

Strategic Business Planning

Drive Hidden Revenues

Ideas for Today and Tomorrow



BEVERLY HILLS
CHAMBER OF
COMMERCE

Expertise • Presence • Relationships



My Background

- **CEO/Chairman – McKim Nonprofit Consulting**, last year successfully completed three nonprofit mergers
- **CEO/Chairman – MSDBM** Nationally recognized company who fashioned Customer Relationship Marketing won 22 national and international awards for database marketing and direct mail
- **CEO/CFO – Robert McKim Advertising** – Built a ten million dollar advertising agency servicing large consumer and business to business account in Southern California
- **Director of Marketing and Sales for Bushnell Optical Company**, responsible for marketing, new products and sales
- **Director of Advertising and Sales Promotion - Schick Electric** - implemented a seventeen million dollar advertising and sales promotion budget
- **Brand Manager –launched many brands for Gillette**
- Education:
- Master Public Administration– Walden University
- Two degrees: Northeastern University, Leadership and Bachelor of Administration



Elevator Pitch

- I am the SCORE representative working out of the Beverly Hills Chamber. SCORE is a nonprofit division of the Small Business Administration. We provide pro-bono consulting to businesses to help them manage and grow their businesses. My role is to assist new and existing businesses with challenges they may be facing in marketing, strategic planning, cash flow management, brand building and growing their business.

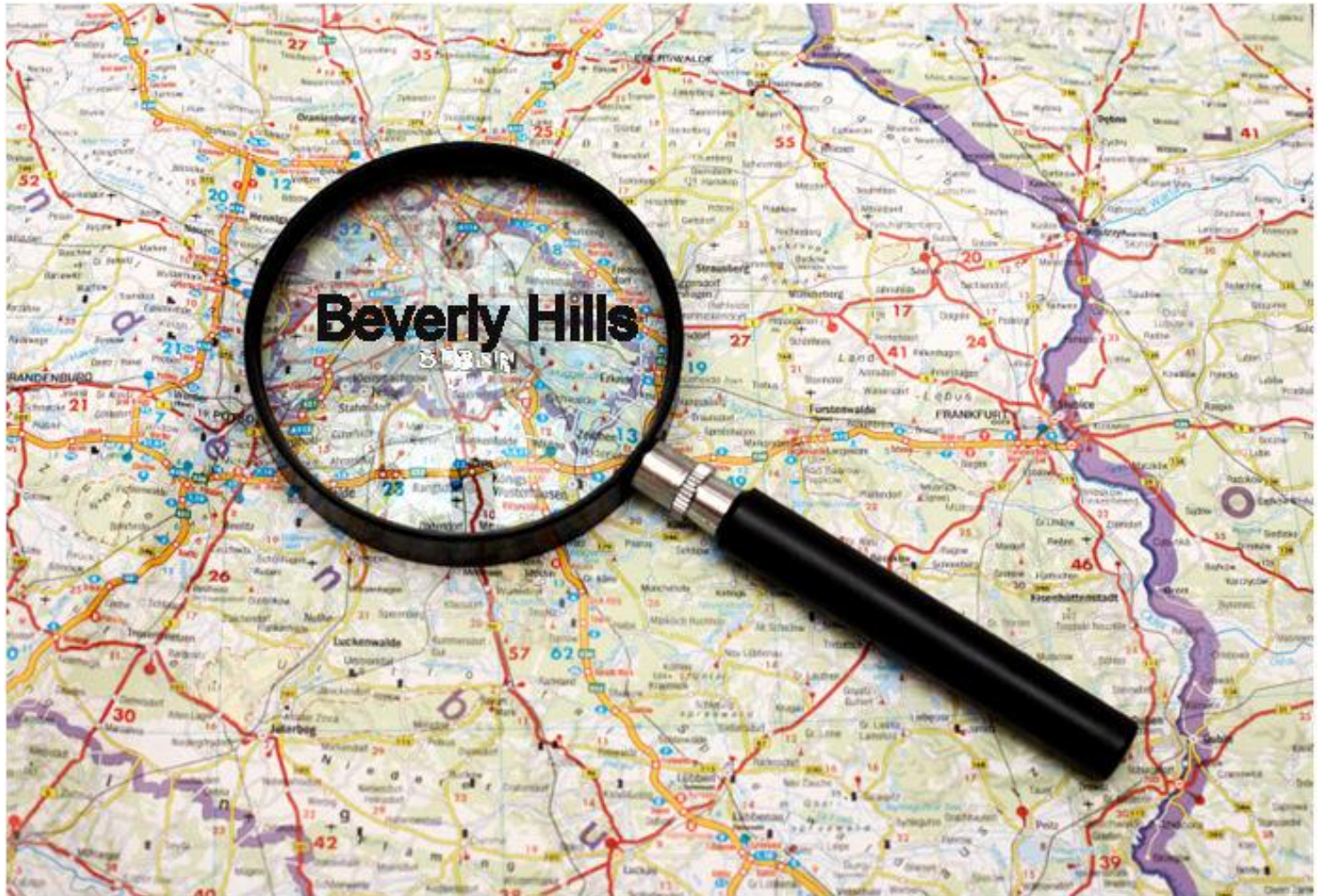
I am at the Chamber's offices on Friday mornings from 9:30 - 12:30; an appointment must be made with the Chamber (310.248.1000) in advance there is no charge for any part of the consulting.



Strategic Plan vs. Business Plan

- Strategic Plan is a process of defining its strategy, or direction, and making decisions on allocating its resources to pursue this strategy, including its capital and people.
- Business Plan is a document that shows how a business is going to achieve its objectives laid out in the plan both from a customer marketing viewpoint and the financial statements to back up the strategic plan. Typically a business plan contains top level business strategy, research data, marketing plans, tactical plans and financial forecasts

Strategic Plan is a 10,000 Foot View



Benefits of Strategic Planning

1. Clearly define the purpose of the organization and to establish realistic goals and objectives consistent with its mission in a defined time frame within the organization's capacity for implementation.
2. Communicate those goals and objectives to the organization's constituents.
3. Develop a sense of ownership of the plan in order to make a successful implementation
4. Ensure the most effective use is made of the organization's resources by focusing on the key priorities.
5. Provide a base from which progress can be measured and establish a mechanism for informed change when needed.
6. Bring together everyone's best and most reasoned efforts to have important value in building a consensus about where an organization is going.

When Do You Start?

- Strategic planning should be done when an organization is just getting started. (The strategic plan is usually part of an overall business plan, along with a marketing plan, financial plan and operational/management plan.)
- Strategic planning should also be done in preparation for a new major venture, for example, developing a new department, division, major new product or line of products, etc.

Four Styles of Strategic Plan

- **Direct**
 - Members of SP Team identify issues to address
- **Goal**
 - Identification of organizational goals
- **Vision of Success**
 - Team members develop their own vision
- **Consensus**
 - Bottom Up approach starting at the lowest level in the organization

10 Important Plan Sections



I. Mission & Vision Statements

- State the Mission
 - Meals on Wheels West nourishes and enhances the lives of the homebound of all ages by compassionately delivering healthy meals with friendship that promotes self-respect and independent living.
- State the Vision and long term direction
 - We exists to alleviate the food insecurity and loneliness experienced by those who want to stay in their home but cannot shop or prepare meals for themselves.
 - Assure our financial growth and stability through the expansion of Meals on Wheels West clients within our currently covered geography and adjacent communities
 - Meals on Wheels remains committed to the highest level of quality meals with warmth, sincerity and friendship
 - Dedicated to serving the underserved and supporting those who are homebound in our communities
 - We are committed to the highest levels of integrity, transparency and ethical behavior to our clients, volunteers, donors, board of directors and staff
 - Meals on Wheels West believes in social responsibility, education, honesty, high standards, community support, wellness, and happiness.

2. Our Business Model

- Describes the rationale of how an organization creates, delivers, and captures value- economic, social, or other forms of value.
- The process of business model design is part of business strategy.
 - 1990s from Southwest Airlines, Netflix, eBay, Amazon.com, and Starbucks.

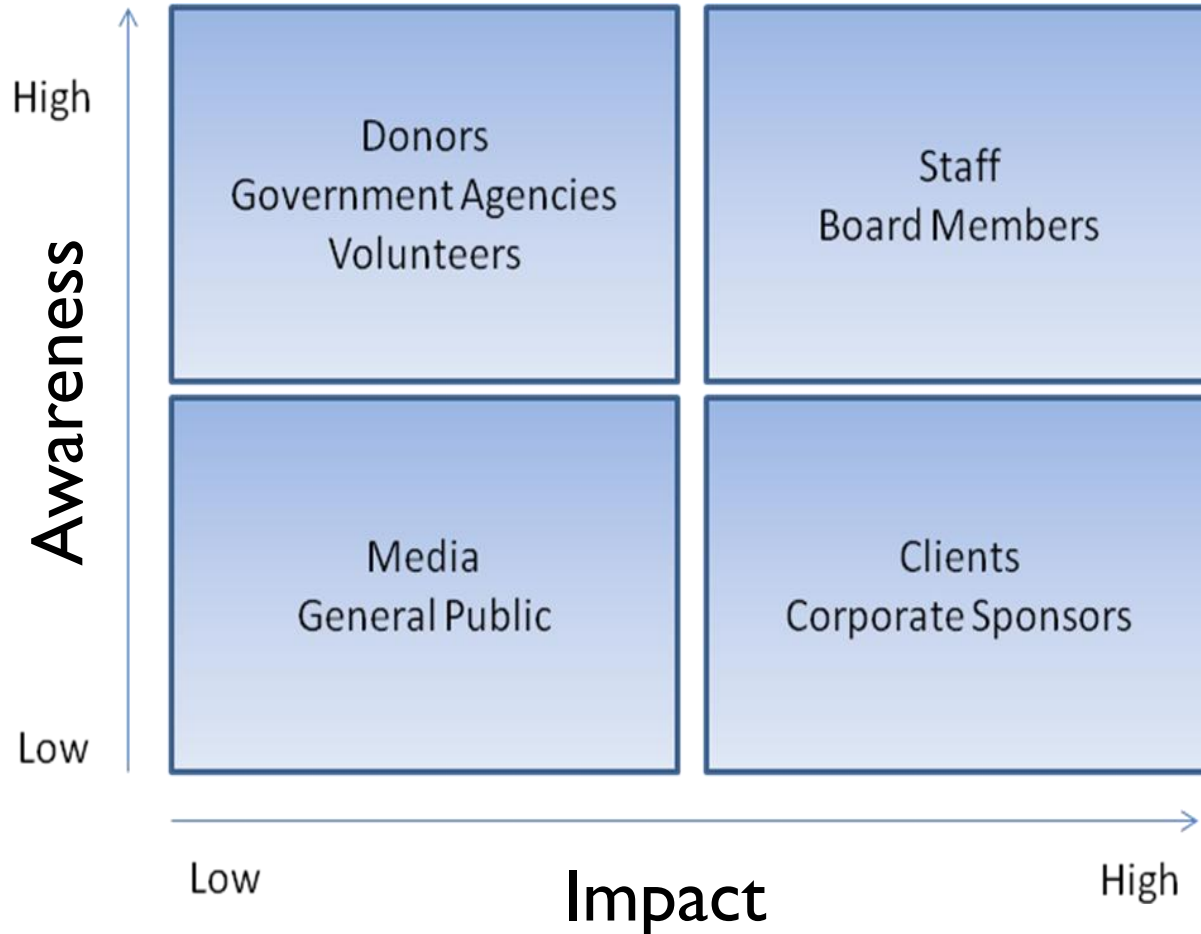


3. Goal and Objective

- State the desired goal
 - Launch by date: Generate \$ dollars
- State the desired objective
 - To communicate the company's story as clearly as possible
 - To create excitement for the company to attract further resources

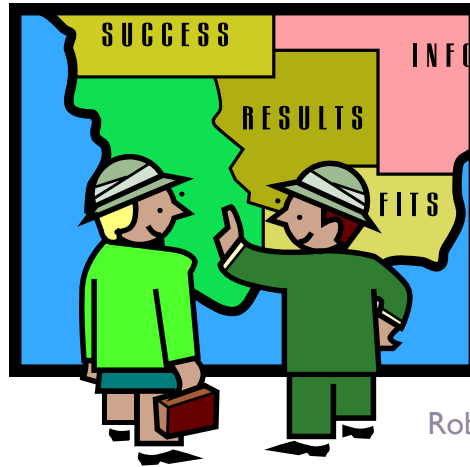


4. Stakeholder Analysis



5. Today's Situation

- Summary of the current situation
 - The market conditions
 - The specific sub market
 - Market size
 - Growth potential
 - Competitive environment
 - Opportunities



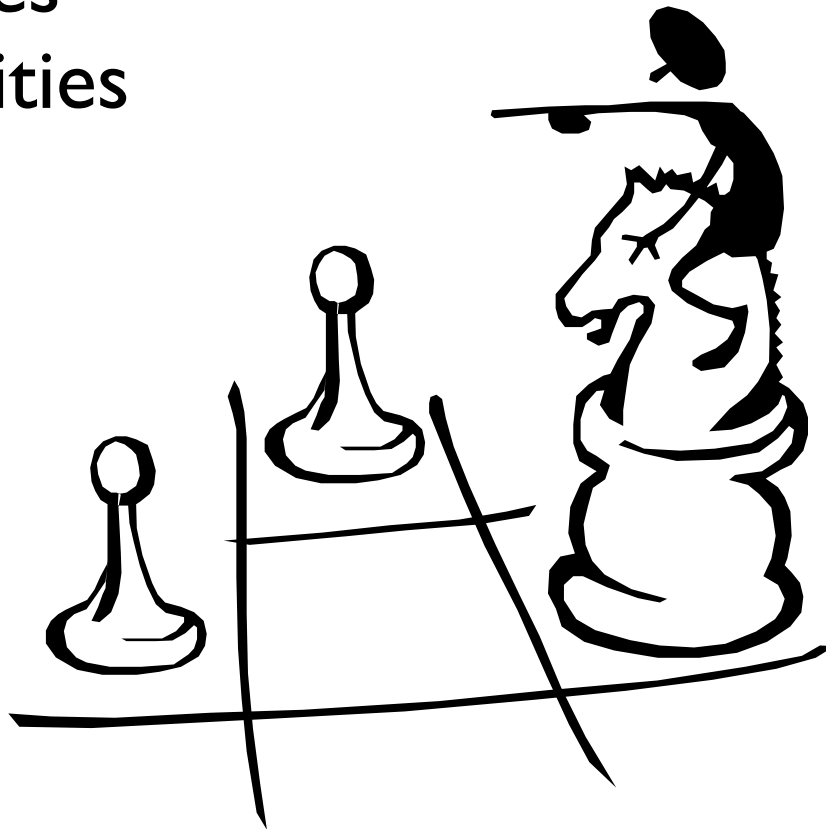
How Did We Get Here?

- State relevant historical information
- Address original assumptions that are no longer valid



6. SWOT

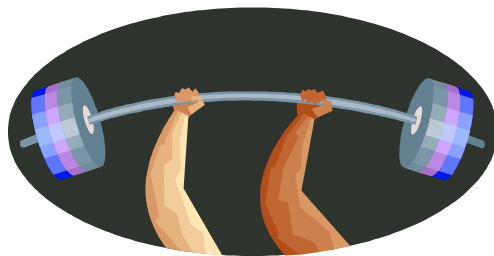
- Strengths
- Weaknesses
- Opportunities
- Threats



SWOT Table

- Strengths

- Holistic product
- Good brand name
- Expertise in low income housing
- Strong community reputation



- Weaknesses

- Lack of focus
- Lack of integration
- Lack of analysis planning
- Lack of funds

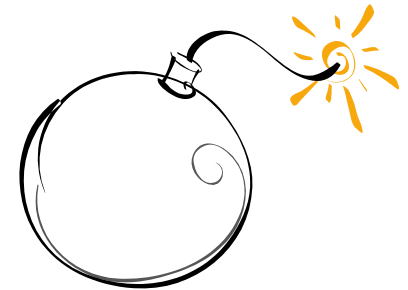


SWOT Table

- Opportunities
 - Collaboration and partnerships
 - Need for product
 - Funding opportunities
 - New market



- Threats (Challenges)
 - Possible decrease in funding
 - Lack of resources to support introduction
 - Competition increasing
 - Community opposition



7. Target Audience Behavior

- Who are your ideal target customers
- How do they buy? Online? Trade?
- Pricing model; how are you going to make money?
- Revenue Model, how will your customers scale (sales strategy)
- Sell direct? Sell through (channels to market)
- Graphs work

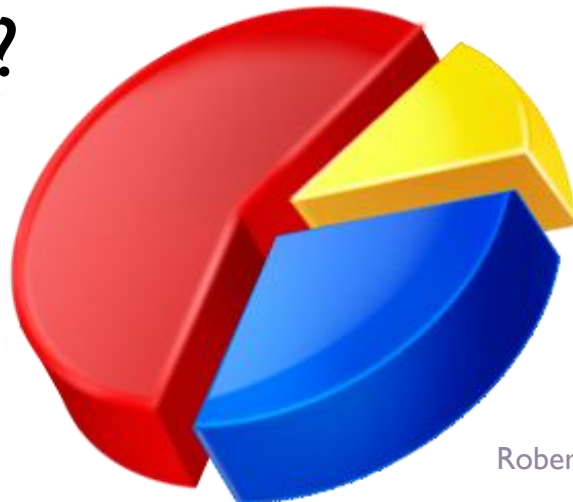


8. It's All About The Money

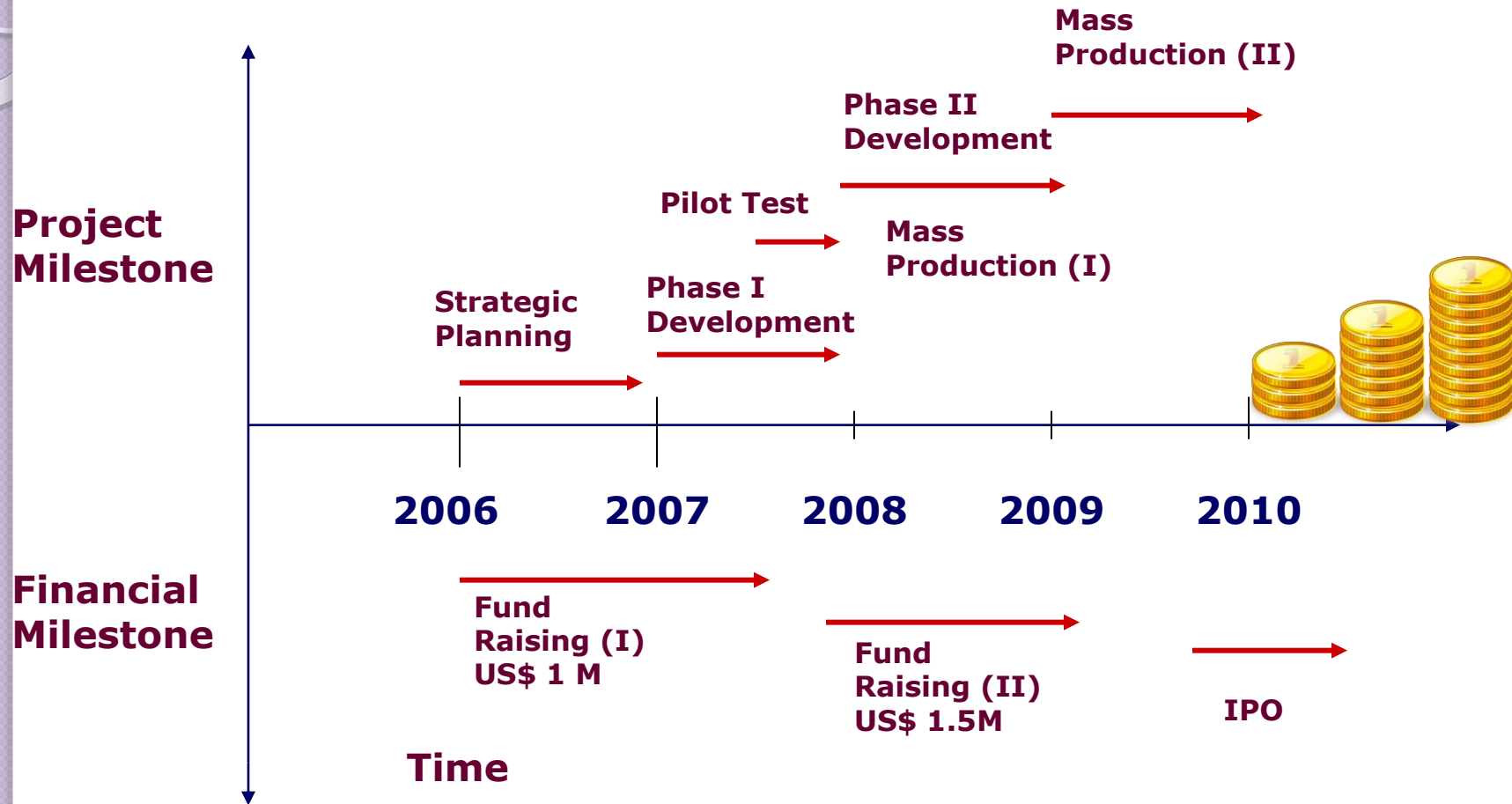
- Financial Plan – Pro-Forma
- Everyone knows that this is an estimate, but still they want to know how realistic are the financials and if you are capable of predicting the market
- 5 Year realistic estimates – graph is a must
- Highlight critical assumptions/milestones, and mention if there is an important issue for the realization of revenue projections
- Don't provide details, but be prepared to present and discuss them

Need Funding?

- How much \$ are you seeking?
- Where will the money be put to use?
- (i.e. 45% R&D, 20% Marketing, %10...etc)
- Pie Graphs work nicely
- How long will the money last?
- How long until you need another cash infusion or will this be all the financing you need?



9. Show Them You Have A Plan



Available Options

- State the strategies
- List advantages and disadvantages of each
- State cost of each option



10. Recommendations

- Recommend one or more of the strategies
- Summarize the results if things go as proposed
- Suggest what to do next
- Identify action items



Strategic Planning is a Process



Summary

- Decide on type of strategic plan
- Identify SP team
- Select location
- Create your SP outline
- Conduct the analysis
- Build your business plan
- Follow up every 6 months - modify

Resources

- **Business License: City of LA**
 - <http://www.lacity.org> (213) 368-7000
- **Forming LLCs & Corporations**
 - State of CA (916) 653-3795
 - <http://www.sos.ca.gov/business/be/forms.htm>
- **Legal Services www.publiccounsel.org**
 - Public Counsel - 213-385-2977 x.200
- **Loan Assistance**
 - VEDC www.vedc.org (818) 907-9977
- **CA Soc. Of CPAs**
 - www.calcpa.org (818) 246-6000
- **SCORE**
 - www.scorela.org (818) 562-3206
- **Beverly Hills Chamber**
 - (310) 248-1000 www.beverlyhillschamber.com

Questions



Thank You

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