



The Active Business Series

Planning for success



This brief guide explains the importance of strategic planning and shows how you can plan for the success of your business – even in a difficult economic climate.

With the UK mired in the longest recession on record and thousands of small and medium sized businesses still failing each month, clearly these are difficult times. And even though there might be signs of a recovery on the horizon it is reasonable to assume that conditions will remain tough for some time yet.

Which is why it is crucially important for businesses to take time now to plan ahead.

You might think that planning during such turbulent times would not be very effective and that it would be better to wait until things settle down before trying to formulate any plans. But the truth is *the more uncertain the times, the more necessary it is to plan ahead.*

Even if you already have a strategic plan in place, the chances are that so much has changed in recent months and you would benefit by revisiting it and bringing it up to speed with today's economic realities.

How you will benefit

*Investing time and energy in developing a structured plan at this time will give you **greater control over your business**, enabling you to act proactively and confidently according to well-thought-out strategies rather than simply reacting defensively to circumstances you had perhaps not anticipated.*

It will help you

- Navigate your business through the downturn
- Position your business for the upturn
- Leverage your strengths at all times
- Identify and assess threats so you can avoid them or turn them to your advantage
- Take advantage of any opportunities when they arise
- Strike a realistic balance between controlling costs and investing in future growth

Scenario planning



Most businesses are presently contending with at least one of the following:

- Sagging markets
- Unpredictable customers
- Uncertain cashflow
- Restricted access to finance
- Fragile supply chain

Through a structured planning process, each of these elements can be quantified and measured and in this way plans can be developed to optimise your position at any given time.

Of course when the situation is so volatile it is necessary to be flexible in your planning. But flexibility does not mean waiting to see what happens and then coming up with a response, but rather anticipating a number of possible scenarios and having a planned response for each.

In this way you can *make informed decisions* as events unfold and stay ahead of the game.

Why you need a structured plan

In truth, most business owners and managers naturally include a degree of planning in the course of running their business. But without a structured plan there is a danger of slipping into passive mode when uncertainty takes hold, reacting to circumstances rather than proactively implementing planned solutions, which puts you on the back foot at a time when your competitors are looking to exploit your weaknesses.

By making the planning process less intuitive and more formalised and structured you can:

- Make the various elements of the plan easier to quantify and measure
- Create a plan that is communicable to others
- Increase the scope for detailed analysis of how your business is performing
- Make it easier to learn lessons that can be applied to future activities
- Be more specific in setting future goals and objectives



Helping you develop and implement your plan

You know better than anyone what you want to achieve with your business and how to achieve it, but we can help you develop and implement your plan by:

- Providing a sounding board - allowing you to run your ideas by someone who has a fresh perspective and yet is fully conversant with the issues involved
- Providing the key financial data in an appropriate format – the more precise the financial information the more workable the plan is likely to be
- Helping to identify key performance indicators for measuring the success or otherwise of the plan
- Regularly measuring and evaluating key data, identifying any variances and suggesting corrective actions where appropriate

Continuous planning

Planning is not a one-time activity but an ongoing process.

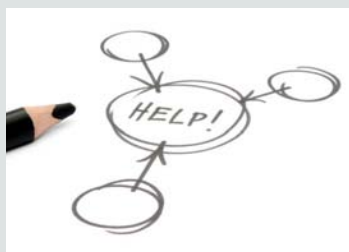
*There are various times in the year when every business should pause to look ahead, such as when the **financial year end** and the **tax year end** are approaching. Being ahead of the game at these times can potentially make a considerable difference to your financial situation, and **we strongly recommend you contact us for a planning review well ahead of these dates.***

Whether at these times or at some other time, it is important to regularly review your business roadmap by:

- Comparing your present performance to previously established targets
- Analysing successes and failures and applying any lessons learnt to future plans
- Identifying any threats or opportunities in the current situation and defining appropriate responses to them
- Assessing any relevant changes to the market, the competition, or your customers
- Setting or adjusting goals and objectives for the year ahead
- Preparing cash flow projections, profit projections, and balance sheet projections to ensure the plan is feasible and to provide a basis for measuring progress

We can help with all these stages.

How we can help



Why not call us today to discuss how we can help you plan for the success of your business?