

Tidewater Group, Inc.

Developing A Strategic Plan

There is a reason that certain companies have become very large and successful. They have good products, certainly! But their success is also a result of setting short and long-term objectives and then managing to achieve those objectives. Most large companies accomplish this with the strategic planning process. I say process deliberately, because the effort of thinking through and establishing objectives, and then putting in place, the personnel and methods to achieve those objectives, is the process that creates success.

- ◆ **Focus on long-term objectives:** Three-year objectives are a good place to start. Think in terms where you want the business to be in sales and profits. What new products or new markets can help you achieve the objectives? What will be needed in terms of personnel, financing or marketing to meet the goal? Once the three-year objectives have been established, identify what needs to be accomplished in years one and two in order successfully accomplish the long-term goal.
- ◆ **Situational Analysis:** A fancy term for what are the strengths and weaknesses of the company and the current competitive environment. Write them down, and focus on the three or four that are the most significant. A company needs to leverage its strengths and minimize its weaknesses to succeed. Identify competitor's weaknesses and target those also. Would the acquisition of a competitor be beneficial to achieving the strategic plan?
- ◆ **Create an Action Plan:** Develop an action plan and budget. Make sure the focus is on achieving that year's objectives. Make your people responsible and hold them accountable. Make performance a key to compensation. Reinforce the leaders that embrace the plan and budget and encourage those that appear to be unsure. Change is difficult and some people need to see the positive results of change in order to fully embrace it.
- ◆ **Create momentum:** By making the plan and budget part of weekly discussions, employees will sense management's commitment. However remember, that the three year plan is a "living" document. It periodically will have to be revised as events and conditions in the market change. Incorporate these changes into the plan and keep the focus on achieving the short and long term objectives. Consider retaining an outside consultant to assist in the development of your strategic plan, and explaining its importance to your management group. This will help to assure that everyone understands the objectives and their role in achieving the goals. Communication with all involved (many companies include certain key suppliers) is essential to success.
- ◆ **The Tidewater Group** specializes in the food industry. We have extensive experience in the development of strategic plans for large and small organizations. This is just one way we assist our clients. Let us help you!

For more information, give us a call!

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