

A Business Plan Will Increase Your Profits...But Only if You Use It.

By [Gene Siciliano](#)

We all nod knowingly when anyone discusses the importance of vision, mission, and business planning, then most of us go back to what we were doing before the interruption. Here are some ideas for making it easier and more productive, from a management consultant and business planning expert.

Lets hear it for Business Planning! Give me a P--L--A--N! PLAN! PLAN! PLAN! Yea!! Team!! *Is this exciting, or what?*

OK, so maybe I'm overstating the excitement a bit. So what's real here?

As it happens, I often ask small business owners if they believe business planning is an important management tool. I don't think anyone has ever said "No." But when I follow up with the question "Do you have a *current* business plan?" invariably only 1 in 10 answers "Yes." This will *not* surprise 90% of those reading this article, I'm sure. So why is it that most speakers (in my admittedly unscientific surveys) see the value and then almost universally forego it? Could it be because business planning is seen as:

- Not very easy?
- Not very much fun?
- Not guaranteed to produce what we want?
- Not on the list of things we got into business to do?

Have I missed any of your personal favorites?

The truth is, of course, that planning is not as much fun as creating your own business. And it's certainly not guaranteed to do anything, unless we actually *do* something with our plans, which of course makes them more work. It wasn't on my list of reasons for starting a business, either. But, you know, *it works*. And that goes a long way in my book to make up for its shortcomings in the fun department. If it does in yours, too, then read on, because the purpose of this article is to share some ideas that could make the idea of creating your business future downright irresistible.

Why Plan?

Yes, we've all agreed that planning is important. But why is it important? That's a pretty big idea to accept on faith. I believe there are four powerful reasons to create written plans:

1. Clarity

The ability to see exactly where you are going is greatly enhanced by the simple act of writing it down. Unless you have extraordinary conceptual capacity, you will only know what you want your business to look like by writing it down, with all the details you can think of to enhance the picture. Some people are gifted with that kind of vision without ever picking up a pencil, but for most of us the picture needs to be more concrete. The more detailed the description of the end result, the more easily you will recognize what you must do to get there.

2. Roadmap

When you are traveling to a place you've never before visited, you probably need a roadmap to get you there, to recognize which roads to take, and which ones to avoid because they lead in the wrong direction. Your business plan serves the same purpose in getting you to your goals, another place you've never been before. It's much easier to avoid wrong turns when your best path is laid out for you in writing.

3. Communication

Many of the people you meet will be instrumental in helping you achieve your goals, *if* you tell them what you want to achieve. There is great value in having an easy, concise way to tell others - employees, colleagues, customers, family and friends - what your goals are and how they can assist you. Making it up along the way will create confusing signals among those who support you, rather than concentrate the power of their support in a common direction.

4. Empowerment

Often we hear people speak of their dreams and goals in a way that tells us they want to get there but don't really believe they will, or even can. A clearly defined plan will reveal a series of small, achievable steps along the path, and we can actually begin to see how they fit into our grand design. Accepting the possibility of success a step at a time is much easier for most of us. Such a revelation can be the most important key to achievement. Your written plan makes huge goals somehow seem manageable and, yes, even achievable.

So, Where Do You Start?

I believe you start with a personal value-based vision statement, followed by a congruent and carefully formed mission statement. Together they should be the foundation of your business plan. OK, you ask, what is the difference between a vision statement and a mission statement? Do you need both? I have for many years used a plain language definition that goes like this:

- ***Your vision is how you want the world to be.***
- ***Your mission is your contribution to making it that way.***

Looked at in this way, it's easy to see that you should include both in your thought process. Whether they evolve as one statement or two is unimportant. What is critically important is that together they are the first step in your planning process.

About now some readers may be saying "Sure, all I have to do is decide what I'm going to do with my life! And after lunch I'll just zip over and solve the Bosnian situation. Give me a break here." *Hold on, now!* I'm not suggesting that you only get one shot at this. In fact, everyone's mission statement will evolve over the years, even if they're right on target, because the world changes, and where we are in it changes also. However each change should be carefully considered, firmly adopted, and then acted upon.

A Final Thought

A good plan is a sizable piece of work. A life spent without a plan is considerably more work, and usually for considerably less pay. By contrast, a plan that truly guides us in the direction we really want to go brings us daily rewards. Add up the work satisfaction, the rich experience of a balanced life, and a more successful business because it meets its goals. Unless there's a hole in your bucket, you will have earned some very large profits along the way. And you'll have had a heck of a good time doing it. *Hey, is that exciting or what?*

