming along in business as a young man, there was a cottage industry of all these people that would go around and do mission statements. They would consult on creating a mission statement, and people would put this mission statement up in their lobby and it would be, oh my gosh, the page is covered in words covered in ink. Nobody under that roof could possibly recite that garbled, long, convoluted mission statement. And there was always strive in there. Oh my gosh, it was just awful. So, your mission, vision and values are a critical component of your company, of how you evangelize and talk about your company. And they're a critical part of your business plan too, but they alone do not make for a good business plan.

Goals, targets, mileposts, long lists. No, I'm sorry. Yeah, believe me, we've seen some stuff and we've seen people pay six figures to consultants for some of this junk, and it's really rather shocking. But sometimes we would just see a list of goals, by such and such a date, this. And this is the person responsible and here's the timeline. That's all good. That all should be a component of your business plan. That alone does not a business plan make. I've seen this, a review of the last year, a review of 2022, and that's 80% of the plan, and then there's goals, targets, mileposts, and that's supposed to flesh out the rest of the plan. No, I'm not buying it, and you shouldn't be paying for that. That's the other piece of it. I've seen people run their company with budgets on there.

I was talking to a guy, said, "Ah, we don't need a business plan. We have a really well-developed budget." Okay, fine. How does that budget inspire your people? What words from that budget? What numbers would you select from that budget to inspire your people? Really? Again, budget, critical component, but it's not the plan. A narrative, just a big narrative. And it's missing the numbers. It's missing the mileposts and the dates and the accountability and the budget. Just a big narrative. You see that all the time, and some of it's quite beautiful. I mean, for a business writing, it's pretty good, but you got to have numbers in there if you're going to make your plan real.

SWOT analysis, again, a good piece of your plan. The SWOT's been around for a million years, and it may be an overused component in business planning, perhaps, I don't know. But there was actually a consultant in North Carolina that went around just doing SWOT analysis and charge a bunch of money for it back in the day 30 years ago. But I was always troubled that he would help people do a SWOT analysis. Well then what? You look at the strengths, weaknesses, opportunities and threats, and what do you do? You've identified them, but then what do you do with that information? And then lists, just long lists. So, you've got a plan, maybe you've got a budget. You've got mission, vision and values. You've got SWOT. You've got everything in there. And then you end up with a list of 22 things, 22 objectives on which you're going to work this year. That's going to be a flop, my friends.

It's too long. One goal is best, two goals, maybe three on the outside. That's it. Now you can have a lot of plans and routes to getting to those goals. You may have different departments involved and things like that, but having more than two or... The human mind cannot focus on 15, or 26, or 49 objectives at the same time. Make it simple.

Back in the day, I remember some political consultant had this, KISS. Keep it simple, stupid. Use the KISS method here. You want your plan to have one north star if you can. Can't get it down to one, no more than three goals. And that'll make your business plan all that more effective, much more effective, because you'll be able to execute towards those one or

two or three things. I'd like to hear what works for you. Maybe even more, I'd like to hear what doesn't work for you or what hasn't worked. This is Wayne Rivers at FBI where *We Build Better Contractors*.