

Cover sheet

*(Name of organisation)*

# Strategic Business Plan

XX Month Year to XX Month Year to

(Period the plan covers, ie. 1 July, 2004 to 30 June, 2007 – three year plan)

Name of organisation

Contact information

Telephone:

Facsimile:

Chairperson of Board:

Telephone: (w)

Executive Officer:

Telephone: (w)

Date of plan:

# Sample strategic business plan

## Signature page

It is always important to ensure key personnel are committed to the plan. Empower them by encouraging their input into the planning process and signing this signature page once the contents are agreed upon.

Modify this to reflect your organisational structure.

The strategic business plan has been developed, agreed to and signed off by the following stakeholders of (name of the organisation):

<b>The Board</b>	<b>Portfolio</b>	<b>Signature</b>
1.	President	
2.	Administration	
3.	Finance	
4.	Marketing promotion and sponsorship	
5.	Risk management	
6.	Participation and athlete development	
7.	Human resource and education	

<b>Management</b>	<b>Position</b>	<b>Signature</b>
1.		
2.		
3.		
4.		
5.		

<b>The Council (if applicable)</b>	<b>Councillor representing</b>	<b>Signature</b>
1.		
2.		
3.		
4.		
5.		
6.		
7.		

# Sample strategic business plan

## Executive summary

The strategic business plan will play an integral role in managing the Association and achieving its goals over the next three (three, four, or five) years. It will be used extensively by the Board. When necessary, it will be modified to reflect the ongoing development and needs of the association.

The executive summary is to give a brief overview of the organisations line of business.

Include topics such as:

- an outline of past achievements
- future goals/objectives (strategic direction)
- planned major events
- recommendations.

## Table of contents

List the content of the strategic planning documents and relevant page numbers.

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# Sample strategic business plan

## Major assumptions

This section includes details on your short and long term objectives and key performance areas. Clearly detail all the assumptions made to determine the goals, objectives, strategies and action plans. Listed are some sample assumptions to assist you in determining goals, objectives, strategies and action plans.

### Financial

- The organisation will receive funding from Government of \$25,000 per annum over a three year period.

### Legal

- Organisations has statutory requirements to comply

### Government

- Organisation must comply with funding arrangements with Government

### Administration

- Organisation will require additional administration support staff

### Coaching

- Coaching material needs to be reviewed, and amendments made in accordance with national coaching guidelines

## Critical success factors and issues facing the organisation

Discuss the factors that significantly impact upon the organisation's ability to be successful.

Critical success factor examples may include:

- financial stability and growth
- the sport to have strong market position
- be recognised as leader in best governance and management
- increase support to member organisations
- member organisations to implement the strategies of the Association
- increase levels of sponsorship and fundraising
- effective Governance and management practices in place
- effective volunteer management plan

- athlete membership growth and participation
- effective sport education programs
- greater level of support from sporting organisations.

Organisations are faced with a number of issues that are likely to have a direct impact on the implementation of the plan. Issues might include:

- Decrease levels of funding from sources such as sponsorship, fundraising, government
- Issues corporate governance – role of the board, regions, committees, directors, relationship between Executive and management/staff, reporting lines between Executive/management/committees
- Servicing of member organisations
- Implementation of education and training programs
- The decline in volunteers
- Lack of a unified approach to strategic planning and coordination
- Regional development
- Allocation and management of human resources
- Marketing and promotion of Sports Council to corporates, government, and the general community.

## Organisation history

A short overview of historical milestones and past achievements of the organisation.

# Sample strategic business plan

## Vision of the organisation

Following the pre planning exercise you undertook to determine the mission and vision of your organisation, develop a clear statement to encapsulate what your organisation does and its philosophies.

### Mission statement

A clear statement of what the organisation does.

### Corporate vision

Is a vivid picture of where the members want the organisation to be.

## Long term goals and objectives over the long term

State the organisation's long term goals and objectives. It is helpful to arrange these in key performance areas.

## Key performance areas (KPAs)

Key performance areas are those general areas of operation within an organisation, eg. marketing, where a desired outcome is required over the period of the strategic business plan and beyond.

Focus areas are those specific operational areas within a key performance area. For example, a focus area within the KPA of marketing would be sponsorships.

Examples shown below:

KPA	Focus area	Goal or objective
Administration	Office administration	Produce agendas for and minutes of meetings
	Corporate governance	Develop a governance manual
Marketing	Sponsorship	Obtain two shirt sponsors
	Fundraising	Increase fundraising monies by 20%
	Merchandise	Sales of branded sport specific equipment
	Promotions	Produce registration flyer to be distributed
	Communications	Produce monthly newsletter
Participation and athlete development	Events	Organise gala day
	Participation development	Increase player numbers by 10%
	Juniors/schools	Increase team numbers
	Coaching	To have five level 1 and two Level 2 coaches qualified
	High performance programs	Increase number of players in rep teams by 5%
Finance	Operational budgets	Produce yearly operating budget
	Cash flow forecasts	Provide a 12 month cash flow budget
	Financial reporting	Produce balance sheet and profit and loss statements
	Banking	Set up EFT facilities at club house.

# Sample strategic business plan

## Sample Key Performance Area worksheet

NOTE: if you are a large organisation you could have a worksheet for each focus area. Most small organisations may have one worksheet only for each KPA and combine their focus areas - the choice is yours.

Name of the organisation Inc.

STRATEGIC BUSINESS PLAN (Period ie. \_\_\_\_\_)

KEY PERFORMANCE AREA: Administration
Focus area: Corporate governance structure and management practices

Goal: To introduce best governance and management practices

Objectives: To optimise the performance of the organisation

Strategies	Actions	Responsibility	Time line					Forecast	Performance outcome	Priority
			01	02	03	04	05			
Review report on governance	Executive and management to meet with Board	Executive EO						Nil	To improve organisational effectiveness	High
Develop a governance manual	Executive to discuss Attend workshop	Executive EO						TBD	To have written policy	Priority

# Sample strategic business plan

## Sample Key Performance Area worksheet

KEY PERFORMANCE AREA: Marketing
Focus area: Sponsorship

Goal:

Objectives:

Strategies	Actions	Responsibility	Time line					Performance outcome	Priority
			01	02	03	04	05		

# Sample strategic business plan

## Sample Key Performance Area worksheet

KEY PERFORMANCE AREA: Operations  
 Focus area:

Goal:

Objectives:

Strategies	Actions	Responsibility	Time line					Forecast	Performance outcome	Priority
			01	02	03	04	05			



# Sample strategic business plan

## Sample Key Performance Area worksheet

KEY PERFORMANCE AREA:	Finance
Focus area:	Accounting and management practices

Goal:

Objectives:

Strategies	Actions	Responsibility	Time line					Forecast	Performance outcome	Priority
			01	02	03	04	05			

# Sample strategic business plan

## Implementation plans

Implementation plans should be completed soon after the strategic planning process has finished.

Implementation plans state:

- key performance areas (KPA)
- each goal
- each objective
- strategy developed
- people responsible for taking action
- dates by which actions must be completed
- progress reports.

Implementation plans should be working documents to be reviewed at regular intervals.

# Sample strategic business plan

## Sample implementation plan

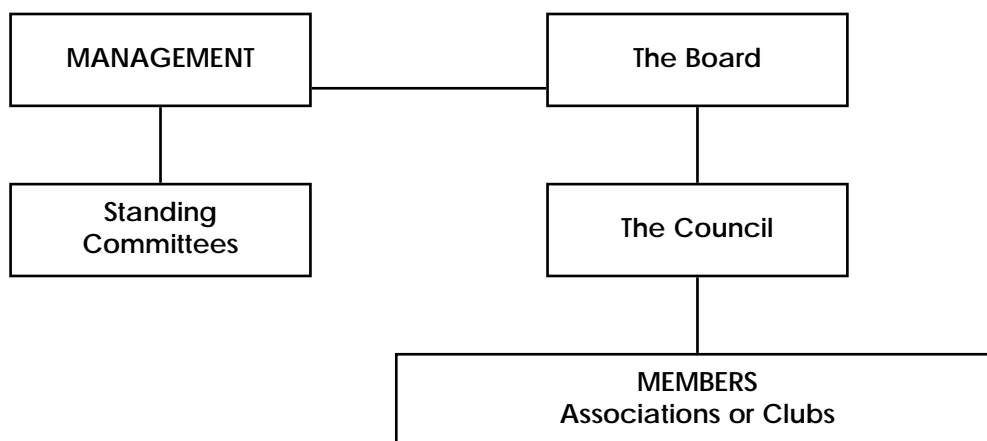
KPA	Goal	Objective	Strategy	Date	Responsibility	Progress report
Eg. Administration	To establish communication pathways which embrace all members	To upgrade reporting systems and communication channels	Create a club contact list for each affiliate	31 July, 2004	Office staff	
Eg. Athlete development	To improve the skills of all elite softball players	To maintain and improve the current success of Regional Academies and implement procedures to assist with the streamlining of the softball programs	Implement Mentor Coach Program with regional coaches	31 July, 2004	CD and RA coaches	Trainee coaches appointed to RAS squads. RAS head coaches acting as mentors
Eg. Marketing, promotion and sponsorship	To obtain sponsorship for the NSWSA, its events, programs and publications	To develop appropriate sponsorship packages	Staff and board to develop corporate contacts	Ongoing	Staff and board	Several proposals drafted and under consideration

Examples provided by the NSW Softball Association.

# Sample strategic business plan

## Management structure

Organisational flowchart



## Role of committees

### Standing committees

The rules by which the standing committees operate are outlined in the Constitution of name of the organisation.

Finance committee	
Primary role	Provide sound financial management advice to The Board of NSW SPORTING ORGANISATION Inc and preparation of budgets.
Composition	
Meet	
Convenor	

Marketing and promotion committee	
Primary role	Develop and implement marketing strategies in accordance with the Strategic business plan.
Composition	
Meet	
Convenor	

Coach and referee management committee	
Primary role	
Composition	
Meet	
Convenor	

# Sample strategic business plan

Competitions committee	
Primary role	Liaise with clubs in accordance with the strategies of the Strategic business plan.
Composition	
Meet	
Convenor	

Representative selection committee	
Primary role	Develop selection policy for the selection and appointment of Representative teams in accordance with the strategies of the Strategic business plan.
Composition	
Meet	
Convenor	

Schools committee	
Primary role	Develop a schools feeder system policy in accordance with the strategies of the strategic business plan.
Composition	
Meet	
Convenor	

## Ad hoc committees

Ad hoc committees should be established on short term basis for specific purposes as follows:

Sponsorship	
Primary role	Develop and implement sponsorship strategies in consultation with the Marketing and Promotions Committee and under the direction of the Board of NSW SPORTING ORGANISATION Incorporated.
Composition	
Meet	
Convenor	

# Sample strategic business plan

## SWOT analysis

The SWOT analysis has two purposes:

- to help identify where the sport is now
- to prepare the sport to develop a strategy that will use the organisation's strengths, manage its weaknesses, take advantage of opportunities and minimise the impact of those threats that become real.

The goals, objectives and strategies in this strategic business plan aim to bridge the gap between where the (name of the organisation) is now, and the vision of where the organisation wants to be in the future.

## Environmental analysis

Example:

	<b>Strengths</b>	<b>Weaknesses</b>
<b>Opportunities</b>	Our STRENGTHS in the internal environment: <ul style="list-style-type: none"> <li>• People – Executive Officer and staff</li> <li>• Venue</li> <li>• Skills and expertise</li> <li>• Events</li> <li>• Athletes</li> <li>• Training and development.</li> </ul>	Our WEAKNESSES in the internal environment: <ul style="list-style-type: none"> <li>• Lack of funds to reach all areas to broaden participation</li> <li>• Not enough staff power</li> <li>• Not enough volunteers</li> <li>• Ineffective structure</li> <li>• Ineffective governance and management practices</li> <li>• Ineffective Regions</li> <li>• Poor strategic direction, planning and review</li> <li>• Communication</li> <li>• Internal conflicts.</li> </ul>
	<b>Opportunities</b>	<b>Threats</b>
<b>Threats</b>	Our OPPORTUNITIES in the external environment: <ul style="list-style-type: none"> <li>• Increase in athlete membership</li> <li>• Marketing and promotion</li> <li>• Strategic alliances with other organisations including entrepreneurs, government;</li> <li>• Current venue to raise revenue</li> <li>• Products and services that can promote revenue</li> <li>• Olympic legacy</li> <li>• Increase support from government</li> <li>• Internet, promoting the sport.</li> </ul>	THREATS in the external environment: <ul style="list-style-type: none"> <li>• Lack of revenue</li> <li>• Declining membership</li> <li>• Decline in corporate support</li> <li>• Rising costs</li> <li>• Market presence.</li> </ul>

# Sample strategic business plan

## Financial assessment

### The annual program budget summary

Both the annual and the three, four, or five yearly program budgets provide an instant recognition of the forecast costs associated with the conduct of the sporting organisation. The financial assessment is an important reflection of the funds needed in order to achieve a given level of results. They are also important as an input into the organisations budgetary process and should be regularly updated.

Example:

The annual program budget summary for the period (provides a snapshot of the forecast budget requirements for the given period).

Estimated expenditure	\$	Estimated income	\$
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Key performance area:

- Administration
- Marketing
- Operations
- Finance.

Total expenditure	Total income Surplus/(Deficit)
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Explanatory notes

Two examples of financial models are given. A cash flow forecast budget and operating budget forecast.

Note: Most for-profit corporates (companies) use forecast models for profit and loss, balance sheet and cash flow.

Your organisation may use computerised accounting systems, ie. MYOB – products such as this produce format forecast budgets, therefore, you may wish to include these.

For more information regarding directors responsibilities in regards to your organisations finances refer to the Financial management module of the department's *It's Your Business* resource or seek advice from your financial adviser or accountant

### The cash flow forecast

For any business, the cash flow forecast is a must do document that needs to be prepared on a regular basis. In the sport and recreation industry Directors of the Board and managers need to know the amount of cash coming into the organisation and whether the organisation can meet its obligations when due.

### The operating budget forecast

Provides the forecast of assumptions of income and expenses and includes the previous years figures as a means of comparison.

# Sample strategic business plan

## Sample cash flow forecast

Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
INCOME												
Registration fees												
Event income												
Merchandising												
Sponsorship												
Interest received												
Grants												
Other income												
TOTAL INCOME												
EXPENSES												
Affiliation fees												
Accountancy and auditing fees												
Bad debts												
Bank charges												
Computer expenses												
Capital expenditure												
Electricity												
General expenses												
Insurance												
Interest												
Leasing												
Legal fees												



# Sample strategic business plan

## Sample cash flow forecast continued

Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Motor vehicle expenses												
Newsletter												
Office expenses												
Printing and stationery												
Promotions												
Purchases (merchandising)												
Registration fees												
Rent												
Repairs and maintenance												
Salaries and wages												
Staff training												
State team expenses												
Subscriptions												
Superannuation												
Telephone and fax												
Travel and accommodation												
<b>TOTAL EXPENSES</b>												
<b>NET INCOME</b>												
<b>CASHFLOW \$</b>												

# Sample strategic business plan

## Sample operating budget forecast

Actuals	Feb	Mar	Apr
LAST YEAR \$		This year being	ASSUMPTIONS
INCOME			
Registration fees			
Event income			
Merchandising			
Sponsorship			
Interest received			
Grants			
Other income			
TOTAL INCOME			
EXPENSES			
Affiliation Fees			
Accountancy and auditing fees			
Bad debts			
Bank charges			
Computer expenses			
Capital expenditure			
Electricity			
General expenses			
Insurance			
Interest			
Leasing			

# Sample strategic business plan

## Sample operating budget forecast continued

Actuals	Feb	Mar	Apr
LAST YEAR \$		This year being	ASSUMPTIONS
	EXPENSES		
	Legal fees		
	Motor vehicle expenses		
	Newsletter		
	Office expenses		
	Printing and stationery		
	Promotions		
	Purchases (merchandising)		
	Registration fees		
	Rent		
	Repairs and maintenance		
	Salaries and wages		
	Staff training		
	State team expenses		
	Subscriptions		
	Superannuation		
	Telephone and fax		
	Travel and accommodation		
	TOTAL EXPENSES		
	NET INCOME		

# Sample strategic business plan

## Monitor and review of the plan

Strategic planning is integral to the success of an organisation's growth and development. As directors and administrators you need to be aware of the obligations and responsibilities you have accepted in regard to the strategic business planning of your organisation.

It is important that any major changes affecting the organisation are reflected within the strategic business plan.

Remember, a strategic business plan is an evolving strategic management document and it will change as a business develops and therefore needs to be regularly monitored and reviewed.

### Who is responsible?

Directors of your board or committees have a legal responsibility to monitor and review your organisations Strategic Business plan.

The strategic business plan should be monitored and reviewed on a monthly, quarterly, and yearly basis by the Board. This should be written into your organisations governance policy and procedures.

### Getting started

Step 1:

Your board or committee takes responsibility for monitoring and reviewing your organisations strategic business plan.

Step 2:

The Chairperson asks each Director to prepare monthly, quarterly, and yearly monthly, report on the activities within their portfolio of responsibilities.

Step 3:

Place monitoring and review as a recurrent Board/Committee agenda item ie.

- Item 3 – Finance Director Report – Targets
- Item 4 – Marketing Directors Report – Update Strategic and actions.

# Sample strategic business plan

## Monitor and review timetable

The Table below sets out a timetable for the monitoring and review of each section of your organisations strategic business plan.

This table can be customised and included in your plan.

Strategic business planning	When to update?	Lead person(s)	Total Review	Responsibility
Values, vision, mission	Six-monthly, but only if required	Chair Board	Annually	Board Management
Environmental analysis	Six-monthly	Board Committees Management Committees	Annually	Board Management Committees
Strategy formulation	Six-monthly, but only if required	Board Management Committees	Annually	Board Management Committees
Strategies Actions Targets	Monthly	Individual Directors CEO/EO/GM	Quarterly and Annually	Individual Directors Board Management Committees
Budgets/ Financial plans	Monthly	Director Finance Chair CEO/EO/GM	Annually	Board Management Audit Committee
Resource requirements and action planning	Weekly, daily	Director Finance	Monthly	Board Management Audit Committee
Entire business plan	Annually	Chair CEO/EO/GM	Annually	Board Management Committees

### Key:

CEO – Chief Executive Officer

EO – Executive Officer

GM – General Manager

# Sample strategic business plan

The business planning process is ongoing. Although the plan is prepared with a three to five year period in mind, it must be updated on a yearly basis. Once you have prepared or updated your plan for the year, it should become your organisation's blueprint – a document which should be referred to regularly for guidance and direction.

As the monitor and review table shows (see page 40), parts of the business plan need to be assessed and updated frequently, but the entire business plan should be reviewed and updated annually.

The annual evaluation requires that each part of the business plan be reviewed, starting with the values, vision and mission statement, followed by environmental analysis, the strategy, and so on.

The best time for this evaluation is just prior to the budget setting process, so that it runs concurrently with the financial year.

Although an annual evaluation process is recommended (where you might find you completely rewrite your business plan), this does not exclude regular evaluation of each stage of the planning process.

You need to be constantly alert to changes which may affect your organisation. For example, a recent change in the external environment might pre-empt a particular strategy, forcing you to alter your strategy so that you can take advantage of the new environmental conditions.

Financial plans need to be prepared annually and evaluated monthly. You should have produced financial statements by the second week of the next month, ready for analysis.

Targets and action plans need to be evaluated more frequently. Targets should be reviewed quarterly, and action plans monthly, weekly and even daily (by the person carrying them out).

By setting targets and action plans, you are in effect breaking down your organisation's vision into more obtainable, measurable, short-term parts.

By regularly evaluating your targets and action plans, you are ensuring progress toward that vision. It is far easier to correct performance early in the process, rather than a year down the line when the damage is almost irreparable.

## Steps in the evaluation process

1. Annually evaluate your entire business plan, looking at each part of the plan in detail, and making the appropriate changes.
2. Quarterly evaluate the targets of your key people at progress review meetings. Do this by looking at the targets and action plans that have been set, and assess whether the targets were achieved. If targets were not achieved, analyse why not. Then develop a new plan of action or alter the existing one to hold operations in line, or to return operations to an in-line state after deviation.
3. Update and evaluate your financial plans monthly by comparing planned against actual. If things are not going as you had hoped, analyse why and take corrective action immediately.

Constantly evaluate your action plans for your own targets, preferably on a daily basis. The sooner you realise that you are moving off track (or can't achieve a target), the better.

# Evaluation

## Summary

- The business planning process is ongoing
- The entire business plan should be evaluated and updated annually, preferably just prior to the budget setting process (however, regular evaluation of your entire business plan is always beneficial)
- Targets should be evaluated quarterly
- Financial plans should be evaluated monthly
- Implementation plans should be evaluated monthly, weekly and daily
- The sooner you identify that you are deviating from your plan, the better for you can take corrective action before great damage is done
- Routine time for planning and evaluation should be built into your calendar.

# Customer feedback survey

Please help us to help you by completing this customer feedback survey and returning to:  
NSW Department of Tourism, Sport and Recreation  
Industry Development Unit  
Locked Bag 1422 Silverwater NSW 2128  
Telephone: (02) 9006 3700 Facsimile: (02) 9006 3800

Did you find the Strategic business plan guide to be (please circle):

**Excellent**

**Good**

**OK**

**Poor**

Please comment (area(s) you found most useful/in need of improvement)?

Most useful

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Area(s) of Improvement

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What additional information/support do you feel the department could provide that would be useful in assisting your organisation to complete its strategic business plan?

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## Support and advice

The NSW Department of Tourism, Sport and Recreation can assist your organisation in strategic business planning. If you are a state or peak industry body contact us on (02) 9006 3700. Alternatively, if you are a club contact your closest regional office on 13 13 02.