

# A sustainable future

Developing smart strategies for a lasting business

**R**apidly changing market conditions and the current economic crisis have created massive challenges for companies across every industry. No matter what state your business is in, you can re-focus your long-term strategic plans to meet the demands of the economy and your customers. Senior executives are now in the position where they must balance their near-term recession objectives with their long-term strategic initiatives.

"It is important to keep your business solvent in times like these, but you must realize that your customers' needs are changing and so are their buying behaviors," says Bill Capraro, President and CEO of CIMCO Communications. "Being aware of how those needs and behaviors are evolving can help you in sustaining a strong and profitable future."

*Smart Business* spoke to Capraro about the importance of a long-term plan and how to create a strategy for executing it.

## Where do you begin when creating your plan?

A good strategic plan takes into account all components of a business, from customers and employees to processes and systems. Your plan should begin with the voice of the customer. Customers constantly evolve, and it's your job to adjust to their needs with new technologies and new processes. How and why are clients using your product? How do they need to interface with your company? Do they want to speak to a live representative or would they prefer to send information via an online portal? Knowing your customers' changing buying behaviors should be the foundation for building a strategic plan. At CIMCO, a good example of this is our customer feedback process. We wanted to increase the quantity and quality of our feedback from clients. We needed to change our methodology, so we switched to online surveys. This gave us the instant and comprehensive feedback we needed from our customers to enhance our service to them.

After assessing customer buying behavior and needs, the next step in the plan is to recruit and retain talent that can nurture and enhance relationships with your customers. Concurrently, you must utilize best practices and technology to create systems and processes that enable profitability and efficiency across your organization. These building blocks will give you a strong start to creating your long-term strategic plan.



**Bill Capraro**  
President and CEO  
CIMCO Communications

## What should a good strategic plan accomplish?

Most companies have implemented their near-term recessionary plans to reduce and eliminate nonessential spending. Now is the time to look at investing in long-term strategic initiatives in order to compete in the marketplace. In my experience, good strategic plans will accomplish the following:

- Enhance customer loyalty. Establish regular customer feedback methods and use the real-time data to benchmark and improve satisfaction levels. Publish the data to all your associates. Everyone owns customer loyalty.

- Grow your company. Look at your short-term strategies and make sure they are in line with your company's goals to ensure profitability. Consider acquisitions as a way to supplement the organic growth of your customer base and even your talent base. Eliminate nonperforming products.

- Communicate effectively. Reach out frequently to customers as part of an overall customer loyalty plan. Communicate regularly with employees to ensure they understand the mission and the business plan and can execute the company strategy.

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## What pitfalls should you be aware of when creating a strategic plan?

Companies often think and look internally for all answers, but it is the external influencers that have the greatest impact on your business. No company can afford to be insular in its thinking. What do customers value? What are competitors offering and at what price? How can your company differentiate itself, especially when selling a commodity? Use bottom-up data, market research and top-down thinking to get the data you need to answer these questions. Remember, it's not about you — it's about the buyer!

## Once the plan is set, what other issues should leaders anticipate?

A company must learn to avoid making assumptions that can quickly derail its business plan and distract it from its goals. To stay on course, strategize regularly with customers by utilizing testing and soliciting continual feedback. Start with friendly customers who don't mind being part of a beta test. They are more likely to offer candid advice about new products and functionality. Any results you collect can be used to create benchmarks in the product development process. However, even if you have taken all the right steps, sometimes the plan just doesn't work. Don't be afraid to kill a product or program that is not performing. It's OK to make mistakes as long as you learn from them. Take those learnings and use them to make your next strategic plan even stronger.

## Is it hard to create a solid strategic plan given the current demands and volatility of the economy?

Given the current state of the economy, it is more important than ever to create and maintain a strategic plan. Consolidations are happening in every industry, so look at all of your options. Everything is on 'sale' so now is a great time to acquire a company that may not have the critical mass to survive and grow on its own. This is a powerful way to supplement your organic growth and to offer broader product offerings. Doing this may allow you to appeal to a larger group of customers that can ultimately assist you in obtaining your strategic goals. <<

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