

"Just Enough" Planning

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1. Please interrupt
 - It's your time, your discussion
 - I invite comments and discussions
 - Don't wait for the end, ask me questions as they come up
2. I may change the order midstream
3. I may skip or add to the presentation
4. I may give some small prizes



The proverb:

"Give a person a fish and you've fed them once. Teach them to fish and you've fed them for a lifetime."

The business planning version:

It's about ownership and empowerment. The proper strategy for teaching business planning is to make sure you teach, not do.

Never let it be the teacher's plan, or the consultant's plan. It's the entrepreneur's plan. They own it.

Planning: Control Your Destiny



You are selling the idea of planning.

Ask your people to start by thinking

What do they want their business to look like in 3 years?

What are the steps to get there?

What's most important?

What does/will the market/customers want?

Start with the ultimate goal:

Planning is to determine your business future

Proactively direct your future, not reactively discover your future

Planning sets directions, priorities, long-term goals

This avoids the "plan as removing a barrier" mentality.

The plan is much more than just getting through a business plan event

It's the process, not just the plan. It makes your business better. It's a management tool.

Planning, Mapping, Management



Business maps

The web

Yellow pages

Books etc.

People who know

Analogy

Mapping frontier

Traffic alerts

Manage geography

Mapping, not a map

Planning Process = Accountability



Business Plans Are Always Wrong...



Understand from the start that it's not about guessing right; you won't guess right. Not being able to guess right is a reason for planning, not a reason not to plan.

Business plans aren't ever "right." They are a process.

Like a map for a journey, routes can change

Assumptions are always changing. Reality intervenes

Use the plan as a marker. Compare where you are to where you intended to be.

Blog post:

http://blog.timberly.com/2007/05/business_plans_.html

... They are Vital Management Tools



A real business plan is never done.

Reality comes quickly

- Expect changes

- Review it often

- Use it or lose it

The benefit of the plan is planning

- Business tracking

- Following up

Important requirements

- Regular review

- Course corrections

- Plan vs. actual analysis

It's not just for a loan or seeking investment. It's to manage your business

http://blog.timberly.com/2007/05/business_plans_.html

The 'Crystal Ball and Chain' Problem



The guess is valuable

Educating guesses

Experience

Past data

Other businesses

Other products/services

Public data

Advisors

Consultants

Others

Story: Apple Latin America, 1985

Conclusion: living with the guess

Start Anywhere



You don't start in order

Don't go from beginning to the end

Grab a corner of cheese and start eating

SWOT, mantra, keys, budgets, forecasts

Choose your starting point: words, numbers, etc.

Follow back and track and change

Blog post:

<http://upandrunning.entrepreneur.com/2007/08/23/business-planning-like-building-blocks/>



Inside Out from the Heart

Market, Identity, Focus



- At the core, your identity complex:
 - What you do
 - Why people want it
 - How you're different: SWOT, core competence, secret sauce, etc.
 - Positioning, etc.
- Build outwards
 - Messages and media
 - Keeping the promise
 - Making money
 - Accountability
 - Strategic alignment
 - Growing



Set the Steps

Tasks, Owners, Metrics, Accountability

Form Follows Function



The not so big plan

Leave it on top

Leave it where everybody can see it

Dressing it up when there's a reason

Literally:

- Slides and budgets

- Formats for tracking & follow-up

- Web and projections

- In Business Plan Pro

- Word and Excel

- PowerPoint and Excel

It's about behavior, management, not form

It's about better business management

www.paloalto.com/dtmcoaches
www.paloalto.com/freebook

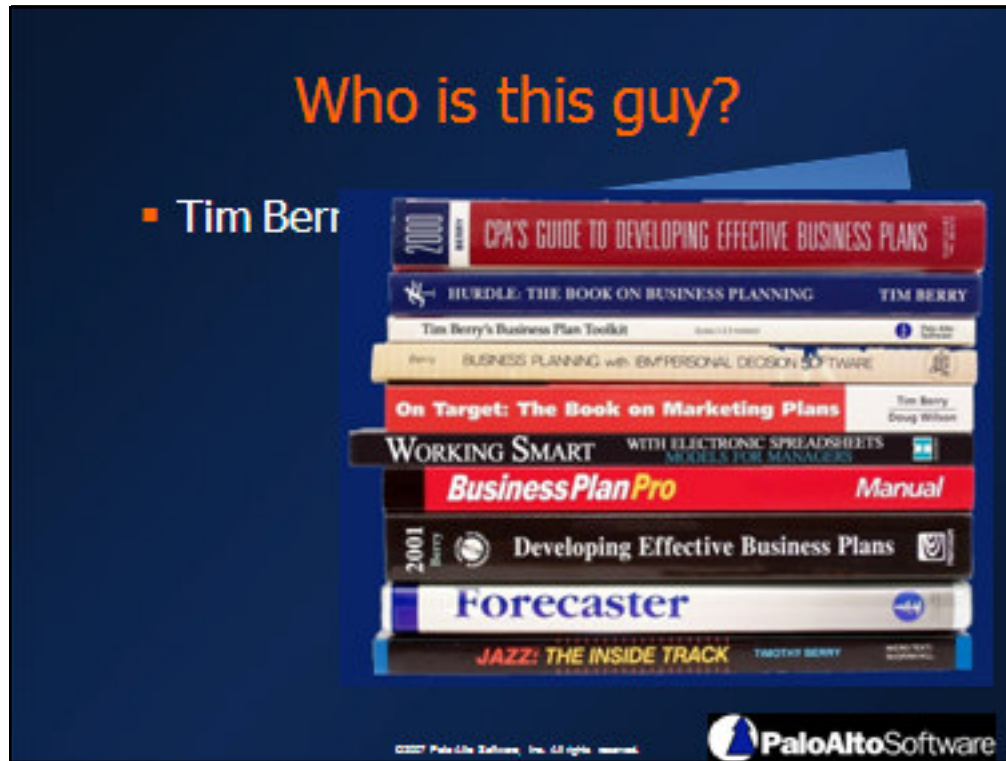
Hands-on: sample plans, flexibility, whose plan is it.

CRITICAL POINTS

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Summary, Conclusions, Questions, Discussion





Tim Berry bio:

- President, Palo Alto Software
- USASBE corporate entrepreneur of the year, 2006
- Principle author, Business Plan Pro
- Former VP, Creative Strategies International
- Co-founder, Borland International
- Planning consultant to Apple Computer, 82-94
- Stanford MBA ('81)
- Mexico City '71-79
- Published books include
 - Hurdle: the book on Business Planning
 - CPA's Guide to Developing Effective Business Plans
 - On Target: the Book on Marketing Plans
- www.timberly.com