



## **PRESIDENT / CHIEF OPERATING OFFICER**

### **SAMPLE BUSINESS PLAN**

During the first year, the President must achieve certain critical results in order to meet the goals for this position. These are as follows:

#### **Organizational Assessment**

Within 30 days of arrival, the President must develop an understanding of the organization, with a focus on its capacity, strengths and weaknesses, and the individuals in the company. From this assessment, the President will create a short-term action plan to address the items below.

#### **Identify Markets**

The company currently has no formal marketing or sales function. The Product Managers seek new work, capture it, and perform it. To date, the company's focus has been on the automotive sector. To capitalize on the company's capabilities and obtain work in new areas, the President will conduct a market analysis to identify other applications of the company's technologies, including possible licensing opportunities. The President may elect to hire a marketing person for this function. It is essential that the President open new markets by the end of one year.

#### **Restore Profitability**

The company is recording a loss for this year, for the first time in 10 years. The President must address several critical areas that will impact profitability, including:

- Customer management: Bring discipline to the process of limiting change orders and staying on top of contract costs at all times;
- Project execution: Ensure that the bid and contract are written correctly and that the contract is in alignment with customer expectations;
- Company management: Implement greater structure and discipline with regard to goals, benchmarks, and plans to achieve them;
- Engineering: Hire an engineering manager and ensure that design efficiencies and cost savings are consistently built into projects.

#### **Team Building**

The company has a talented group of key individuals, who can perform to even higher standards. The President must rapidly evaluate this group, learn the company culture, loyalties, limitations, etc. The President must then develop and implement a plan of optimizing the performance of all key individuals. This may include:

- Analyzing individual skills vs. current job roles and reassigning individuals as needed;
- Adding staff to support key individuals and facilitate greater productivity;
- Replacing people not capable of performing to higher standards;

- Providing leadership - giving each key individual goals, motivation and support to achieve those goals.

### **Equipment Evaluation**

The factory now operates at 1/3 of its capacity. The President must evaluate the facilities and equipment, taking into account potential new product/market areas discovered in the marketing phase, and provide for new or modified equipment to meet the company's needs.

### **Exit Strategy**

The financial investor would like to see a capital payout within a few years. The President has two areas of responsibility in connection with this goal: maximize the value of the company through improved operations, revenue, and profitability and facilitate the payout. Several strategies could be employed for this purpose, including a buyout by the President and/or the senior management team, a private sale, or a public offering.

### **Establish Rep Organization**

As the company moves into new product offerings, it will be increasingly valuable for the President to establish a sales channel through independent representatives.

### **Board Interface / Business Plan**

The President will report to the board on operations on a quarterly basis and present a business plan once per year. The President should be prepared to present a business plan to the board, outlining financial projections, marketing plans, and overall business goals.