



SOCIETY OF ACTUARIES

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Use a Strategic Plan to Grow Your Business

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INTRODUCTION

- If you were asked to evaluate the risk to the future of your own firm by continuing your current practice development strategies, would the result be encouraging or discouraging?
- What steps are you taking now to continuously grow your business into a secure and successful future?
- Are you among the unusual professional and financial services firms that are implementing a unified and sustained strategic plan to grow your business?
- Or are you like most firms in relying on the haphazard marketing and practice development efforts of whoever sees a need to do something?

My guess is that your firm is probably somewhere between the two extremes—you have some brochures, a Web site, a Yellow Pages ad, and memberships with some local business organizations and ads in their publications. How would you evaluate the benefit and the future revenue increase if your firm instead had a sustained, long-term, multi-faceted strategic marketing plan that was being implemented by everyone in the firm? Could that create a steady flow of new clients generating both greater revenue and security into the future?

WHY USE A STRATEGIC PLAN?

There are several advantages of using a strategic plan to grow your business. The most obvious advantages are that it can:

- Achieve a shared vision
- Create shared responsibility for attaining the vision
- Build and define accountability for results across the firm
- Limit or budget costs

There are other equally important benefits your firm can derive from creating a strategic plan to grow your business. It can:

- Lay the groundwork for extending a high-performance culture to your practice growth efforts
- Define goals and key practice growth activities
- Create and build systems to support a process for plan implementation
- Craft metrics for evaluating marketing strategies
- Design metrics to define ROI on specific marketing strategies
- Focus the entire firm on the most effective and cost-efficient marketing strategies
- Establish a timeframe for key activities
- Institute evaluation criteria for each member of the firm
- Create shared definitions of key target market segments and ensure targeting of the right market segments
- Assess skills and knowledge and provide needed coaching or training of firm members
- Set up an objective measurement of success for the firm.

CREATING A STRATEGIC PLAN TO GROW YOUR BUSINESS

The first thing to be said about creating a strategic marketing plan is that everyone who is expected to participate in plan implementation should be involved in plan creation. The reasons are simple: involvement builds consensus and buy-in, and people support what they help to create. If people are involved in plan creation, they are at least somewhat invested in the success of the plan. Getting everyone on board and invested in practice development is the first huge step in successful plan achievement.

Second, your strategic marketing plan needs clear and actionable goals. Your goals should also be very specific about who is expected to take action and how the success of those actions will be measured and evaluated. The goals also need to indicate how accountability will be measured and applied.

Third, your strategic plan needs to provide a budget and a plan for training and/or coaching of people to whom goals are assigned. All business training is not equal. Some members of your team will not have adequate background in such areas as client needs assessment, key marketing tactics for practice development, how to choose prospective clients, how to use technology to greatest advantage in practice development, how to become a rainmaker, and how to expand service offerings.

Fourth, your strategic plan needs to build upon a process. Without a clear process, accountability, success measurement, and even marketing activities will be inconsistent, sporadic and unevenly evaluated. It is the process that will drive the bus for you. You will also need appropriate systems support for the process to keep everyone on the bus all the way to the destination. The systems will “keep people in their assigned seats during the bus trip” by providing reminders, outlining tactics, managing budgets, managing feedback, and conducting appropriate ongoing analysis of ROI, tactical effectiveness and cost-efficiency.

Fifth, your strategic marketing plan needs to specify key marketing strategies, budgets available to individuals, firm-wide marketing efforts, shared responsibilities and who will represent the firm in key organizations, industries and networks. You will also want to define key growth areas and target markets, as well as the most desirable and profitable clients.

Finally, the process and the action plans must be managed consistently and regularly. Scheduling brief, regular status meetings with all accountable individuals will help to keep everyone on target and on schedule for successful plan achievement.

THE ROLE OF THE ACTUARY

Several recent studies have indicated that the need for actuaries and the role of actuaries will grow significantly during the new decade. Clearly, an expanding role or set of roles will create additional need for skilled professionals. Not only did *The Wall Street Journal* list actuary as the best job, but



U.S. News & World Report (in 2006) included actuary in its list of the 25 Best Professions expected to be in high demand in the future.

There is also clear indication that the role of the actuary will expand beyond the insurance industry to a much larger role in making business decisions across all industries, as well as predicting events, evaluating costs and risks of political, social and other programs, and defining assets and liabilities in a host of organizations and situations.

What better skill set for a key role at the center of every strategic planning initiative?

The Practice Building Team helps professional services firms accelerate their growth. David has been an entrepreneur and a guide for entrepreneurs throughout his adult life. After successfully selling his business in October 2005, David began offering workshops on unlocking the power of your employees. He also started Networking4connections, a consulting firm focused on teaching professionals how to win opportunities to promote their business to A clients. ●

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