

Think Business Strategy

Check any guide on starting a new business and you probably will see encouragement to develop a business plan.

“Yet often the business owner proceeds without undertaking this crucial step,” says (Insert name and title) of (Insert county). “Not having a business plan can mean costly mistakes or oversights for your business. It may mean missing an opportunity or failing to diagnosis a potential threat.”

And if business owners do write a plan, it often just ends up on the shelf, coming out only when they need to approach a funding source for money, [insert last name] adds.

Typically, people starting a business view the business plan as something successful businesses have written or something their banker will want to see. Business plans developed from that perspective tend to be complex, analytical, thoughtful and often focused on developing a single path to success.

Business owners need to think of the business plan as a business strategy, advises Glenn Muske, the North Dakota State University Extension Service’s rural and agribusiness enterprise development specialist. With that thought in mind, the business plan is more of a static document, often forgotten, and less of a focal point for building toward the future.

“This may mean starting with a different set of assumptions or understanding that your assumptions may not fit the situation,” Muske says. “It also means including change as a key factor to keep you on course.”

“The end goal is the same: a successful business,” says (Insert last name). “But the difference is how you, the owner, thinks about business goals, family goals, assumptions made and possible changes that will be required. It’s tactical and not static.”

Business strategy is about vision. It is knowing the audience you want to serve and how your product and/or service idea solves a problem. You have a long-term goal for what your business will do for the broader world, your community, your family and yourself.

Writing a business strategy is a tactical exercise. What are the challenges that might arise, how might the underlying environment change, and what steps can you take to respond to the various changes?

Developing a business strategy brings your business plan to life. It becomes something you pull out daily or weekly. It also continues to morph as the environment, the challenges, and your personal assumptions and values change.

For more information, contact your local Extension Service office at [insert phone number and email address]. Also visit NDSU’s small-business support website at www.ag.ndsu.edu/smallbusiness and sign up for the monthly newsletter, or visit www.eXtension.org/entrepreneurship. The U.S. Small Business Administration and its related

organizations, Small Business Development Centers and the Service Corps of Retired Executives, are also useful resources.

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For more information, contact glenn.muske@ndsu.edu or call (701) 328-9718. You also can visit our website, www.ag.ndsu.edu/smallbusiness.