

Module7: Developing the AI Business Strategy using the "Ignition" Process

Lesson 6: Mid-Range Planning

Mid-Range Planning

Back to the rowing analogy we referenced in an earlier lesson, now that you've set that point on the horizon, let's start figuring out how you'll get there.

Depending on the timeline for your BHAG, bring your planning in a little closer.

If you set your BHAG for 25 years, the next step is to develop your 10-year plan. If your BHAG is ten years, then create a 5-year plan. The exact timeframe isn't as important as picking a target date. We'll get to three- and one-year planning in a bit, so identify a period between three years and your BHAG.

Setting a BHAG is exciting, but achieving it can be daunting without a clear roadmap. And only looking at what's right in front of you can cause you to lose sight of the horizon. **That's where mid-range planning plays a crucial role.**

Three- and five-year goals are the intermediate milestones that create a sense of urgency and focus, keeping us aligned with our long-term vision while helping us clarify the short-term steps to get there. They keep us motivated and moving forward. And they provide opportunities to celebrate wins along the way.

Three- and five-year goals also provide opportunities for course correction.

These goals should be revisited during *every* annual planning session, and adjusted according to the market, world events, and changes in your business. They act as a reality check, ensuring you're on the right path, and help identify where to allocate resources.

As you set your initial mid-range goals and when you revisit them every year, be sure to check that they align with your BHAG and your core values. They are there to guide your decision-making, so include those important guiding lights in your planning.

So, what key milestones will lead you toward that BHAG? What significant achievements will you need to accomplish?

Here are a couple of examples:

A retail company with a BHAG of expanding globally and becoming the top online retailer in its niche might have mid-range goals of launching in specific international markets, reaching a certain number of active customers, and achieving a particular revenue target.

Or, let's say you have a BHAG of transforming one million lives through accessible education within 20 years. You might have 5-year goals of establishing 50 learning centers in underserved communities, establishing an online platform, and providing scholarships to 5,000 students.

Your mid-range goals should be specific and well-defined to the point that at virtually any time, you can see what your progress is toward that goal. And, indeed, you should be checking with regularity to make sure that you are on track.

Once you've identified your 5-10 year goals, it's time to bring your planning in even closer and look at what you aim to accomplish in the next 3-5 years. Three if your mid-range is five years, and five if your mid-range is ten years.

You're determining milestones that will keep you on target between the short term and your BHAG. These goals will also be reviewed at your annual planning sessions and adjusted if needed.

In the education example above, if there's a 5-year goal of establishing 50 learning centers in underserved communities, then the 3-year goal might be to establish 30 learning centers. Or, if there's an expectation that things will start slow, then momentum will build, the 3-year target might be 20 centers.

Again, what's important here is that you're working towards that BHAG - essentially reverse engineering the steps to get there as you move closer in with your timeline - and that your goals are measurable. You should easily be able to determine where you are in relation to the BHAG at any point on your journey.

That 3-5 year plan is where it's time to get even more specific. Identify additional key measurables to track with specific targets that will signify that you're on the right track. Paint a picture of what your business will look like. It doesn't have to be lengthy, but spend 45 minutes or so brainstorming with your leadership team. Throw ideas on a whiteboard, then Kill/Keep/Combine (as introduced in the lesson on *Marketing Strategy*) and hold on to that

A few key tips here:

- Ensure everyone in the room is heard, and every major area of the business is represented.
- Your list doesn't need to be wordy, but each item should be clear enough that you won't wonder what you meant when you revisit it in a year.
- Include at least ten bullet points, but list as many as you want.
- Set a date. Be exact. If you're holding your Ignition mid-quarter, you may want to set your goal date for end-of-quarter three years from then. In other words, if it's August 10, 2023, set your date for September 30, 2026. Just make it logical for your business.

Once you've identified your BHAG and completed your mid-range planning, it's time to start looking at the short-term. This is where the rubber meets the road, and everyone starts to get clarity on the exact sequence of steps and actions that will move the company closer to its Vision.

We'll walk through that process in the next lesson.