

Ask SCORE

When I began my civil engineering firm three years ago, I wrote a business plan to guide our growth. We've been somewhat successful to date, but the marketplace and a lot of our initial assumptions have changed, so it's time to update our plan. Any tips you can offer?

About the only constant small business owners can count on these days is change. The interdependent nature of today's marketplace means that the ripple effect of events in China or Wall Street may well reach your small business in Anytown, USA.

That's why ongoing strategic planning is essential to the long-term viability of a small business. Keeping on top of current and emerging trends, and evaluating them in the context of your business goals, allows you to anticipate and respond more quickly to shifts in the business landscape.

Entrepreneur, author and nationally syndicated columnist Rhonda Abrams says that short- and long-term planning is a must for every entrepreneur, even those who are doing quite well.

"Many small business owners think the path to success is doing one thing, and then doing more of it," Abrams explains. "If the market falls off, your instinct is to make more sales. But you can't make sales if there's no market to sell to. That's why you need to continually be aware of things that can affect your business."

Your business plan is the foundation for your small business's strategic planning efforts. It should be reviewed at least annually, but many experts recommend more frequent assessments, particularly as growth opportunities emerge or your market undergoes sudden changes (e.g., a natural disaster, arrival/departure of a major employer, price spikes, etc.).

Along with examining the marketplace and how it's being influenced, perform a SWOT analysis on your small business. Identify your Strengths—the areas that are giving you an advantage, how they can be enhanced, and consider whether they'll remain positives in the future. Also examine at your Weaknesses—areas where your business may not match up so well, and what can be done to address them.

Similarly, look for immediate and emerging Opportunities that you can capitalize on, and Threats that might compromise your operations and profitability now, and in the future.

You'll likely find no shortage of information resources to assist with your strategic planning—from industry websites and publications to your community newspaper. Blogs and other social media channels are also a great resource according to leading small business consultant Melinda Emerson.

"Every business owner should be using social networking sites such as Facebook, LinkedIn and Twitter as a listening device to understand how their marketplace is changing," Emerson says. "It allows people to get real-time information from current and prospective customers, and the competition."

As you translate your strategic planning findings into action, don't be afraid to experiment. According to Steve Strauss, author of *The Small Business Bible*, "making mistakes is part of the business game. Keep trying new things. Some will stick, some won't. That's okay."

This column is brought to you by the Merrimack Valley Chapter of SCORE, with nearly 70 current and former business executives available to provide free, confidential, one-on-one business mentoring and training workshops for area businesses. Call 603-666-7561 or visit merrimackvalley.score.org for information on mentoring, upcoming workshops and volunteer

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