

# Intentional Planning

Applying Big Business Practices to Small Business Success

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**propio** language services  
Connecting People

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## Living in the Windshield



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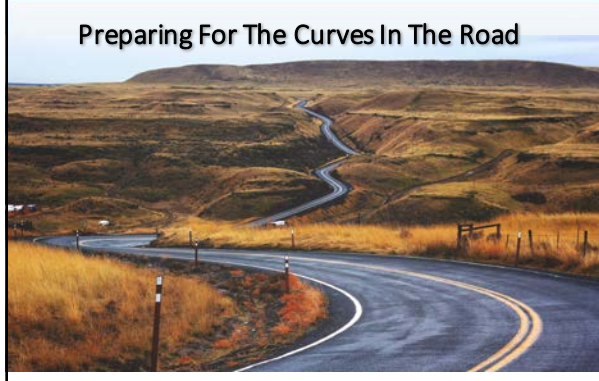
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## Preparing For The Curves In The Road



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Our "School"



The slide features four logos arranged in a 2x2 grid. Top-left: Hallmark logo with a crown above the 'H'. Top-right: accenture logo in white text on a dark blue background. Bottom-left: AT&T logo with the globe icon. Bottom-right: Cerner logo with a stylized 'C' icon.

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Four Important Practices



The slide shows a four-step process. Step 1: Strategic Planning with a lightbulb icon. Step 2: Financial Planning with a calculator icon. Step 3: Operational Planning with gear icons. Step 4: Executing the Plan with a Newton's cradle icon. Arrows indicate a sequential flow from 1 to 2, 2 to 3, and 3 to 4.

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Strategic Planning

A strategic plan can be broken down into three key areas:

- Where are we now?
- Where do we want to go?
- How will we get there?



The slide includes a lightbulb icon surrounded by question marks, symbolizing strategic planning and inquiry.

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## Strategic Planning

**Where are we now?**

- **Mission Statement** – your organization’s purpose and services
- **Values / Guiding Principles** – What values and beliefs guide your daily interactions?
- **SWOT** – Strengths, weaknesses, opportunities, and threats. Very important!  
 Examples:
  - ✓ Strengths – Competitive pricing, excellent service, high quality
  - ✓ Weaknesses – Incomplete service offering. Need to offer phone interpreting
  - ✓ Opportunity – Begin offering telephone interpreting to our client base
  - ✓ Threats – New local competitors encroaching on our onsite interpreting business




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## Strategic Planning

**Where do we want to go?**

- **Sustainable Competitive Advantage:**
  - What are we best at compared to competitors?
  - What is our uniqueness?
  - What can we potentially do better than competitors?
- **Vision Statement:**
  - What will our organization look like 5 to 10 years from now?




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## Strategic Planning

**How will we get there?**

- **Strategy** – Plan for matching our company’s strengths with market opportunities
- **Goals** - Establish goals, priorities, initiatives
- **Actions** - Establish specific action items for your staff
- **Score card** – Establish Key Performance Indicators (“KPI”). KPIs measure and manage against your strategic plan.




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### Financial Planning Sales Forecast

- Most important component! Most of your forecasting efforts should be focused on sales.
- Top-down versus bottom-up approach
- Four key elements to building the sales forecast:
  - ✓ Mature business
  - ✓ Adolescent business
  - ✓ New business
  - ✓ Lost business
- Break sales forecast into lines of service (e.g. – Onsite Interpreting, Document Translation, Telephone Interpreting, etc)




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### Financial Planning Sales Forecast

Be realistic!




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### Financial Planning Cost of Service Forecast

- Importance of understanding your company's cost of service.
- Propio's approach: Only the interpreter/translator cost goes into Cost of Service.
- Develop current cost of service ratios for each line of service. Integrate any new cost-savings initiatives into the cost service ratios.
- Cost of Service Calculation: Multiply cost of service ratio times the applicable service line sales forecast.




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## Financial Planning Administrative Cost Forecast

- Administrative costs are all other costs besides payments to interpreters and translators (e.g., – rent, staffsalaries, etc.)
- Develop budgets for each material administrative cost.  
For example:
 

- Administrative payroll	- Insurance
- Rent	- Depreciation
- Supplies	- IT
- Benefits	- Commissions
- Evaluate budgets that could be reduced or eliminated. Cost control is especially important in our industry.




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## Financial Planning Profit & Loss Plan

- Assemble the forecasted components into a Profit & Loss Plan:
 

Sales	\$ xxxx
Cost of Service	<u>xxxx</u>
Gross Margin	xxxx
Administrative Costs	<u>xxxx</u>
Pretax Profit	\$ xxxx
- Track your actual financial results against this Plan
- Additional steps: Balance Sheet and Cash Flow Forecast**




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## Operational Planning



- Create annually.
- Begin with imperatives that align with the strategic plan.
- Create supporting goals/projects.
- Cascade to individual associates.
- Adjust as needed, but keep track of what has been added or dropped.

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### 2016 Results (example)

AREA	PERFORMANCE
<b>GROWTH</b>	Moderate growth. Hurt by lack of performance in direct sales. Revenue up 10% vs. target. <b>Moderate organic growth.</b>
1. Overall growth?	
2. Getting more out of the base.	
3. Growth program on account.	
4. Acquisitions?	Optimal - a couple of opportunities, but choose to pass in 2016.
<b>TECHNOLOGY</b>	A couple of big positives, and a couple of big whiffs.
1. New product development.	Strong first year with several small opportunities and one large (DA).
2. New service development.	Good progress with TAMF and AIC, and center, but very out-of-control with AIC.
3. New channel development.	
4. New market development.	
5. New business model development.	
6. Various initiatives?	Project deferred due to cost/benefit analysis.
<b>SOURCING</b>	Moderate growth. High level of performance in direct sales. Fill rate increased moderately and the fill rate is up 10% vs. target. Revenue increased by year end.
1. Overall sourcing?	
2. Proactive sourcing to drive new sales.	
3. Internal sourcing.	
4. External sourcing.	
<b>CUSTOM EXPERIENCE</b>	Good progress, but not at a high of priority.
1. Customer satisfaction.	
2. Create process and discipline for meeting the customer's needs.	

**Great Progress**  
**Moving in the right direction, but needs work.**  
**Significantly underperforming.**

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### 2017 Imperatives (example)

<b>GROWTH</b>	1. Test the Latin American market. 2. <b>Grow reseller channel.</b> 3. Expand the subscription model significantly. 4. Launch a new product line. 5. Expand services responsibility.
<b>TECHNOLOGY</b>	1. Obtain future certification. 2. Launch new product line. 3. Increase marketing spend. 4. Implement a new pricing system. 5. Faster content time.
<b>SOURCING</b>	1. Increase non-Spanish CPI monthly fill rate to 65%. 2. Increase on-site fill rate to 95%. 3. Introduce more sophisticated data analysis to support fill rate.
<b>CUSTOM EXPERIENCE</b>	1. Contact every client monthly to 1) assess unmet needs, 2) determine satisfaction with Propio, 3) offer something of value, 4) introduce a potential new purchasing opportunity. 2. Establish an ongoing client satisfaction assessment process. 3. Identify and eliminate "friction in the system" events. 4. Set SOP for client satisfaction response time target for addressing client inquiries/needs. 5. Comply fully with interpreter quality check and remediation process.
<b>INTERPRETER EXPERIENCE</b>	1. Launch a new interpreter training program. 2. Communicate more frequently and openly with all interpreters. 3. Create positive incentives for key desired interpreter behaviors using social media, recognition, and other tools. 4. Increase interpreter retention and satisfaction. 5. Set the standard for interpreter quality check and remediation process. Annually to 1) assess unmet needs, 2) determine satisfaction with Propio, 3) offer positive feedback and encouragement.

**Not started**  
**On track, but not yet complete**  
**Fully implemented or performing above plan**

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## Executing the Plan

*You have to take the plan off the shelf!*

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## Executing the Plan

**Key Questions:**

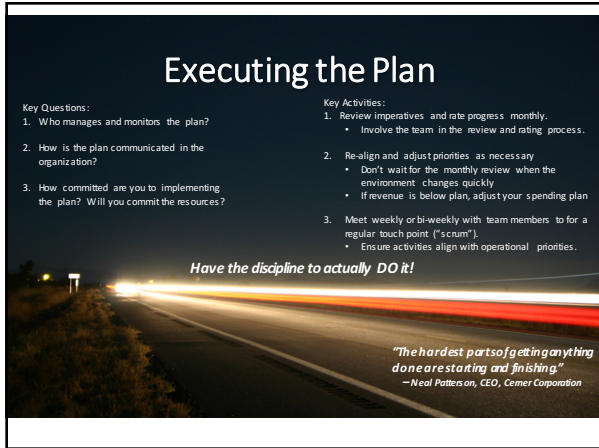
1. Who manages and monitors the plan?
2. How is the plan communicated in the organization?
3. How committed are you to implementing the plan? Will you commit the resources?

**Key Activities:**

1. Review imperatives and rate progress monthly.
  - Involve the team in the review and rating process.
2. Re-align and adjust priorities as necessary
  - Don't wait for the monthly review when the environment changes quickly
  - If revenue is below plan, adjust your spending plan
3. Meet weekly or bi-weekly with team members for a regular touch point ("scrum").
  - Ensure activities align with operational priorities.

*Have the discipline to actually DO it!*

*"The hardest part of getting anything done is starting and finishing"*  
—Neal Patterson, CEO, Cerner Corporation



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