

Welcome to Module 7 Lesson 6 where we're going to start getting into mid-range planning.

This is when we start to come down out of the clouds. We had our big pie in the sky moment of dreaming big and coming up with our BHAG. And now that we know the BHAG, we're going to bring it a little closer into reality and figure out what does our business need to look like in the next 3, 5, 10 years that will let us know that we are on track to getting toward that BHAG.

So, what milestones do you need to reach in order to accomplish your BHAG?

That's essentially the question that you'll be answering by doing this process. Here's your path to success.

You've got your BHAG out here at the tip top there. And if that is a 10-year goal, then you'll be here now at the 3-year goal. If your BHAG is a longer term, 20-25 years out, then you're going to want to do something in the 5-10 year range as well to help fill the gap between the 3-year and the BHAG.

And then once you identify the 3 years, which will get to IN a moment, then you're going to go closer and look at your 1-year where you're going to get more specific. Then your quarter goals. These are the things that we're going to do right now to get us towards that goal.

So, here's some guidelines for setting your midterm goal.

Include the entire leadership team. If you're only including certain members of your leadership team when you're making strategic decisions, then you have a problem. You probably have some people on your leadership team that shouldn't be there. Or you have a personal issue with someone on the leadership team that needs to be resolved. But it's very important that every major department be represented and has a voice in these decisions.

So, in other words, your marketing and sales, your finance, your operations. Any major department that you have within your business needs to have a seat at the table.



And it's really important that everyone on your leadership team really be behind the vision that you come up with. Or else ultimately, what will happen is the individuals that report up to that member of the leadership team won't be on board because that team member won't be on board. And you're just not going to meet your goals.

Your three-year goals or five years depending on your time frame needs to be a **clear and simple list**. So, not too wordy because you need to be able to refer back to it. Every year, every annual planning session, you're going to be coming back to this three-year goals or this three year picture and course correcting, as needed. So as you come back around you need to be able to understand what it was that you meant when you wrote these goals a year ago, right?

So it needs to be **descriptive** enough that you know what it means. Ideally you would have ten or more bullets that would create a full picture.

Now when I say descriptors I don't mean that you're going to have a paragraph for each of these bullets. Usually it's like three to seven words. It just needs to be enough that everyone on the team is going to remember what this means, and can be referred back to at any time and they will still know, "Okay, this is what the vision that we had for the next three years."

And then finally **set a date**. It needs to be an exact date. It can be exactly 36 months from the day that you do your planning. Usually it will be 12-31 something. In other words it will be the last day of a year so, it might be a little more than three years. It might be a little less than three years. You can kind of make that decision with your team based on when you have the conversation.

So you want your goals within this process, not only your three-year goals but as we get in the shorter term to meet the SMART criteria.

So it should be **Specific**. What exactly do you mean when you say the certain thing?

It should be **Measurable**. I always say that you should be able to answer the question, “how do you know when you've met this goal?” If you don't have a way to answer that, it's not measurable. Measurable doesn't necessarily mean it will have a number attached to it. Numbers are helpful whenever possible, but it might be just something like this is complete and approved and delivered to the stakeholder or something like that.

Attainable. It certainly needs to be something that is not totally impossible. Yes, your BHAG will feel almost impossible, but everything else as it gets closer should not. It should feel attainable.

Relevant. Of course, it needs to be relevant to that BHAG. All your strategic goals that you make from now until that moment in the future when you meet your BHAG should be related to your BHAG. Anything that you do in your annual and quarterly planning sessions should ultimately be relevant to that BHAG.

And **Time Bound**. We're creating a three-year picture. As we get closer, we're going to set one-year goals. We're going to set quarterly goals. And those timelines are real and need to be respected. Set a reasonable goal of 80-90% of goals met. And if you're not able to do that, then re-evaluate.

Okay, some frequently asked questions about your 3-year plan.

Where should this information be stored?

We have a summary that you can put all this information on, but it's not necessarily going to break it out into the details that you might want in order to share it with the team. So you can have it there in your software. There will be more to come as far as tools within the software in order to store this.

But ultimately if you're working with a client that doesn't have our software or you're not ready to make the transition or whatever the case may be, it can be really stored anywhere that everyone who needs access can have access. So it can be as simple as a G-Drive or a Wiki page or something like that.



If your leadership team can't agree on what the goal should be, then it's possible that you need to get a little bit more clear on what is meant by the BHAG. If they understand the BHAG, they should really be able to get an idea of what the picture should look like in that midterm.

As you get closer to the near term to the now, it's more and more important that everyone agrees on the goals. In that midrange, if not everyone is quiet on the same page, that's okay. Just get as close as you can as possible.

I think it's a good idea to have someone who's basically like a designated tie-breaker. Let's say you have five people on your leadership team and two people want to do one thing and two people want to do another thing, that fifth person who should usually be like your CEO or your president should be the tie-breaker.

And then what if you don't meet goals?

Well, that happens all the time. Like I said, aim for 80% or 90%. 90% actually is pretty incredible when people are able to do that, especially with the shorter term goals. That's really when it gets trickier. And again, the mid-term goals are really to help you stay on course. Actually it's a moving target. So it's okay. Ideally, you'll meet your one-year goals, but those three-year goals or five-year goals every year are going to be potentially updated. And oftentimes the three-year goals that are created are not met at the time that is identified. That doesn't mean not to do it. It doesn't mean scrap it. It doesn't mean "Don't take it seriously" because it is really important as a tool to get everyone on the same page so that you know what are the goals that you should create in the near term in order to help you meet those goals in the mid range.

So, what about products and services we're currently offering?

Evaluate them. No to just scrapping them and starting over. Sometimes that happens, but it's rare. But do evaluate what products and services you are currently offering and consider whether they are still relevant.



Oftentimes a business will be continuing to offer something or manufacture something because they always have but it might not be relevant to their goals. It might not even be a profitable. So this is a really good opportunity to evaluate those things.

Okay so thank you for joining me and I will see you on the next one when we're gonna start talking about short-term goals and working in a 90-day world.