



Journey CxO

Annual Planning Framework

Cohort Group Meeting: June 2022

Annual Planning: Three Part Process



Part I: Strategic Plan / Long Term Framework



Questions to Discuss

1. **What has changed?** Internally (team skills), externally (competitors, economic environment etc.) Should we build a different product or target a different ICP?
2. **What have we learned?** What feedback do we have from the market / customers that confirms our prior beliefs or changes them?
3. **What trade-offs will we make?** Burn rate / profitability vs. growth?

Observations

1. This is a 5-year look ahead.
2. This will be a broad, rather than specific plan.
3. What do you most need in the second half of the year to meet your goals?



Part II: Annual / Operational Plan

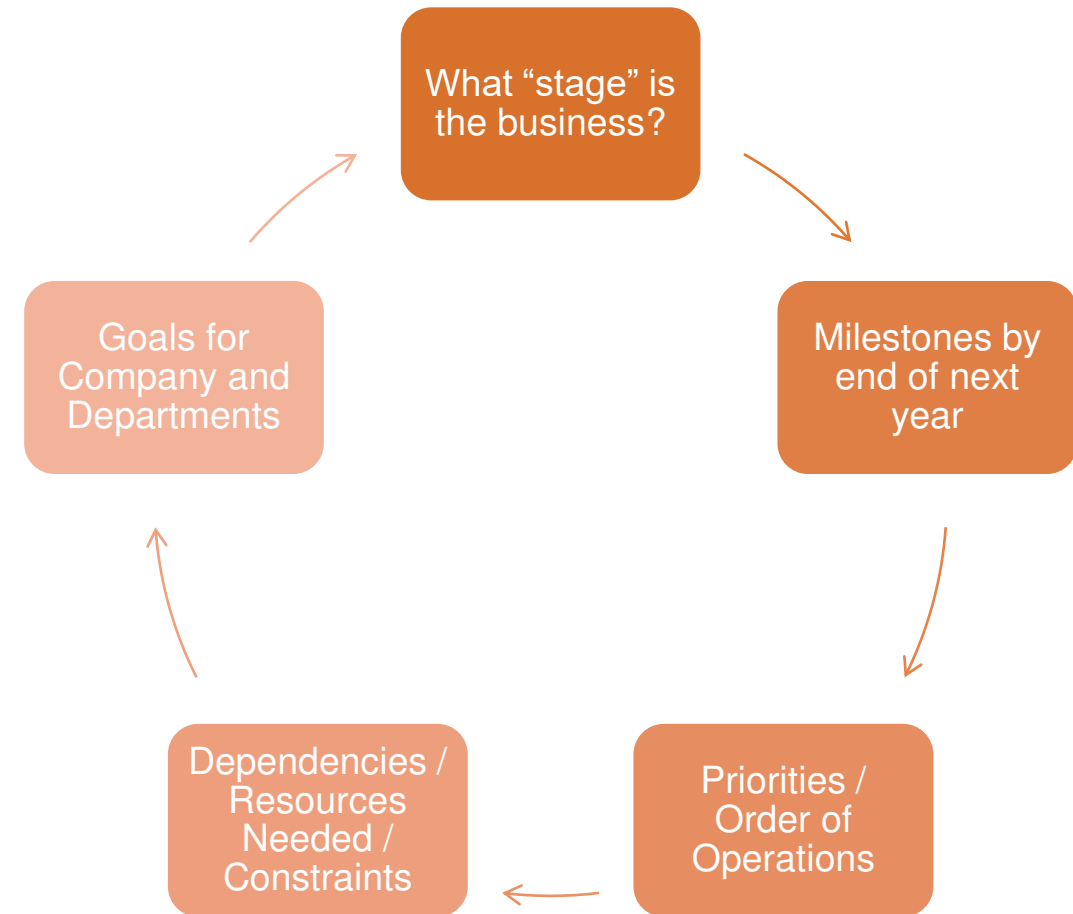


Questions to Discuss

1. **Agree on the primary focus of the business.**
(Establishing P<>M fit vs. finding a scaleable, repeatable, profitable model, vs. Scaling.)
2. **What risks will each milestone we set reduce?**
3. **How have we performed to date?** Against the goals we set in the last plan. What has worked vs. not?
4. **Team – what are our strengths and weaknesses?**
Where are biggest changes needed?

Observations

1. This is a 1-year look ahead.
2. It much more tactical and operational with specific department level goals and priorities.
3. Dependencies matter (what must happen first) as do resources needed (do we have the right skills) and any constraints (financial or others).



Part III: Financial Plan: Budget and Metrics



Questions to Discuss

1. What key financial goals are we “hoping” to achieve? Are there “constraints” involved?
2. What is the rationale for “improved performance” in each specific key assumption.
3. **Benchmarking.** How does our performance to date (on key metrics) compare with our peers?

Observations

1. This converts the annual plan (words) into numbers – monthly financials and KPIs.
2. This will be an iterative process; key leaders should be involved in each iteration (if at all possible, i.e. not a finance / CEO budget.)

