

Best Of Intentions

Here's a little insight into the way a trade magazine like *Quick Printing* works. The columnists are asked to submit their columns two months ahead of the publication date, so I'm writing my column for the March issue on December 31.

Here's why that's important. I'm also putting the final touches on my 2012 business plan today, and hoping that you're doing the same. But I'm concerned that you'll have abandoned your plans by the time you read this. It's a sad fact that most small business owners start a new year with the best of intentions, but the changes or initiatives they plan rarely make it past the first few weeks.

What happens? Well, the day-to-day pressures of the business happen, orders and deadlines and employee issues and equipment problems and maybe even some personal/family issues too. It's not easy. I know that. But I also know that making and following a plan is the best way to get where you want to go.

It's Not Too Late

The good news is that it's not too late to get back on plan—or to make a plan in the first place. The process is pretty simple. *What are my goals? What are the obstacles to reaching those goals? How do I eliminate or overcome the obstacles? How do I measure my progress?*

OK, maybe it's not that simple. One of my clients told me that the hardest part is setting the goals. "I have zero confidence in my ability to predict what my sales are going to be," he said. "And doesn't everything else flow from that?"

My answer is that *predict* is the wrong approach. And beyond that, sales volume should be a secondary goal, not the primary goal. What should be primary? Profit and earnings!

What Will It Take?

The first line of my business plan says: "I want to earn \$XXX,XXX in 2012." From that point, I started thinking about what my sales volume would have to be to reach that goal. After roughing that out, I started thinking about the cost side of my business. *Are there areas in which I can reduce cost, which would allow me to lower my sales goal? Or, are there areas where my costs are likely to increase, which would require me to raise my sales goal?* After considering those questions, I settled on a sales goal that supported my primary goal. Then I started thinking about the obstacles, and how to eliminate or overcome them.

The key here is that I wasn't *predicting* my ultimate goal, I was *deciding*. Yes, the sales volume goal was more of a prediction—i.e. this is what I think it will take to achieve the earnings goal I've *decided* upon—but that also supports the process by giving me something to measure. If I get halfway into the year and my sales goal is on track but my earnings goal isn't, I'll know I have to make some adjustments.

Part Of The Transition

This sort of planning is even more important now than it has been in the past. That's partly because business conditions have been so difficult over the last 4-5 years, but it's also because of the transition that so many printers are trying to make, from PSP to MSP. Please note that I used the term "small business owners" back in the second paragraph, not "quick/digital/small commercial printers" as I often refer to *QP's* readership. You are not alone in the lack of planning and follow-up. In fact, I'm pretty sure that 80%-90% of all small businesses suffer the same problem.

So, do you see the opportunity? Make yourself a better planner, and commit yourself to following the plan, monitoring your performance and adjusting if necessary. Once you build these skills, you'll have something you can sell in the modern marketplace. And as print volume continues to decline, it's critically important that you have something else to sell.

It's hard to find fault with a "product" that can improve your business as well as those of your customers. So pick up the ball if you've dropped it, and if you haven't established a plan yet for 2012, get on it today!