

## **(Key) Strategic Planning for Small Businesses**

This course will explain what strategic planning is, why it is a vital part of running a business and the typical steps taken in developing a strategic plan. Complete the handout with the appropriate information from the Small Business Administration (SBA) online course. Upon completion of the course, you will receive a certificate. Place the certificate in your portfolio.

Strategic Planning for Small Businesses

<https://www.sba.gov/tools/learning-center-view-course/1387291>

1. How is a strategic plan different from any other plan?

Business plans are typically for new businesses, particularly those seeking investors. Strategic planning should establish goals and action plans for growing your business.

2. Describe the importance of strategic planning.

Strategic planning must be viewed as a tool and not a goal. The plan should help streamline business practices and boost employee productivity.

3. What are the advantages of strategic planning?

- Compete in a competitive marketplace
- Control costs
- Determine if needed resources are available
- Facilitate growth
- Impress investors
- Increase margins
- Keep lenders apprised of development
- Position to survive economic downturns
- Use as tool to sell, merge or buy a business

4. Describe a good strategic planning process.

A good strategic planning process is one through which leaders define and implement a strategy to achieve the company's goals.

5. What are stakeholders and what are their expectations in a business?

Define Stakeholders:

- CEO

- Board members or key investors
- Key managers
- Administrative assistant for notes and details

Expectations of stakeholders include:

- Commitment
- Information
- Communication
- Time
- Continuity
- Honesty

6. What are the tasks that should be addressed before beginning strategic planning?

Begin with a situation analysis in which you establish a basis for action. Ask, “Where are we now? How can we quantify that position? Where are our competitors? How can we quantify that position?”

7. What are the components of the strategic plan?

- A business purpose, vision or mission statement.
- Organizational goals or objectives. These are the ends to which your efforts are aimed.
- Strategies for reaching your goals. What approach will you take to meet the goal? This part changes frequently if a strategy is not helping you meet your goal and should include built-in checkpoints for re-evaluation.
- Actions to implement strategies. This will include specific, measurable activities.
- Monitoring plan. It is important to remember that follow-through is imperative for a successful strategic plan. You should include benchmarks, checkpoints, and milestones in your monitoring plan.

8. Explain the importance of having a purpose, vision and mission statement for a business.

Strategic planning process is reviewing or creating a purpose, vision, or mission statement. This is a good opportunity to revisit your statement and make sure it still aligns with your business.

9. How do you establish focus for your business?

Determine the focus of the plan based on critical needs. Use the situation analysis from your pre-work. Where is your business now? Where does it need to be?

10. Key development objectives for your business can include.

- Leadership development
- Process improvement
- Market development
- Product/service development

11. What is a SWOT analysis and what questions can be addressed in a business?

The acronym just stands for “Strengths, Weaknesses, Opportunities, and Threats.” What are the greatest strengths and weaknesses of your company? Where do you see your most promising opportunities? What competitive threats do you need to avoid or overcome to take advantage of those opportunities?

12. What are key indicators for a business?

Create key indicators to measure progress toward objectives. These will actually be quantifiable. For example, “Increase Internet sales by 10%.” If your plan does not help you achieve this goal, then it needs to be revised.

13. How can communicating your plan within the organization benefit your business?

After you have completed your plan, you will need to communicate the plan throughout the organization. This is a very important piece of the process. If you do not have buy-in from all people involved, your plan will not get far; after all, you will be depending on others to help implement the plan.