

2020

{BUSINESS NAME} STRATEGIC PLAN



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Introduction

This strategic plan was developed to guide management decisions and create a strategic direction to ensure the sustainability and long-term growth of the company. Understanding the dynamic nature of the agricultural delivery business, this plan covers a two-year period and provides goals and objectives for that two-year period. Additionally, this plan is dynamic and can be changed and modified frequently as new market conditions arise and new strengths, weaknesses, opportunities, and threats present themselves.

Background

{Business Name} is a {type of business} brokerage working in the agricultural product delivery sector. {Business Name} acts as a middleman between retail clients and wholesale supply farms. {Business Name} currently has two supply farms located in Idaho Falls, ID. {Business Name} works between the retail customer and the supply farm to collect and process orders and then coordinate with the supply farm to ensure order fulfillment.

Organizational Structure

{Business Name} currently operates as a corporation with an owner/operator employee and several contract employees providing services in the areas of installation, pallet pick-up after delivery, and daily operational assistance as well as business development and planning. {Business Name} is currently facing an expansion decision and must decide if it wants to expand and take on additional employees, equipment, and products. This would ultimately change the organizational structure and flow of the business.

Vision

{Business Name} desires to be the premier brokerage in the Salt Lake Valley and the sales branch for multiple farms. {Business Name} was purchased with the intention it would eventually expand and work closely enough with suppliers in the Utah and Idaho areas to become the primary distributor for Northern Utah.

Values

- We value honest and upfront communication with our stakeholders
- We value high quality and responsive customer service
- We value high standards of workmanship including on-time and accurate deliveries and high-quality xxx installation.
- We value our employees and their contribution to the success of our business.

Mission Statement

To exceed our customers expectations through detailed communication, high-quality product, on-time and accurate delivery and continuous improvement through customer interaction and internal analysis.

SWOT Analysis

STRENGTHS

- 1) Responsiveness
- 2) Customer Service
- 3) Order Processing System
- 4) Brand Recognition / Goodwill
- 5) High Quality Products

WEAKNESSES

- 1) Suppliers
- 2) General Processes
- 3) Lack of Automation
- 4) Data Analysis
- 5) Analytical Data Tracking
- 6) Key Performance Indicators

OPPORTUNITIES

- 1) New Suppliers
- 2) Market Expansion
- 3) Social Media Presence
- 4) Reducing Expenses
- 5) Collaboration/Partnering with Others
- 6) Delivery Yard

THREATS

- 1) Product Supply
- 2) Execution and Delivery of Product
- 3) Customer and Supplier Attitudes Toward Company
- 4) Pricing Strategy
- 5) Previous Owners/Employees
- 6) Lack of Control

SWOT Analysis Discussion

Strengths

{Business Name} has many strengths that have been developed over the years and {Business Name} should continue to capitalize on these strengths through its marketing and advertising channels. One of the primary strengths {Business Name} has is its responsiveness to customers and its willingness to handle customer issues quickly and efficiently. This responsiveness sets {Business Name} apart from many of the other xxx farms and distributors in the Utah and Idaho area. {Business Name} also works with reputable and high-quality xxx wholesalers and thus has high quality product to provide to customers.

Weaknesses

{Business Name} weakness must be focused on and addressed to ensure the company remains viable and sustainable into the future. Primarily, the lack of good supply chains inhibits {Business Name}'s ability to deliver enough product to meet the demand in the Wasatch Front and Wasatch Back areas of Utah.

Additionally, {Business Name} does not utilize automation in its business model and relies heavily on office personnel to manually enter, process, confirm, track and close-out orders. Office personnel are also required to monitor numerous incoming communication streams to ensure all customer's needs are met and addressed. The current level of production makes this nearly impossible for one person to handle and thus human error causes unhappy customers and bad reviews of the business.

{Business Name} must find ways to address these issues to scale the business and continue to grow into the future.

Opportunities

{Business Name} has several promising opportunities that could lead to the development of new branches of the business and other income streams. Primarily, the addition of a {Business Name} owned xxx delivery facility would provide an opportunity for {Business Name} to exert more control over deliveries in the Salt Lake, Utah, and Davis County areas. In addition, this yard facility would provide an area where other products could be sold and customers who need to pick up small quantities of xxx could come to make their purchase. {Business Name} also has some opportunity in market expansion; however, this will require careful research of other states and the markets in those areas.

Threats

One of the biggest threats to {Business Name} is the lack of good sources of xxx and reliable supply chains. The demand for xxx is high in the Utah area but without a reliable and consistent supplier, {Business Name} may be unable to continue to meet the demand causing harm to its business reputation and potential loss of revenue. Additionally, {Business Name} is fighting against a bad reputation developed from how the previous owner conducted the business. This reputation makes developing relationships with other suppliers difficult, at best and impossible at worst. Finally, the third biggest threat to {Business Name} is the lack of control the business has over many of its critical business processes, namely, deliveries and installations. Both areas are left up to outside entities who have little interest in the future of {Business Name} and therefore don't meet all of {Business Name}'s high-quality standards of excellence.

Goals and Objectives

Goal #1 – Develop new supply partners to ensure a continual and reliable supply of product throughout the delivery season.

Objectives

- 1) By February 1, 2021, {Business Name} will enter contracts with at least two other supply farms in the Utah or Idaho area.
- 2) {Business Name} will evaluate the farms to ensure they are able to provide a high-quality product at competitive market price.

Goal #2 – Develop internal processes to ensure quotes, order entry and order tracking are well documented, tracked and communicated to customers.

Objectives

- 1) By March 1, 2021, a process will be developed and documented for each of the following:
 - a. Customer Interaction
 - b. Quotes
 - c. Order Processing
 - d. Order Confirmation
 - e. Order Tracking
 - f. Accounts Receivables
- 2) By March 1, 2021, these processes and procedures will be formalized and adopted in a business policy and procedure manual approved by the business ownership.

Goal #3 – Evaluate and determine if a xxx delivery yard is feasible, profitable, and sustainable for the 2021 xxx season and thereafter.

Objectives

- 1) By November 30, 2020, conduct a feasibility study to determine if a xxx delivery yard is something that will increase {Business Name}'s revenue streams and ultimately provide other ways for {Business Name} to expand.
 - a. This feasibility study should include analysis of:
 - i. Revenue potential and projected expenses.
 - ii. Addition of new equipment
 - iii. Addition of new personnel
 1. Employees vs. contract
 - iv. Land and space requirements for a delivery yard
 - v. Potential uses during the off-season

Goal #4 – Develop means to track key data information to inform management decisions.

Objectives

- 1) By December 31, 2020, develop a system to capture data in the key performance indicator areas listed in the 'EVALUATION' section of this plan.
- 2) By March 30, 2021, create an internal dashboard that is updated (preferably automatically) daily to graphically and quickly display key data points to drive daily operations.

Goal #5 – Analyze and research all key business software and determine if there is a way to consolidate or replace certain pieces of software to improve communication flow and automation of the business.

- 1) By December 2020, develop a list of all pieces of software being used in the business and categorize them to show how essential they are to the business operation.
- 2) By April 2021, conduct research through different vendors, online product demonstrations, or other means to determine what options are out there to improve the most critical pieces of software being used by the business.
- 3) By April 2021, determine if it is financially feasible to improve on software or develop a plan to purchase and implement new software.

Evaluation – Key Performance Indicators

Financial management

- Collection Time for Accounts Receivables
- Sales and Revenue Performance
- Gross Margin Performance

Inventory management

- Average Inventory
- Order Fulfillment Rates
- Lead Time
- On-Time Deliveries
- On-Address Deliveries

Customer Order Volume and Frequency

- Delivery Efficiency
- Service Level

Service Level

- 95% of the time our lead time is 14-days or less
- 99% of the time our deliveries are on time and on address

Summary

{Business Name} is in a moderate position financially to look at different opportunities and potentially capitalize on them to increase sales and revenue. {Business Name} is facing significant threats from the lack of good supply and the reduction in supply and delivery amounts from its primary xxx supplier. There are several critical issues that must be addressed in the near term to ensure a plan is developed to move the company forward and continue to expand.

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