

Appendix

Sample Strategic Plan

Sierra Technology Software Strategic Plan 2007-08

Mission

Our mission is to create technology solutions for forward-thinking organizations.

Vision

To be known as the technology experts and resource center for small to medium-size organizations.

Core Values

We commit to these values to guide our decisions and behavior:

- To empower and inspire to entrepreneurial leaders.
- To be professional in our actions to our clients, partners, and each other.
- To effectively impact the marketplace.
- To help all organizations regardless of their resource constraints.
- To have honesty, integrity and respect for all individuals.
- To continually pursue knowledge and learn.
- To practice what we teach.
- To have enjoyment and fulfillment in our work.

Competitive Advantage

- 1) Patented Intellectual Property - interactive, integrated web-based
- 2) Software Systems - usable, practical, actionable offerings
- 3) Unique Team - complimentary talents/gifts; business/teaching; international experience
- 4) Business network - domestic and international
- 5) Access to University - knowledge base, academic resources, proven material and top students.

FINANCIAL

Financial Strategic Objective

1.1 Revenue Growth: Grow business 30% per year.

Financial Goals

Target

Measure

1.1.1 To generate sales of \$1 million by end of the year.

\$1 million

\$ in Sales

Financial Strategic Objective

1.2 Productivity Improvement: Maintain an acceptable ROI on all projects.

Financial Goals

Target

Measure

1.2.1 To increase average billable hour factor.

\$150.00/hr.

\$ per billable hour

1.2.2 To fund online product development with a stated percentage of monthly net profit.

25%

% of profit for
product
development

CUSTOMER

Customer Strategic Objectives

2.1 Customer Retention: Maintain current customers by providing best practice strategies through software and system evaluation.

2.2 Customer Acquisition: Reach new customers through continued product development.

2.3 Customer Service: Provide the best possible service to our clients by understanding their business as it relates to technological needs.

Customer

Novice Entrepreneurs

Profile

Needs a quick solution to focus and guide their business. Needs a tool to get started. Want a self-support product. Desire to move their business to the next level. Ready to commit time and money to their information systems.

Do it-yourselfers. Not necessarily sole-proprietors. Needs to be easy, practical and simple. Linear use. Do it and it is done. More than 5 employees. Established business. Located in US. Perceived lack of need.

Size of market:

of Small Businesses: 5.5 million (between 3-100 employees)

of Sole Proprietors: 17 million

of Women-Owned Business: 34% (of the above two figures)

of Reno Businesses: 7,000 (possible targets)

Positioning

We provide effective technology solutions to growing businesses which yields enhanced performance and purpose for the organization.

Strategy

Operational Excellence

Strategic Market Goals

Target

Measure

2.2.1 Daily new clients who have purchased Basic Package.

30 Basic Package clients

of Basic Packages

2.2.3 Consistent contact of customers to develop understanding of technological issues.

5 per week.

Number of customers talked with.

<u>Action Items</u>	<u>Responsibility</u>	<u>Deadline</u>	<u>Expense</u>
2.2.1a Test Basic Package for ease of use with a Beta group.	Web specialists	06/30/2007	\$1,500
2.2.1b Hold focus group to discuss value and pricing for Basic Package.	Sales team	06/30/2007	\$250
2.2.1c Review "search engine words" at both Google and Yahoo to determine key pain points.	Marketing	06/30/2007	\$500
2.2.1d Explore and research habits of Novice Entrepreneurs to determine how best to deliver	Web specialists	06/30/2007	\$1,000

online system.					
2.2.3a Hold online focus group to explore unique needs/pain points of Novice Entrepreneurs.	CEO	05/31/2007	\$500		
2.2.3b Send email blast to existing customers to explore their unique requirements new software solutions.	Web specialists	06/30/2007	\$300		
<u>Profit / Loss</u>					
	Q1	Q2	Q3	Q4	YTD
Gross Revenue/Sales	\$61,000	\$61,000	\$61,000	\$61,000	\$244,000
Fixed Costs	\$15,500	\$15,500	\$15,500	\$15,500	\$62,000
Less Above Expenses	\$1,013	\$1,013	\$1,013	\$1,013	\$4,050
Profit/Loss	\$44,488	\$44,488	\$44,488	\$44,488	\$177,950

Customer

Experienced Entrepreneurs

Profile

Has an existing system in place. Needs minimal to maximum coaching through the package selection process and installation. Willing to hire someone. Willing to commit time, money and staff. Willing to be facilitated throughout the process.

Positioning

Able to provide more advanced technologies which can be effectively integrated into their existing business.

Strategy

Product/Service Leadership

Strategic Market Goals

Target

Measure

2.2.2 New clients who have purchased Premium Software package. 4 Premium clients # of Premium Packages

2.1.1 To provide increased value to all existing online customers to enhance "stickiness." 65% Retention rate of current customers.

<u>Action Items</u>	<u>Responsibility</u>	<u>Deadline</u>	<u>Expense</u>
2.1.1a Add new software to product offering.	IT group	01/27/2007	\$500
2.1.1b Do email blast to Experienced entrepreneurs to explore their commitment of resources and time.	CEO	07/29/2007	\$750
2.1.1c Explore methods to distribute access to new software	Sales team	06/30/2007	\$500
2.2.2a Develop in-house assessment based on back filling data.	CEO	01/20/2007	\$1,500
2.2.2b Hold online focus group to explore pricing	CEO	06/30/2007	\$500

and value of Premium package.					
2.2.2c Web site – updated monthly Google ad words – ongoing Direct email based on in-house lists – 1 newsletter, 2 promo pieces (performance and webinar) in Sept & Oct; 1 newsletter, 1 promo in Nov. & Dec.	Marketing	01/30/2007			\$70,000
2.2.2d PR efforts – Mass press releases (PRWeb), targeted press releases (select websites and publications), article submissions to e-newsletters and article placement list – 1 press release, 1 article per month Nexus Organizations – 1 per week	Web specialists	09/30/2007			\$3,000
<u>Profit / Loss</u>					
	Q1	Q2	Q3	Q4	YTD
Gross Revenue/Sales	\$123,000	\$123,000	\$123,000	\$123,000	\$492,000
Fixed Costs	\$31,000	\$31,000	\$31,000	\$31,000	\$124,000
Less Above Expenses	\$19,188	\$19,188	\$19,188	\$19,188	\$76,750
Profit/Loss	\$72,813	\$72,813	\$72,813	\$72,813	\$291,250

OPERATIONS

Operations Strategic Objective

3.1 Customer Management: Execute and maintain a CRM process that is producing results.

<u>Operations Goals</u>	<u>Target</u>	<u>Measure</u>
3.1.1 Stay connected with customers by developing a customer loyalty program.	100% customers surveyed	# of Customers surveyed
3.1.2 Purchase CRM system for current and potential customer groups.	Accomplishment	Obtain CRM system

<u>Action Items</u>	<u>Responsibility</u>	<u>Deadline</u>	<u>Expense</u>
3.1.1a Call all new customers and do a system orientation Webinar immediately.	Customer service	12/31/2007	\$250
3.1.1b Call current and past customers for customer survey.	Customer service	12/31/2007	\$3,000
3.1.2a Research 3 potential CRM systems and contact references.	Customer service	09/30/2007	\$0
3.1.2b Purchase CRM system	Customer service	12/31/2007	\$25,000

Operations Strategic Objective

3.2 Product Management: All web-based strategic planning sites and supporting products meet operational excellence guidelines.

<u>Operational Goals</u>	<u>Target</u>	<u>Measure</u>
3.2.1 Optimize websites by the end of the year.	3	# of websites optimized.
3.2.2 To develop webinars	2 Webinars	# of webinars/mo.
3.2.3 To finalize New Software Plan with summary statistic pages.	Achievement	Development % of assessment.
3.2.4 Update software "how-to" books.	3 books	# of books updated.

<u>Action Items</u>	<u>Responsibility</u>	<u>Deadline</u>	<u>Expense</u>
3.2.1a Hire outside vendor to assess system and provide recommendations.	Web specialists	09/30/2007	\$2,500

3.2.1b Optimize system in-house based upon recommendations of vendor.	Web specialists	11/30/2007	\$750
3.2.2a Develop 15 minute "Basic Package" presentation.	CEO	03/31/2007	\$0
3.2.2b Develop 30 minutes "Premium Package" presentation.	CEO	04/30/2007	\$0
3.2.2c Schedule Webinars on an ongoing basis.	CEO	06/30/2007	\$3,000
3.2.3a Develop quantitative basis for all benchmarks.	CEO	06/30/2007	\$750
3.2.3b Write and edit content for Software Intro.	Marketing	07/31/2007	\$0
3.2.3c Have new software programmed.	IT group	08/31/2007	\$4,500
3.2.4a Accumulate and synthesize all corrections and revisions for books.	Admin group	09/30/2007	\$0
3.2.4b Hire editor/writer for updates.	Admin group	09/30/2007	\$8,500

Operations Strategic Objective

3.3 Operations Management: Develop and maintain an infrastructure that allows for a virtual office and efficient overhead.

Operations Goals

3.3.1 Set up computers to be accessed from any destination.

Target

5

Measure

of computers

3.3.2 Define all procedures and process in writing in order to support projected growth.

Achievement

of process in writing.

<u>Action Items</u>	<u>Responsibility</u>	<u>Deadline</u>	<u>Expense</u>
3.3.1a Investigate international access requirements.	IT group	10/31/2007	\$0
3.3.1b Purchase necessary software/hardware or make arrangements with an internet service provider for virtual access.	Admin group	12/31/2007	\$5,000
3.3.2a Write down steps for accounting and marketing system.	Admin group	12/31/2007	\$0

Operations Strategic Objective

3.4 Technology Management: Continue to develop technology innovation.

Operations Goals

Target

Measure

3.4.1 Develop version #2 of the web-based planning system.

Accomplishment

Accomplishment.

<u>Action Items</u>	<u>Responsibility</u>	<u>Deadline</u>	<u>Expense</u>
3.4.1a Map out entire new version including all revision thoughts.	Web specialists	05/31/2007	\$0
3.4.1b Hire a vendor to re-program system based upon at least 3 proposals.	IT group	07/31/2007	\$50,000

Operations Strategic Objective

3.5 Community Involvement: Establish a program that contributes 10% of net profit through net profits and staff time.

Operations Goals

Target

Measure

3.5.1 Develop an effective scholarship program for socially/community focused entrepreneurs.

Accomplishment

Accomplishment.

<u>Action Items</u>	<u>Responsibility</u>	<u>Deadline</u>	<u>Expense</u>
3.5.1a Research existing scholarship programs from other companies.	Admin group	12/31/2007	\$0
3.5.1b Synthesize best programs available into one that fits our parameters.	Admin group	12/31/2007	\$0

PEOPLE & LEARNING

People & Learning Strategic Objective

4.1 Training: Continue to learn and adopt best practices about strategy and strategic planning.

People & Learning Goals

Target

Measure

4.1.1 Attendance at best practice conference by management. 1 Conference/year actual attendance.

<u>Action Items</u>	<u>Responsibility</u>	<u>Deadline</u>	<u>Expense</u>
4.1.1a Research information technology conferences and workshops available this year.	Admin group	2/1/2007	\$0
4.1.1b Circulate list of conferences and workshops and get commitment from all management personnel.	Admin group	02/15/2007	\$5,000

People & Learning Objective

4.2 People: To be the employer of choice in our field.

People & Learning Goals

Target

Measure

4.2.1 To support individual staff personal development plans. 100% of staff # of staff plans.

<u>Action Items</u>	<u>Responsibility</u>	<u>Deadline</u>	<u>Expense</u>
4.2.1a Research facilitation training programs.	Sales team	06/30/2007	\$2,500
4.2.1b Have all staff complete a 3 year development plan.	Admin group	07/31/2007	\$1,000

People & Learning Strategic Objective

4.3 Culture: To align incentives and employee reward with staff performance.

People & Learning Goals**Target****Measure**

4.3.1 Increase the number of innovative ideas through an incentive program.

5

of innovative ideas implemented.

<u>Action Items</u>	<u>Responsibility</u>	<u>Deadline</u>	<u>Expense</u>
4.3.1a Develop a program to encourage ideas from everyone.	Admin group	09/30/2007	\$2,500
4.3.1b Throw a party to kick off incentive program.	Sales team	09/30/2007	\$500

2007-08 Summary Budget

REVENUE	Amount	Amount
Sources		
Novice Entrepreneurs Sales	\$ 244,000	
Experiences Entrepreneur Sales	\$492,000	
Current Clients	\$750,000	
Total Revenue		\$1,486,000
EXPENDITURES		
<i>Expenses from Strategic Plan Action Items</i>		
2.2.1a Test Basic Package for ease of use with a Beta group.	\$1,500	
2.2.1b Hold focus group to discuss value and pricing for Basic Package.	\$250	
2.2.1c Review "search engine words" at both Google and Yahoo to determine key pain points.	\$500	
2.2.1d Explore research habits of Novice Entrepreneurs to determine how best to deliver online system.	\$1,000	
2.2.3a Hold online focus group to explore unique needs/pain points of Novice Entrepreneurs	\$500	
2.2.3b Send email blast to existing customers to explore their unique requirements for new software solutions.	\$300	
2.1.1 a Add new software to product offering.	\$500	
2.1.1b Do email blast to Experienced entrepreneurs to explore their commitment of resources and time.	\$750	
2.1.1c Explore methods to distribute access to new software	\$500	
2.2.2c Web site – updated monthly. Google ad words – ongoing. Direct email based on in-house lists – 1 newsletter, 2 promo pieces (performance and webinar) in Sept & Oct; 1 newsletter, 1 promo in Nov. & Dec.	\$70,000	
2.2.2a Develop in-house assessment based on back filling data.	\$1,500	
2.2.2b Hold online focus group to explore pricing and value of Premium package.	\$500	
2.2.2d PR efforts – Mass press releases (PRWeb), targeted press releases (select websites and publications), article submissions to e-newsletters and article placement list – 1 press release, 1 article per month Nexus Organizations – 1 per week	\$3,000	
3.1.1a Call all new customers and do a system orientation Webinar immediately.	\$250	
3.1.1b Call current and past customers for customer survey.	\$3,000	
3.1.2b Purchase CRM system	\$25,000	
3.1.2c Develop assessment	2,500	
3.2.2c Schedule Webinars on an ongoing basis.	\$3,000	
3.2.1a Hire outside vendor to assess system and provide recommendations.	\$2,500	
3.2.1b Optimize system in-house based upon recommendations of vendor.	\$750	
3.4.1b Hire a vendor to re-program system based upon at least 3 proposals.	\$50,000	
3.2.3a Develop quantitative basis for all benchmarks.	\$750	
3.2.3c Have new software programmed.	\$4,500	
3.2.4b Hire editor/writer for updates.	\$8,500	
3.3.1b Purchase necessary software/hardware or make arrangements with an internet service provider for virtual access.	\$5,000	
4.1.1b Circulate list of conferences and workshops and get commitment from all management personnel.	\$5,000.00	
4.2.1a Research facilitation training programs.	\$2,500.00	
4.2.1b Have all staff complete a 3 year development plan.	\$1,000.00	
4.3.1b Throw a party to kick off incentive program.	\$500.00	
4.3.1a Develop a program to encourage ideas from everyone.	\$2,500.00	

<i>Current Expenses</i>		
Salaries	\$525,000	
Taxes (social security, unemployment, state, etc)	\$40,000	
Benefits (health, life, pension, etc.)	\$40,000	
Rent or Gross Mortgage Payments	\$54,000	
Insurance	\$12,000	
Misc. Overhead	\$200,000	
	Total Expenditures	\$1,069,050
REVENUES in excess of EXPENDITURES		\$416,950

Action Plan Summary

Marketing

Customer: Novice Entrepreneurs

Action Item	Deadline	Status
2.2.1c Review "search engine words" at both Google and Yahoo to determine key pain points.	06/30/2007	

Customer: Experienced Entrepreneurs

Action Item	Deadline	Status
2.2.2c MSP: Web site – updated monthly Google ad words – ongoing Direct email based on in-house lists (1 newsletter, 2 promo pieces (performance and webinar) in Sept & Oct; 1 newsletter, 1 promo in Nov. & Dec.	09/30/2006	

Goal: 3.2.3 To finalize "Business Report Card" Assessment with index score which indicates specific area to focus on in the strategic planning process.

Action Item	Deadline	Status
3.2.3b Write and edit content for Report Card.	07/31/2007	

IT group

Customer: Experienced Entrepreneurs

Action Item	Deadline	Status
2.1.1 a Add assessment to product offering.	09/27/2006	

Goal: 3.2.3 To finalize "Business Report Card" Assessment with index score which indicates specific area to focus on in the technology process.

Action Item	Deadline	Status
3.2.3c Have assessment programmed.	08/31/2007	

Goal: 3.3.1 Set up computers to be accessed from any destination.

Action Item	Deadline	Status
3.3.1a Investigate international access requirements.	10/31/2007	

Goal: 3.4.1 Develop version #2 of the web-based system.

Action Item	Deadline	Status
3.4.1b Hire a vendor to re-program system based upon at least 3 proposals.	07/31/2007	

Customer service

Goal: 3.1.1 Stay connected with customers by developing a customer loyalty program.

Action Item	Deadline	Status
3.1.1a Call all new customers and do a system orientation Webinar immediately.	12/31/2007	
3.1.1b Call current and past customers for customer survey.	12/31/2007	

Goal: 3.1.2 Purchase CRM system for current and potential customer groups.

Action Item	Deadline	Status
3.1.2b Purchase CRM system	12/31/2007	
3.1.2a Research 3 potential CRM systems and contact references.	09/30/2007	

Web specialists

Customer: Novice Entrepreneurs

Action Item	Deadline	Status
2.2.1a Test One-Page plan for ease of use with a Beta group.	06/30/2007	
2.2.3b Send email blast to existing customers to explore their unique requirements for strategic planning.	06/30/2007	
2.2.1d Explore research habits of Novice Entrepreneurs to determine how best to deliver online system.	06/30/2007	

Customer: Experienced Entrepreneurs

Action Item	Deadline	Status
2.2.2d PR efforts – Mass press releases (PRWeb), targeted press releases (select websites and publications), article submissions to e-newsletters and article placement list – 1 press release, 1 article per month Nexus Organizations – 1 per week	09/30/2007	

Goal: 3.2.1 Optimize websites by the end of the year.

Action Item	Deadline	Status
3.2.1a Hire outside vendor to assess system and provide recommendations.	09/30/2007	
3.2.1b Optimize system in-house based upon recommendations of vendor.	11/30/2007	

Goal: 3.4.1 Develop version #2 of the web-based system.

Action Item	Deadline	Status
3.4.1a Map out entire new version including all revision thoughts.	05/31/2007	

Sales team

Customer: Novice Entrepreneurs

Action Item	Deadline	Status
2.2.1b Hold focus group to discuss value and pricing for package.	06/30/2007	

Customer: Experienced Entrepreneurs

Action Item	Status	Status
2.1.1c Explore methods to distribute access to "Business Report Card."	06/30/2007	

Goal: 4.2.1 To support individual staff personal development plans.

Action Item	Deadline	Status
4.2.1a Research facilitation training programs.	06/30/2007	

Goal: 4.3.1 Increase the number of innovative ideas through an incentive program.

Action Item	Deadline	Status
4.3.1b Throw an "Innovation Idea" party to kick off incentive program.	09/30/2007	

CEO

Customer: Novice Entrepreneurs

Action Item	Deadline	Status
2.2.3a Hold online focus group to explore unique needs/pain points of Novice Entrepreneurs	05/31/2007	

Customer: Experienced Entrepreneurs

Action Item	Deadline	Status
2.2.2a Develop in-house assessment based on back filling data.	09/20/2005	
2.2.2b Hold online focus group to explore pricing and value of package.	06/30/2007	
2.1.1b Do email blast to Experienced entrepreneurs to explore their commitment of resources and time to strategic planning.	07/29/2007	

Goal: 3.2.2 To develop webinars:

Action Item	Deadline	Status
3.2.2c Schedule Webinars on an ongoing basis.	06/30/2007	
3.2.2a Develop 15 minute presentation.	03/31/2007	
3.2.2b Develop 30 minutes "System Orientation" presentation.	04/30/2007	

Goal: 3.2.3 To finalize "Business Report Card" Assessment with index score which indicates specific area to focus on in the strategic planning process.

Action Item	Deadline	Done
3.2.3a Develop quantitative basis for all benchmarks.	06/30/2007	

Admin group

Goal: 4.1.1 Attendance at best practice conference by management.

Action Item	Deadline	Status
4.1.1a Research strategic planning conferences and workshops available this year.	2/1/2007	
4.1.1b Circulate list of conferences and workshops and get commitment from all management personnel.	02/15/2007	

Goal: 3.2.4 Update technology books.

Action Item	Deadline	Status
3.2.4a Accumulate and synthesize all corrections and revisions for books.	09/30/2007	
3.2.4b Hire editor/writer for updates.	09/30/2007	

Goal: 3.3.1 Set up computers to be accessed from any destination.

Action Item	Deadline	Status
3.3.1b Purchase necessary software/hardware or make arrangements with an internet service provider for virtual access.	12/31/2007	

Goal: 3.3.2 Define all procedures and process in writing in order to support projected growth.

Action Item	Deadline	Status
3.3.2a Write down steps for accounting and marketing system.	12/31/2007	

Goal: 4.2.1 To support individual staff personal development plans.

Action Item	Deadline	Status
4.2.1b Have all staff complete a 3 year development plan.	07/31/2007	

Goal: 4.3.1 Increase the number of innovative ideas through an incentive program.

Action Item	Deadline	Status
4.3.1a Develop a "bubble up" program to encourage ideas from everyone.	09/30/2007	

Goal: 3.5.1 Develop an effective scholarship program for socially/community focused entrepreneurs.

Action Item	Deadline	Status
3.5.1a Research existing scholarship programs from other companies.	12/31/2007	
3.5.1b Synthesize best programs available into one that fits our parameters.	12/31/2007	