



Plan Now to Take Your Business to the Next Level

The Paragon Practical Business Plan

Truly successful investment professionals spend ample time working on the business and not just doing business. They understand that business planning needs to be an ongoing process throughout the year and not just an annual event. Although most business plans focus only on setting revenue goals, increasing assets under management alone does not ensure a profitable business. Planning should involve every aspect of your practice. Client retention strategies, team efficiency, and the team's services are just a few examples of focus areas that need to be continually evaluated and developed.

Using a business planning SYSTEM will help you stay focused on the important things – the activities that are going to bring you more business and make your life more enjoyable. The first thing you need to do is block out time to work on this. Take the time to do it right and ask every member of your team to participate. If you don't have a team, ask your spouse or significant other to help you. Or, ask a friend or business associate. This should be an interactive rather than a reflective experience for you. Here are several good reasons why you should not do this alone:

- We all need someone to challenge our ideas (this produces better results)
- We all need someone to be accountable to (this makes it more likely to happen)
- We all need some discipline and structure (this keeps us headed in the right direction)
- We all need to feel like we are contributing (this will give your team some buy-in to do the work)

If you are a rainmaker, you may consider business planning to be painful or may not be very good at it. It is important to get help with this critical work that will lead you to success.

Building Blocks of the Paragon Practical Business Plan*

The Paragon Practical Business Plan is a system to help investment professionals get tangible RESULTS. It contains six essential elements, or building blocks.

- Purpose – Reminds you WHY you're doing all of this in the first place
- Goals – Establish WHAT you and your team will achieve
- Strategies – Explain HOW you and your team will achieve your goals
- Tactics – Define the specific ACTION steps you and your team will take
- Responsibilities – Identify WHO will do the work
- Timeframes – Specify WHEN the work will be done

Excluding any of these elements will weaken your plan and make it less effective. Unfortunately, most business plans contain strategies, but leave out WHO is going to do WHAT and by WHEN. Conceiving the ideas without also designing an implementation plan often diminishes your results. You need all of the elements to function together as a blueprint to build and manage your business more effectively.

Measure Your Progress. Get Results!

If you want to get results, you will need a way to measure your progress and make sure you stay on track to achieve your goals. Isn't that what you do for your clients? The best way to do this is to establish a series of

Plan Now to Take Your Business to the Next Level

The Paragon Practical Business Plan

PLANNING SESSIONS throughout the year. The purpose of these sessions is to make sure you and your team are doing what you're supposed to be doing. These sessions will do more to keep you focused on the important things than anything else you can do. This is the accountability factor that is missing in most businesses.

Planning Sessions should be held weekly, monthly, quarterly, and annually. Each meeting has different objectives and purposes for implementation. Committing to a planning schedule also gives you time to reevaluate the goals so they can be fine-tuned. There is no sense in accomplishing a goal that is no longer relevant to your business.

Here is a sample planning schedule:

Frequency	Duration	Description of Planning Session
Daily	Ongoing	Individual team members keep a copy of the plan on their desks and check off action items as completed
Weekly	1 - 2 Hours	Team meets weekly; each team member gives a "status report" to rest of team; everyone works on team action items
Monthly	1/2 - 1 Day	Team meets monthly; each team member gives a "status report" to rest of team and identifies his/her action plan for next 30 days; everyone works on team action items
Quarterly	1 - 2 Days	Team meets quarterly; each team member gives a "status report" to rest of team, defines his/her action plan for next 30 days and establishes short-term goals for next 90 days; everyone works on team action items
Annually	2 - 3 Days	Team meets annually; each team member gives a "status report" to rest of team, defines his/her action plan for next 30 days and establishes short-term goals for next 90 days; everyone works on team action items; everyone establishes goals for next year

Implementing this schedule should take between 5-10% of your work week. By taking the time to be proactive with your business, you will minimize being reactive in it. Focusing on the truly important things converts some of your non-productive hours into productive ones.

Roles and Goals

In order to be effective at business planning, you need to address all aspects of your business. To do this, you must involve everyone on your team and clearly define roles and responsibilities for everyone, including you. Start by identifying the core functions in your business. These include areas such as Administration & Operations, Investment Management, Research, and Client Service. The idea here is to establish GOALS for EACH FUNCTIONAL area. Once you have the goals, work as a team to establish the STRATEGIES that you want to use to accomplish those goals. Next, define the TACTICS or action items for those strategies. You will find that some tactics can be handled by one person and others will require two or more people. You should elect one member of your team to take the lead on each function. For some functions, you will have one team member who is ultimately responsible for making sure that each task or activity is completed and for other

Plan Now to Take Your Business to the Next Level

The Paragon Practical Business Plan

more complex functions, you may have a leader and a secondary person. It is the leader's responsibility to make sure that the other people do their share of the work.

If you do all of this right, your planning sessions will run like a board meeting, with each member of your team reporting on how things are progressing in their respective areas of the business. Consider the benefits of doing this:

- It gives everyone on your team an opportunity to have input (people want to contribute)
- It establishes accountability (everyone has ownership)
- It makes it easier on you (by spreading out the work)
- It produces better results (two or more heads are better than one)

Your planning sessions will also ensure that you and the rest of your team communicate on a regular basis. Communication for a team is like the oil that runs through a racecar engine. Lack of communication inevitably causes a serious breakdown in team performance.

Spend the time on proper business planning and turn your business into a valuable asset that runs efficiently and effectively. You and your team deserve to experience less stress and enjoy work more.

*Definitions

Purpose reminds you why you're doing all of this in the first place. In the E-Myth Revisited, Michael Gerber reminds us that a business should be a means to an end, rather than an end in itself. The idea here is to define what that end is for you. If you don't include a purpose in your plan, you can easily lose sight (focus) of where you're going and why you're going there. You will be defining a personal and a business purpose.

Goals establish WHAT you and your team will achieve. You should establish goals for each functional area of your business. You should establish short-term goals (90-day) and long-term goals (1-year). Some goals will not seem very tangible at first, but if you work with them, you can usually make them more specific and measurable. Example: "We will create more raving fans this year." vs. "We will convert 10 more clients into raving fans this year."

Strategies explain HOW you and your team are going to achieve your goals. They focus on the big picture. Example: "We are going to use client referrals to increase our assets under management by 25% this year." "Client referrals" is the strategy here. "Increasing assets by 25%" is the goal.

Tactics define the specific ACTION steps that will be taken by you and your team to implement the strategies. They focus on the specific tasks that have to be performed by each team member each day, week, etc. Example: "We will have one client meeting each week in order to create more raving fans and generate more referrals." The "client meetings" are the tactics here.



Plan Now to Take Your Business to the Next Level

The Paragon Practical Business Plan

Responsibilities identify WHO will take the various action steps (tasks) defined by your tactics. They establish accountability and ownership. Example: "Jane will mail out the Client Surveys and Confirmation Letters to each Key Client. John will conduct the Meeting." Obviously, "Jane and John" have the responsibilities here.

Timeframes specify WHEN the work will actually be done. They establish accountability and keep all team members moving toward their goals. Timeframes are not always deadlines per se. In fact, many of your tactics will be ongoing tasks or activities. Example: "John will have one client meeting each week." This is an ongoing activity. Note, however, that John can and should specify when he is going to have these meetings. Example: "John will have a client meeting every Friday morning."

If you are interested in implementing a true business plan in your practice, the Paragon Practical Business Plan System is available. The System contains complete step-by-step instructions on how to implement the process in your business and three Microsoft Word forms, which your team can complete, revise, and save on a computer. These worksheets provide an infrastructure for how you and your team should conduct your weekly, monthly, quarterly, and annual planning sessions. This is a great way to organize all of your team meetings and plan for the future.

Please phone us at 770.319.0310 or visit our website at www.ParagonResources.com to place your order.

Copyright 2005. Paragon Resources, Inc., Atlanta, GA

THIS DOCUMENT IS FOR INFORMATIONAL PURPOSES ONLY. INFORMATION PROVIDED IN THIS DOCUMENT IS PROVIDED 'AS IS' WITHOUT WARRANTY OF ANY KIND. The user assumes the entire risk as to the accuracy and the use of this document. This document may be copied and distributed subject to the following conditions: 1) All text must be copied without modification and all pages must be included; 2) All copies must contain Paragon's copyright notice and any other notices provided therein; 3) This document may not be distributed for profit.