

Business Plan Fitness

It is January, winter everywhere north of the Galapagos, and a new year. You can tell by the bevy of fitness advertising and New Year's promotions for natural reduction and toning. What about that business of yours? What's your plan for toning it up? Have you got one?

Before you embark on a journey, you have to know your present coordinates. Start with the current job file and see what's happening. All of your current jobs must be in some form of organized documentation and accessible to your team.

Evaluate your current jobs to see the number of man-hours

100 hours of time working on the thought, writing, evaluation, and first-phase finalization of your business plan. Now think about that 80 to 100 hours spread out between now and the date previously established. You need to find the 80 to 100 hours between you and some of your employees to work on your plan during this time.

Now let's look at your prospective jobs. What bids are pending that you expect will turn into sales within the next 30 days? How much revenue do you expect to realize from them? What's the forecast for deposits on these jobs? And, you are not using these de-

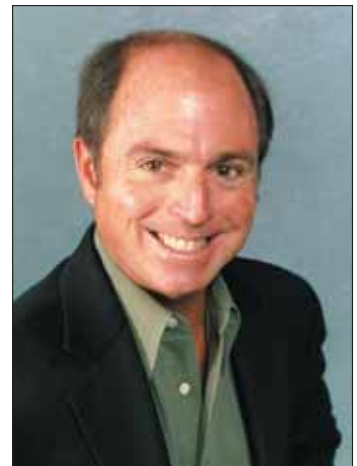
likely to be those most knowledgeable about your business. Discuss your decision to get cracking on a business plan. Get some input from them and ask for their commitment to help.

Know where you want to go. A simple sanity check is to ask the question of your "management team" in the meeting. If you get a mostly positive response, that means you've got their agreement and your business is probably functioning in the direction you intended. If you get a fair amount of "feedback" for your sense of direction from them, listen carefully to their reasons. You should heed their caution to some degree.

Write a draft. Start out with who your company is, how long it has been operating, why you started it, highs and lows of its history and its present strengths and weaknesses. Be honest with yourself. Then write a few pages on what you want to accomplish and date goals for these accomplishments. Goals with no deadline are useless. You should also write down the start date for a more comprehensive business plan than this one. You should have the next one done 30 days before your next year starts.

Your business plan needs to have structure, accountability, reality, challenge, success, and contingencies included in it. You need to use your business plan and not let it become a forgotten document. Make it part of your regular team meetings.

One of my client manufacturers includes a "highs-lows" of the week by each of their sales team members. Try a variation of this for your business plan. For instance, at each meeting one of



your employees should read and ask for discussion on a point or two that your company is doing well from its business plan. And someone should also read and discuss something not being followed. This is constructive and will reinforce the value of good and bad business plan etiquette.

Many a book has been written on the need, development, implementation, and execution of business plans and some exist with your industry peers and, on CEDIA's Idea Bank. Both are good resources, so ask one of your peers how their business plan is coming along and if perhaps, they'll share some advice with you. I can't think of anything better than two CI dealers sharing ideas on their successes, challenges and ideas for business plan improvement.

Buzz Delano (buzz@delanoassociates.com or www.delanoassociates.com) brings more than 20 years of worldwide sales, marketing, customer service and business development experience to his role as CEDIA Dean for the Electronic Systems Customer Relations (ESCR) track.



needed to complete them. Pack in a little fluff to cover curveballs. Now, take these hours and divide them out by a typical man-hour workweek, 40 to 50 hours minimum per person. Divide this number by the number of man-hours. Now you have a target date where these jobs will be completed, if no other work was added. Know what's on your calendar, add to it, and see where you'll end up.

Think about the date that resulted in the above example and then say to yourself, "I'd like to have a business plan 'done' within two weeks of that date." That's 80 to

posits to buy product for current jobs are you? That's easier said than done, but you must fix this. Evaluate your cash flow and apply your expected new revenue and current scheduled payments to gauge your standing. Then project out your anticipated expenses and everything due in payables.

OK, now that you have a handle on where you are, meet with your "managers." Unless you have a small team of less than six or seven, try to do this with your sales leader, lead installer, project manager, and payables person. By virtue of their roles, these folks are