



Click on the steps to the left to learn more about each part of a strategic plan.

Mission Statement

EXAMPLE: The Fuller Center for Housing’s mission statement:
“The Fuller Center for Housing, faith-driven and Christ-centered, promotes collaborative and innovative partnerships with individuals and organizations in an unrelenting quest to provide adequate shelter for all people in need worldwide.”

(From the Fuller Center for Housing’s website.)

What does our company do? _____

What do we do better than anyone else in our market? _____

How do we do it? _____

Why we do what we do? _____

Who do we do it for? _____

Our Mission Statement: _____

Values Statement

EXAMPLE: The Coca-Cola Company’s values statement:
“Our values serve as a compass for our actions and describe how we behave in the world.” The company also gives a list of values it embraces, including leadership, collaboration, integrity and accountability.

(From The Coca-Cola Company’s website.)

List 3-5 values that are most important to our company. _____

What are the underlying principles that make these values so important?

Our Values Statement: _____

STRENGTHS

What you do better than anyone else in your market?

Ex.: Top-of-the-line customer service

WEAKNESSES

In what ways are you at a disadvantage?

Ex.: Perception of high prices

OPPORTUNITIES

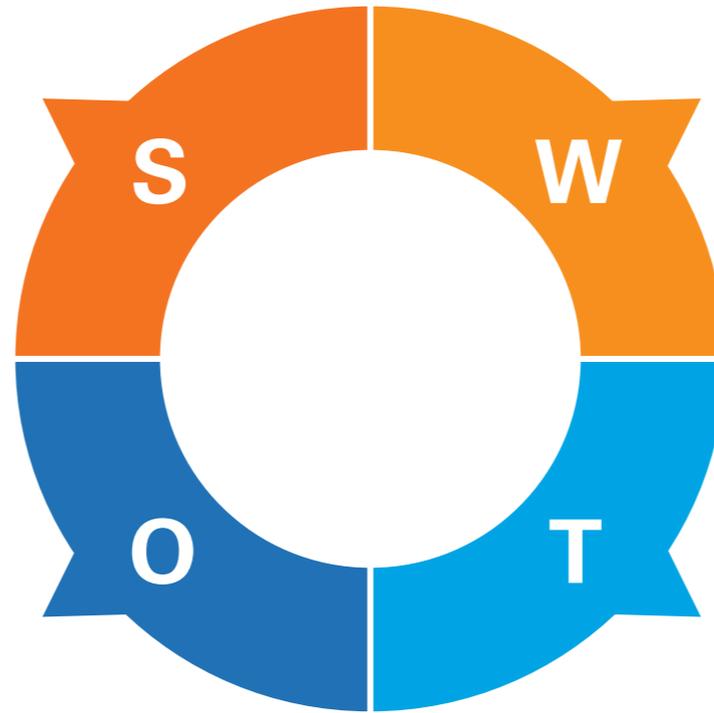
What are some areas where you may be able to improve your business?

Ex.: Social media marketing

THREATS

What are some areas where you may struggle with competitors?

Ex.: Popularity of online shopping



SHORT-TERM & LONG-TERM GOALS WORKSHEET

Goals: Long-term and short-term goals go hand in hand—the long-term goals look at your company’s bigger picture, and a series of short-term goals will help you reach those long-term goals.

Name a long-term goal:			
Goal:			
Accomplish by:			
Look at some short-term goals that will help us get there.			
What do we want to accomplish?	What are the steps we need to take?	Who will be involved?	When would we like to accomplish by?

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Income Statement (for most recent completed fiscal year)

Net Sales (less returns & allowances)	\$ _____
Cost of Goods Sold (including freight-in & subcontract labor, less purchase discounts).....	- _____
Gross Profit before Rebates or Dividends (Net Sales – COGS)	\$ _____
Purchase Rebates or Patronage Dividends.....	+ _____
Gross Profit after Rebates or Dividends (Gross Profit + Rebates or Dividends).....	\$ _____
PAYROLL EXPENSES	
Owners/Officers Salaries and Bonuses.....	\$ _____
All Other Employee Salaries, Wages, Commissions & Bonuses.....	+ _____
Total Salaries, Wages, Commissions & Bonuses	\$ _____
Payroll Taxes (FICA, Workers' Compensation & Unemployment).....	_____
Group Insurance (hospital, medical, etc.).....	_____
Benefit Plans (include pension, profit sharing, 401(k), etc.)	_____
Total Payroll Expenses (Salaries + Payroll Taxes + Group Insurance + Benefits).....	\$ _____
OCCUPANCY EXPENSES	
Utilities: Heat, Light, Power, Water.....	\$ _____
Building Repairs & Maintenance	_____
Rent or Ownership in Real Estate (include rent, mortgage interest, building depreciation, real estate insurance, real estate taxes, etc.)	_____
Total Occupancy Expenses	\$ _____
OTHER OPERATING EXPENSES	
Advertising & Promotion.....	\$ _____
Vehicle Expense (delivery charges, own personal vehicle expense, etc.).....	_____
Telephone	_____
Insurance (business liability & casualty)	_____
Interest Expense (not mortgage interest)	_____
Taxes (licenses, permits, personal property, use, etc.)	_____
Depreciation (other than real estate)	_____
Bad Debt Losses.....	_____
Additional Miscellaneous Expenses	_____
Total Other Operating Expenses	\$ _____
Total Operating Expenses (Payroll + Occupancy + Other)	\$ _____
Operating Profit (Gross Profit – Total Operating Expenses).....	\$ _____
Other Income/Expenses (cash discounts, interest income, gain on sales of assets, etc.)	+ _____
Profit Before Taxes	\$ _____
Income Taxes (local, state, federal)	- _____
Net Profit After Taxes	\$ _____

Balance Sheet

ASSETS	
Current Assets	
Cash & Marketable Securities	_____
Accounts Receivable (trade).....	_____
Inventory.....	_____
Other Current Assets	_____
Total Current Assets	\$ _____
Investments (stocks, bonds, non-business real estate, long-term notes receivable, etc.)	_____
Other Fixed & Non-current Assets (net of depreciation)	_____
Total Assets	\$ _____
Liabilities and Net Worth	
Current Liabilities	
Accounts Payable (trade)	\$ _____
Other Current Liabilities	_____
Total Current Liabilities	\$ _____
Long-Term Liabilities	_____
Net Worth or Owner Equity (paid in capital + retained earnings).....	_____
Total Liabilities and Net Worth	\$ _____

Key Definitions

Income Statement—The income statement presents in a single format revenue derived from the sale of merchandise and expenses incurred to produce these sales. All financial report income statement data are presented as a percent of Net Sales.

Balance Sheet—The balance sheet is a statement of financial position at a given point in time; the report presents year-ending balance sheets. The balance sheet equation is expressed as Assets equal Liabilities plus Net Worth. All financial report balance sheet data are presented as a percent of Total Assets.

The Strategic Profit Model combines the principle elements of the income statement and balance sheet in a profit planning equation. It helps retailers evaluate operational performance in terms of the most important criteria: Return on Net Worth. The formula is to the right.

$$\begin{aligned}
 & \text{Profit Margin} \\
 & \text{Asset Turnover} \\
 & \times \\
 & \hline
 & = \text{Return on Assets} \\
 & \times \text{Financial Leverage} \\
 & \hline
 & = \text{Return on Net Worth}
 \end{aligned}$$