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# Keys to Successful Planning for Strengthening your Business

Planning is one of the most important but poorly utilized management tools of businesses. This is true whether the focus is on planning a start-up business, operations planning, expansion planning, strategic planning or other planning. Below are a dozen keys to successful planning that you should focus on before and during the planning process.

## The Planning Environment

Before you begin the planning process you need to create the proper environment within the business. This will increase your chances of having a productive planning effort.

- 1. Create a culture within the organization that is open to planning.** It is easy for management to focus all of their attention on day-to-day management and forget about the long-term direction of the business. After a while, this becomes ingrained in the culture of the business. Once this occurs, it is difficult to change. So, a special effort may be needed by top management to change the attitudes within the organization.
- 2. Involve all management personnel.** It is often believed that planning is a business function separate from management. However, to be successful, all management personnel need to be involved in planning. Involving management personnel is the way to create *ownership* and *commitment* to the plan and its implementation. Companies often delegate planning to a *planner*, an individual who is responsible for creating the plan. But management, especially top management, needs to feel responsible for planning.
- 3. Remember customer needs.** During the planning process it is easy to focus on matters internal to the organization and forget the customer. Remember, satisfying customer wants and needs is the reason the business exists.

## The Planning Process

Once you have created the proper planning environment, you need to focus on the planning process.

- 1. Focus the plan on goals.** The purpose of the plan is to achieve the goals of the business and help reach its vision and mission. A first step is to reexamine the business mission statement and the goals associated with it. Without goals, planning is meaningless. The planning process often gets consumed by “busy work” – collecting data, writing reports, etc. Although these functions are important, it is often easy to use them to distract you from the hard choices involved in deciding the future direction of your business.
- 2. Set realistic deadlines.** Setting a time deadline for the first draft of the plan is important. It forces management to move forward on the planning process. However, expecting too much to be done in too short of a time period usually leads to a poorly drafted plan.
- 3. Provide sufficient time and money for the planning process.** Planning is often entered into half-heartedly. It is often under-funded with insufficient managerial time allocated to it.
- 4. Make good assumptions about the industry and market environment.** The business will be operating in an industry and market environment. It is important that you thoroughly understand these environments. The assumptions you make about these environments are important for the success of the business.
- 5. Focus on results.** To be successful, planners need to proceed through the various steps of the planning process. During every step of the process, planners need to focus on the expected results of the planning process.

## Implementing the Plan

Once you have gone through the planning process and created a plan, the hard part begins – implementing the plan. Don't forget the reason you decided to plan.

- 1. Reward implementation.** Without proper implementation, planning is meaningless. As with planning, implementation should involve all of the management personnel. Also, for those charged with leading or directing implementation, there should be a reward or incentive built into the proper completion of the implementation phase.
- 2. Include evaluation procedures in the plan.** A plan should be evaluated as it is being implemented. Do not wait until implementation is over. Evaluation procedures should be built into various stages of the implementation process and should be used to measure performance.

- 3. The plan is a “living” document - revise it regularly as needed.** Business leaders often believe that a plan cannot be changed once it has been put in place, or at least until the next planning period. Although a plan should not be changed frivolously, it needs to be modified and updated when appropriate. As a plan is being implemented, it is not uncommon to uncover deficiencies in the plan. Also, over a planning period, things change.
- 4. The plan will not solve all of your problems.** Planning is not a magic bullet for curing what ails you. Proper planning is necessary for business success. However, it is just one of the ingredients needed for success.

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