

One-Page Strategic Plan

& Theme for 2005

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Virtual Technology Corporation exceeded their sales goal by \$1.4 million; Dial One Printing added five points to their gross margin; Capital Recovery Group increased sales on a new service offering by 2000%; and ICC/Decision Services saved 160 hrs per week of work among fourteen employees allowing them to take on additional business without adding to headcount. All of these firms kicked off a previous year with a single-minded focus and theme. Rather than enter the year with a random list of 75 things to do, they picked one overarching focus around which to drive their employees' activities and results.

It's the beginning of a New Year. Are you kicking off the year with an energizing theme for the next three to twelve months – something to rally the troops and get them focused? In getting “everyone on the same page” have you reduced your strategic plan to a single page aligned around a single-minded focus? If someone asked one of your employees what's the focus for the year, could they tell them? If not, you still have time to pick a theme for 2005, put up big scoreboards and reminders where everyone can see them, and plan a celebration and reward for when it's been achieved. And for a Word-editable One-Page Strategic Plan form go to www.gazelles.com – you'll see a link on the homepage for the form and a “How To Complete” document downloadable for free.

Jack Harrington, CEO of Virtual Technology Corporation, a 125 employee provider of simulation products and services for many of the largest and most complex simulations in government and industry, has driven several fun and successful quarterly themes, including a first quarter 2004 “Six Million Dollar Man” theme. It starts with a simple question “what is the biggest opportunity or challenge facing the firm and how are we going to address it?”

Coming off a successful fourth quarter 2003 “Sweet Sixteen” theme where they successfully recruited sixteen high-end PhD-type simulation experts to join the team, it was time to plan for 2004. When Harrington's executive team met last January for their planning session, it became obvious that the team was not comfortable that they had control of their sales pipeline. As a result they were not confident that VTC would hit its revenue goals for 2004 or 2005. Compounding the concern is the industry's long lead time from identifying and qualifying a lead to winning and receiving a contract. They were also concerned with just going out and adding sales revenue without building a scalable new business process that enabled them to project revenue at least 12 months into the future with a goal of eventually projecting 3 years out.

“We had been operating in more of a reactive sales mode than a proactive sales mode,” notes Harrington. “We estimated that we were roughly \$2.8 million short of our revenue

goal for 2004 and we typically estimate that a qualified lead needs to have approximately a 50% win ratio with the goal of getting it to 80% by the time we write a proposal,” explained Harrington. So the executive team settled on a number one focus for the first quarter of 2004 to add \$6 million in qualified bids to the new business pipeline. At a 50% win rate, this would exceed the \$2.8 million they needed to meet their 2004 sales plan. After much brainstorming, the team came up with the "Six Million Dollar Man" quarterly theme. It's important to frame your goal in a fun and memorable way.

At the Quarterly kickoff meeting, as they played some clips from the opening theme from the hit television show, Doug Greenlaw, their VP of New Business, entered the room as VTC's Six Million Dollar Man, dressed in full red sweat suit and sneakers (same as Steve Austin wore), to the sounds of nananananana. "It was great! Even the young techies in our company knew about the show," chuckled Harrington. To track progress, the team created a large poster of a cartoon-looking Steve Austin, posted in a place where most employees could see it on a daily basis, and added 1 body part (filled in the red color) for each \$1 million they achieved during the quarter. To further align with the theme, they stressed to the employees that the purpose of the goal was to make VTC even "Better, Stronger, Faster."

"Well, by the end of the quarter, we blew away our goal by 124%, added \$7.4 million to the pipeline, and looks like we'll beat our 2004 revenue goals by \$1.4M," notes an ecstatic Harrington. "Even more important, we achieved several key objectives along the way: focused our VP's energy on developing new business moving forward; developed a key tool to support projecting, tracking, and managing our sales pipeline; engaged people across the company to help identify opportunities and write proposals; and worked a lot of the opportunities to closure during the first quarter. I have no doubt that none of these would have occurred if we had not met at the beginning of the year, agreed on the #1 focus, aligned the company around a theme, and focused like a laser on exceeding the goal. It truly demonstrates the power of goal setting, alignment, communication, and focus."

As a celebration they held a drawing for an acrobatic flight and had a VTC flight jacket made for the lucky winner, with employee name, company logo, and the theme "Better, Stronger, Faster, on a patch. And VTC's executive team is set to meet January 5, 2005, to set the next theme. Are you willing to do the same? If you're interested in the details behind the other examples I mentioned in the first paragraph and would like to receive my weekly insights in 2005 via email, please email vharnish@gazelles.com and place "weekly insights" in the subject line. In addition, I'll let you know what VTC comes up with for a 2005 theme. Happy New Year!