

Example Strategic Objectives

The following are examples of different types of Strategic Objectives and how you might represent them on this form. Your Strategic Object needs to be one focused area and represents the most important Objective for the company.

Strategic Objective	Year 0 (Last Year)	Year 1 (This Year)	Year 2 (Next Year)	Year 3 (2 Years Out)
Example Increase Share Price +\$4/share	\$2/Share	\$3.5/Share	\$4.75/Share	\$6/Share
Example Revenue Growth +2X Growth	\$5 Million	\$6.5 Million	\$8.5 Million	\$10 Million
Example EBITDA Growth +30% Annual Growth	\$500,000	\$650,000	\$845,000	\$1,098,500
Example R&D Project	Plan R&D	Complete R&D	Complete Manufacturing Process	Launch Sales

Strategic Objective

List your focused Strategic Objective and break it down from last year's number to each year's progress toward the 3-Year Strategic Objective.

Strategic Objective	Year 0 (Last Year) Year:_____	Year 1 (This Year) Year:_____	Year 2 (Next Year) Year:_____	Year 3 (2 Years Out) Year:_____

Strategic Objective Into Income Statement

Now that you have determined your Strategic Objective, translate it into a projected Income Statement based on your Year-3 Strategic Objective.

Strategic Objective	
Revenue	
Cost of Goods Sold	
Gross Profit	
SG&A or Overhead Expenses	
Operating Income	
EBITDA	

Note: Use last year's gross profit margin to determine COGS and Gross Profit.

3 Years Projected Income Statement

Based on your 3-Year Projected Income Statement, break down the Year 1 and Year 2 Projected Income Statements.

	Year 1 Year:_____	Year2 Year:_____	Year 3 Year:_____
Strategic Objective			
Revenue			
Cost of Goods Sold			
Gross Profit			
SG&A or Overhead Expenses			
Operating Income			
EBITDA			

Note: Year 3 on this form comes from the 3-Year Projected Income Statement form.

Monthly Revenue Rate

You don't have to wait until the end of the year to find out if you have hit your Strategic Objective. When your monthly revenue reaches the target Monthly Revenue Rate, then you are on track to successfully achieving your Strategic Objective.

	Year 1 Year: _____	Year2 Year: _____	Year 3 Year: _____
Projected Annual Revenue			
Projected Monthly Revenue Rate			

Divide the projected annual revenue from each year by 12 months. The Monthly Revenue Rate is a good rule-of-thumb measure to determine if you are on track or off track of your Strategic Objective. Be aware of seasonality and annual trends may affect your Monthly Revenue Rate.

Profit Margin Standard

In addition to the Monthly Revenue Rate for each year of your Strategy to Win, it helps you to know your projected Gross Profit Margin and Your Net Profit Margin on a monthly basis. It helps you to know if you are on track, off track, or ahead of schedule.

	Year 1 Year:_____	Year2 Year:_____	Year 3 Year:_____
Gross Profit Margin			
Net Profit Margin			

Calculate your Gross and Net Profit Marins from your 3 Years Projected Financial Statements.

The Benefit of Your Strategic Objective

As a result of determining your Strategic Objective, breaking it down into 3 successive years, then putting it into a project Income Statement for each year, you are deciding your future in advance. By determining the Monthly Revenue Rate and the Profit Margin Standard you are creating easy measures to determine if you are ahead or behind schedule. The other 9 Elements of a Strategy to Win help ensure that what you envision for the future will become your reality. These forms become a useful tool for discussion with your executive team.