

Have You Started Yet?

It was the British economist, John Maynard Keynes who once said that “Long run is a misleading guide to current affairs. In the long run we are all dead.” The question now is: over the past few years have you done very much long-range planning for growth?

If you are forward looking and flexible in your thinking, more than likely you will be continually planning and executing changes - for change is a dominant aspect of modern competitive life. Although a wise businessperson respects the past, he or she should never be bound by it. Your long-range planning should take into consideration all of the following: selling methods and sales training, sales promotion media and devices, customer services, addition of income bringing services, building modernization (fixtures and equipment), branch development or location change, and financing (especially the reinvestment of earnings).

Do day-by-day activities involve you so much that you find no opportunity for advance planning? The small business owner must be both a planner and a doer. Day-to-day activities can be delegated so that you can do more important planning.

When you find that change is called for, do you act decisively and creatively? Do you find that recurring crises force you to make most of your changes before you have been able to give them thoughtful analysis? The failure to plan for changes that must be made if you are to hold your customers and attract new ones leads to great waste and poor management practices. Sudden changes add unnecessarily to your expenses, they disturb your established customers, and they upset your employees' morale.

When you determine that you must make a change in some policy or practice, plan ahead carefully and give all those involved a clear

account of what is going to be done. By planning ahead, you lessen the possibility of crises and the need for snap judgments.

Do you have someone ready to take your place in case of emergency? The uncertainties of life are many. You should have someone ready to keep the business running smoothly, if something should happen to you, until such time as a long-range decision can be made.

Are you grooming someone to succeed you in the not too distant future? No matter how young the management of a business is, unforeseen disabilities can occur at anytime. Someone should always be in training as a successor; otherwise, the business is no more secure than the health of its owner-manager.

Does your company have a business plan? How detailed does a business plan need to be? The amount of detail in a business plan depends on what the plan is for and how much is at stake.

If you are starting a part-time business that will only take a few hundred dollars and you don't EXPECT it to become more than a glorified hobby then a short plan will do, perhaps a page or two.

If you are going to spend a significant amount of money, want this to be your full-time business and you NEED the income from it then you need a full and detailed plan.

Not only does the process of writing a business plan differ from situation to situation, but so does the plan's final form. The rules of thumb described here may seem obvious to some but from experience that they aren't obvious to the uninitiated.

1. The earlier in the company's history the plan is written, the simpler the process. This isn't to say that it's easy to write a plan for a start-up or early-stage company, only that it's simpler than doing so for an established growing business.

2. The earlier in the company's history the plan is written, the simpler the actual plan.
3. The plan's purpose helps shape the content. A business plan aimed at obtaining financing for a start-up will contain different information than a plan intended to guide the strategy and operations of a growing multimillion-dollar company.
4. The first business plan is the toughest. That's because the process is new and intimidating, but you must start. Good luck.

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