

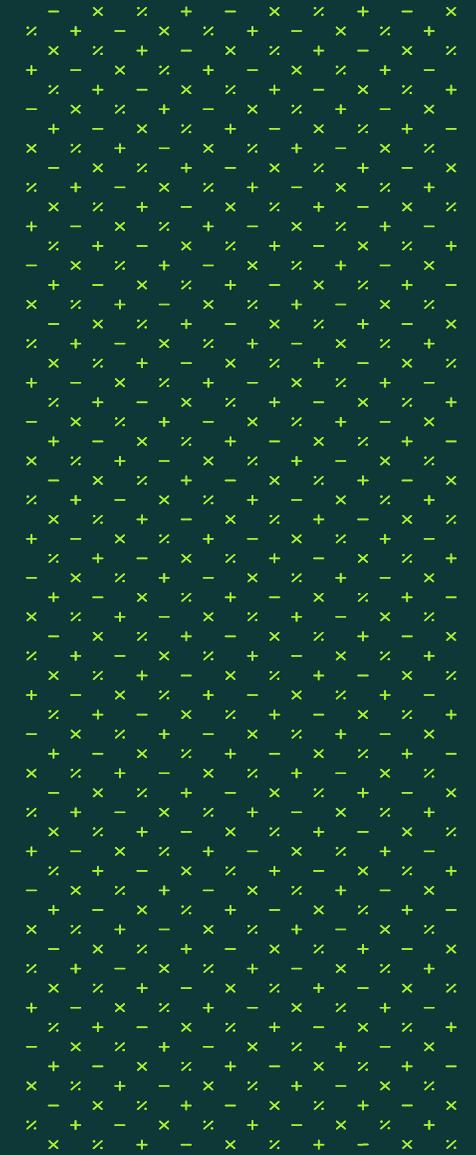


MOSSADAMS

# Strategic Planning & High Performing Organizations

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November 2021



# Speakers

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# Agenda

**01 MARKET FACTORS**

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**02 A DIFFERENT PERSPECTIVE**

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**03 EMPLOYEE ENGAGEMENT**

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**04 Q&A**



# POLLING QUESTION #1

Does your organization have a strategic plan?

- A. Yes
- B. No
- C. I'm not sure



# POLLING QUESTION #2

If your organization has a strategic plan, to what extent is it shared with employees?

- A. Only the board (no employees)
- B. The board and senior management
- C. The board, senior management, and management
- D. All employees

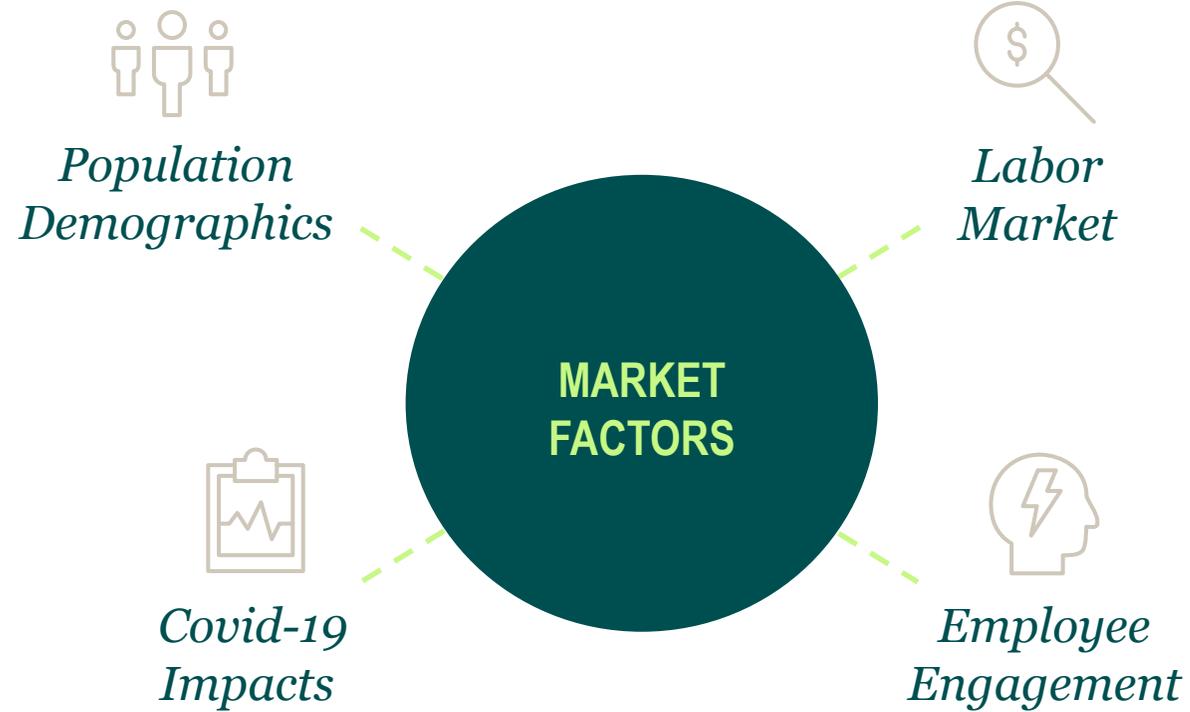


# Market Factors

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# Employer Challenge

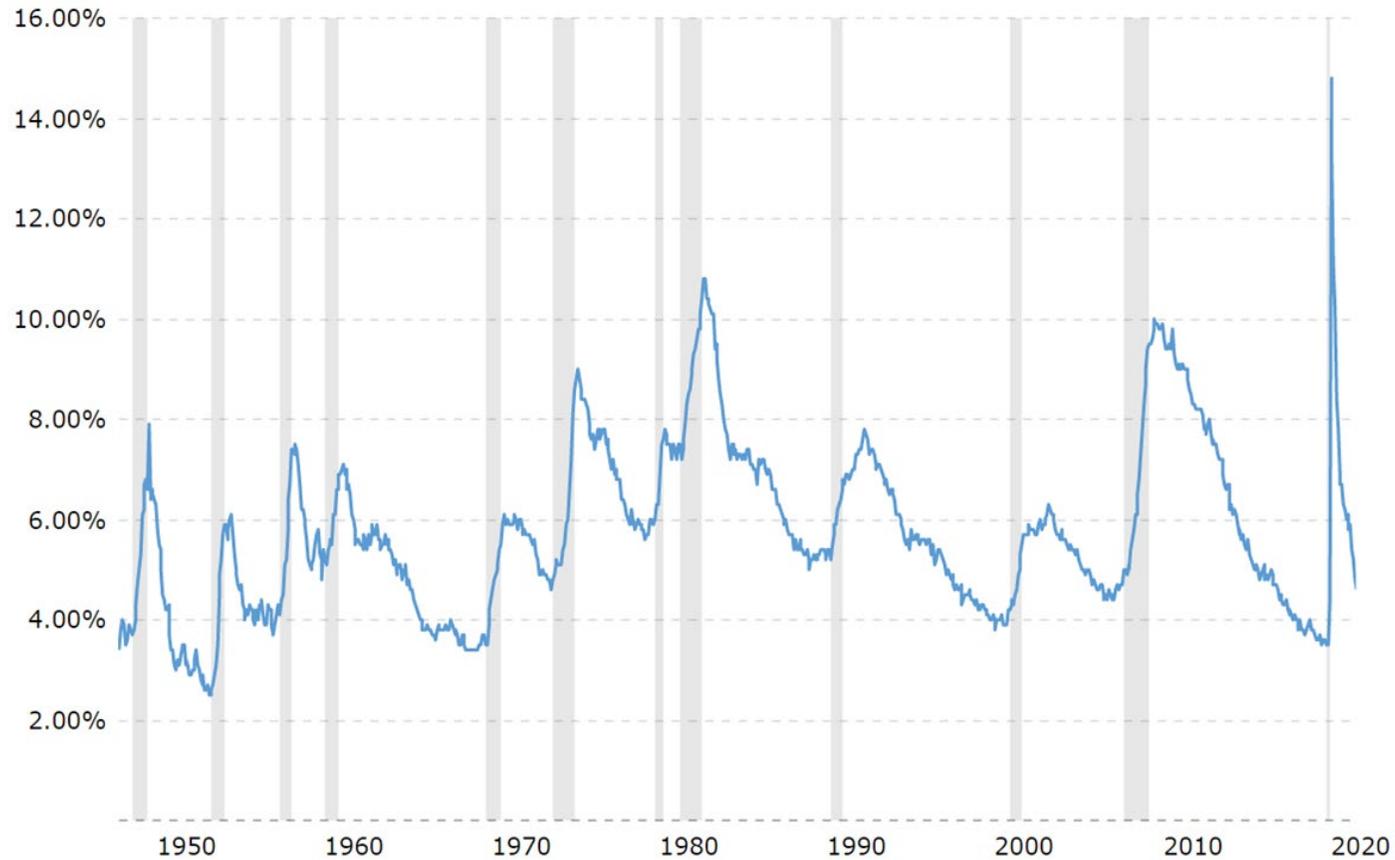


# Population Demographics

	2021 AGE RANGE	2021 MEDIAN	TOTAL COUNT
Traditionalists	76-93	85	31 M
Baby Boomers	57-75	66	74 M
Generation X	41-56	49	66 M
Generation Y	21-40	31	86 M



# Labor Market



# Employee Engagement

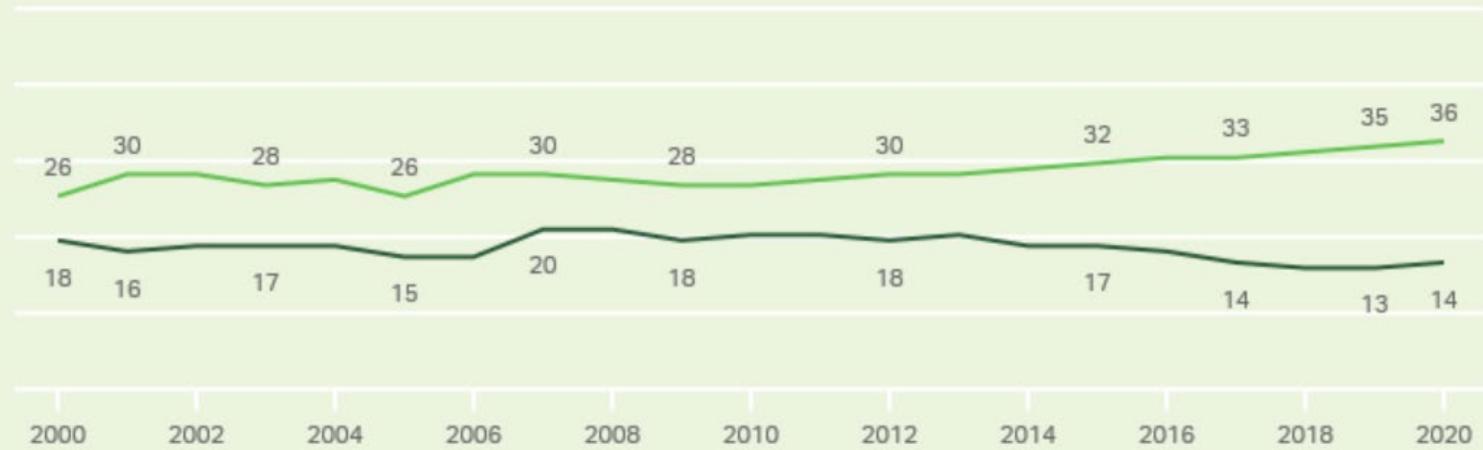
- Annual Gallup Poll and Report
- Since 2000
- Survey approx. 100,000 workers; 18+ years of age
- Determine level of employee engagement
- Results averaged 30% engaged
  - Approx. 50% not engaged
  - Approx. 20% actively disengaged
- Associated productivity loss of over \$650 billion per year



# Employee Engagement (cont.)

## U.S. Employee Engagement Trend, Annual Averages

■ % Engaged ■ % Actively disengaged



Note: 2018 results are for January through June

GALLUP



# COVID-19 Impacts

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- 0% to 100% of employees working from home
- Work with limited or no in-person interaction
- Rely more heavily on technology
- Reduced work force
- Great Resignation
- Employees able to makes similar pay on unemployment
- Accelerated change in customer buying habits



# A Different Perspective

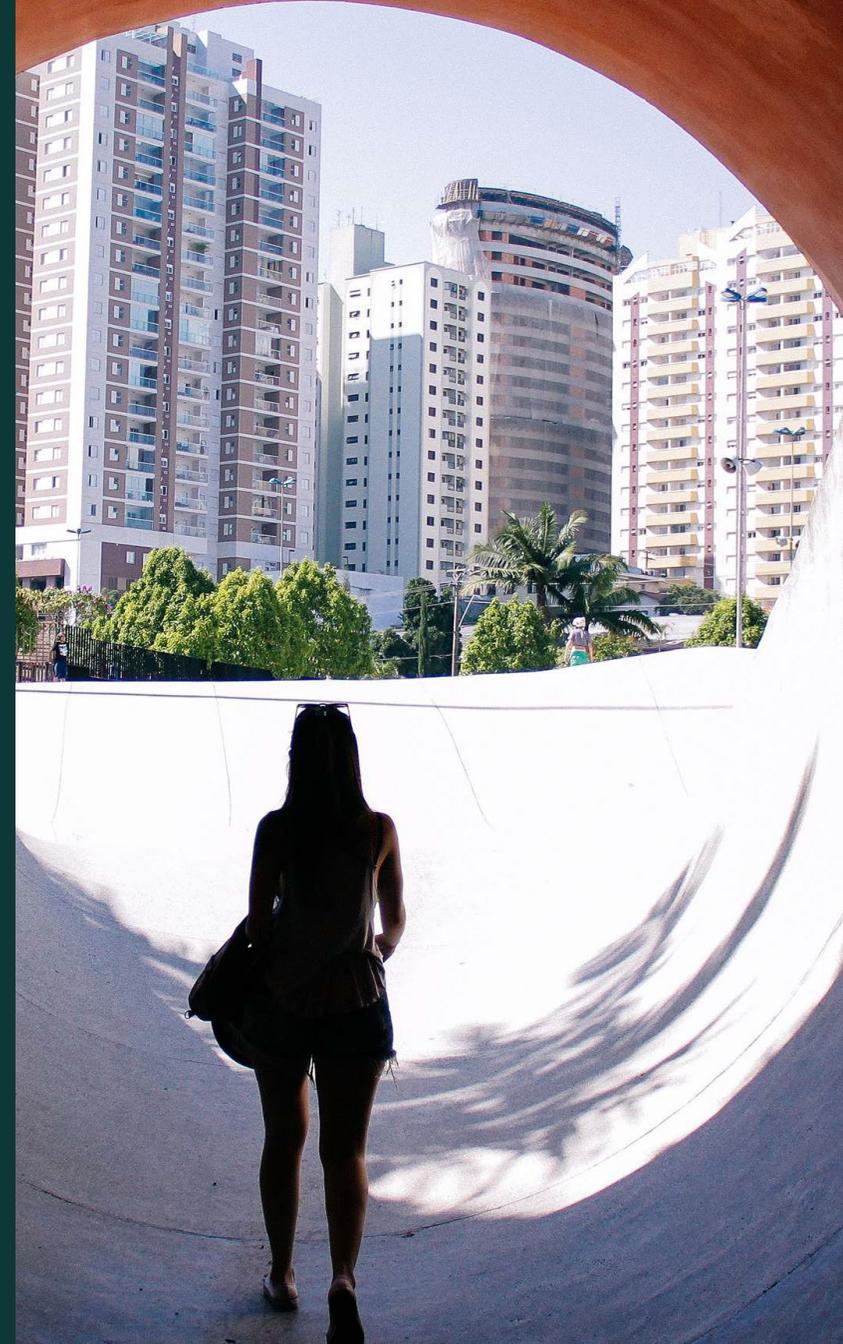
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# How Does the Market View You?

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- What's your organization's DNA?
- How do you resonate with your customers?
- How do you differentiate from competitors?



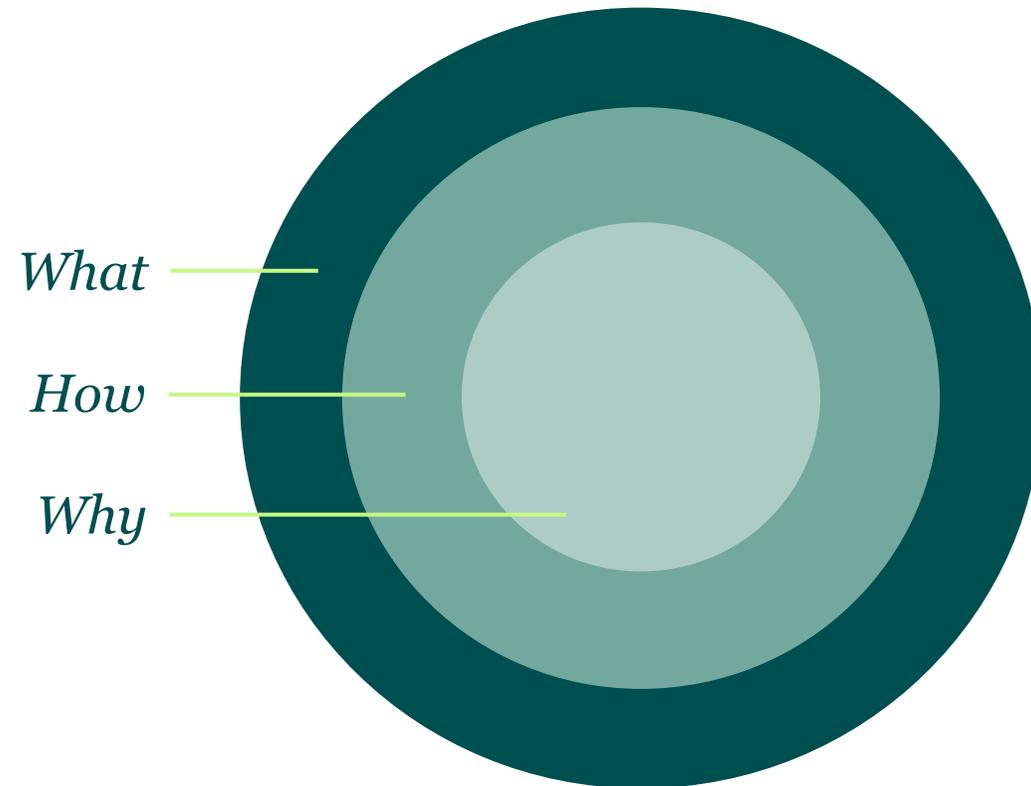
# How Do Your Employees View You?

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- What's your organization's DNA?
- How do you engage your employees?
- How do you attract and retain the best talent?
- How do you achieve the highest and best use of your employees?



# Golden Circle



# Employee Engagement

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# Four Attributes of High Performing Organizations



# Alignment = Engagement

## **PLAN**

Roadmap (goals, objectives, and action plan based on long-range vision, historical performance, SWOT analysis, and competitive assessment), broad-based input, all-inclusive distribution

## **PERFORM**

Key metrics and performance targets to convey progress in achieving strategic goals and objectives

## **PEOPLE**

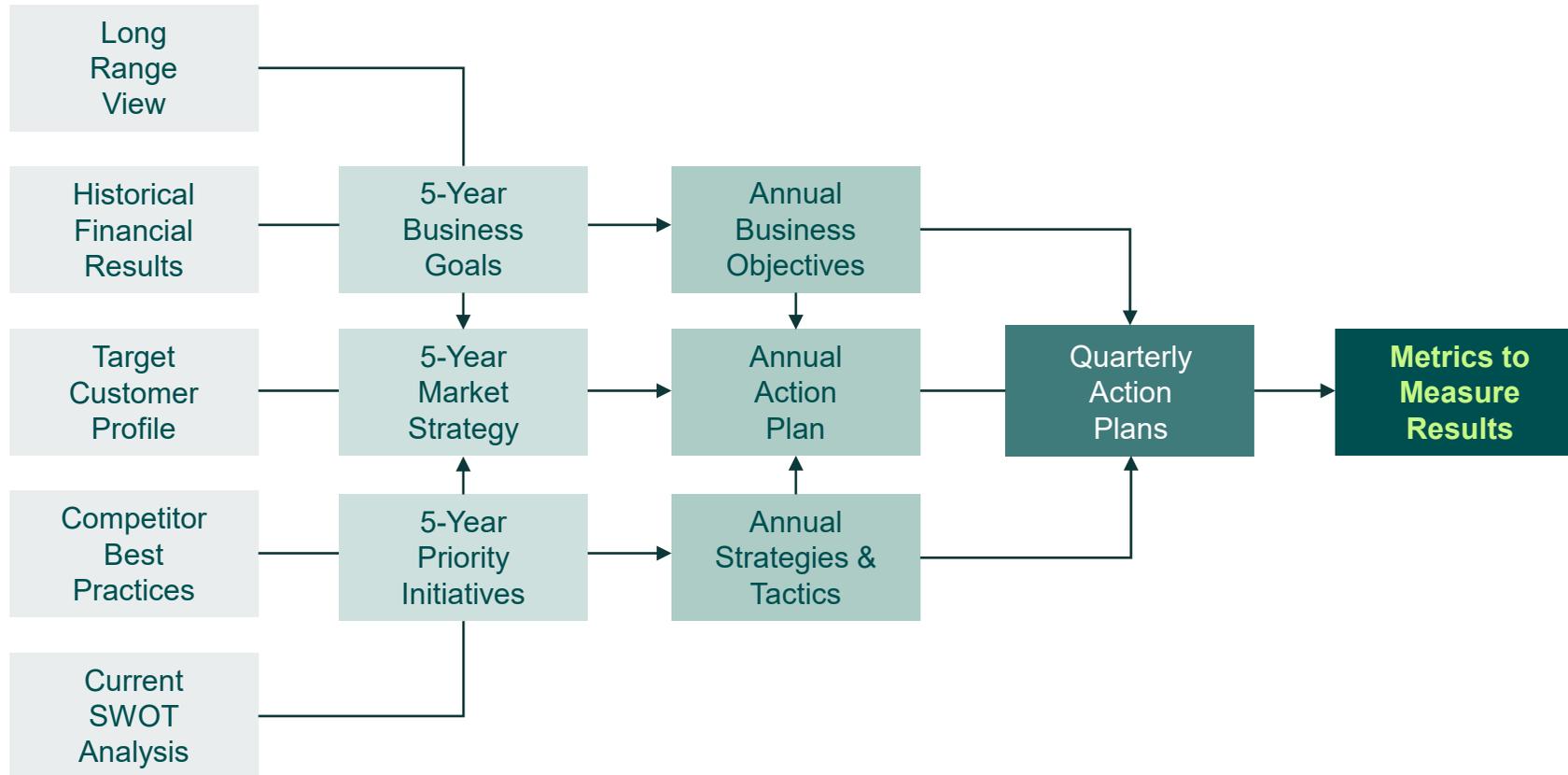
Human capital requirements to cultivate and compensate employees and execute strategic plan

## **COMMUNICATE**

Ongoing communication on strategic plan, execution progress, and required adjustments



# Components

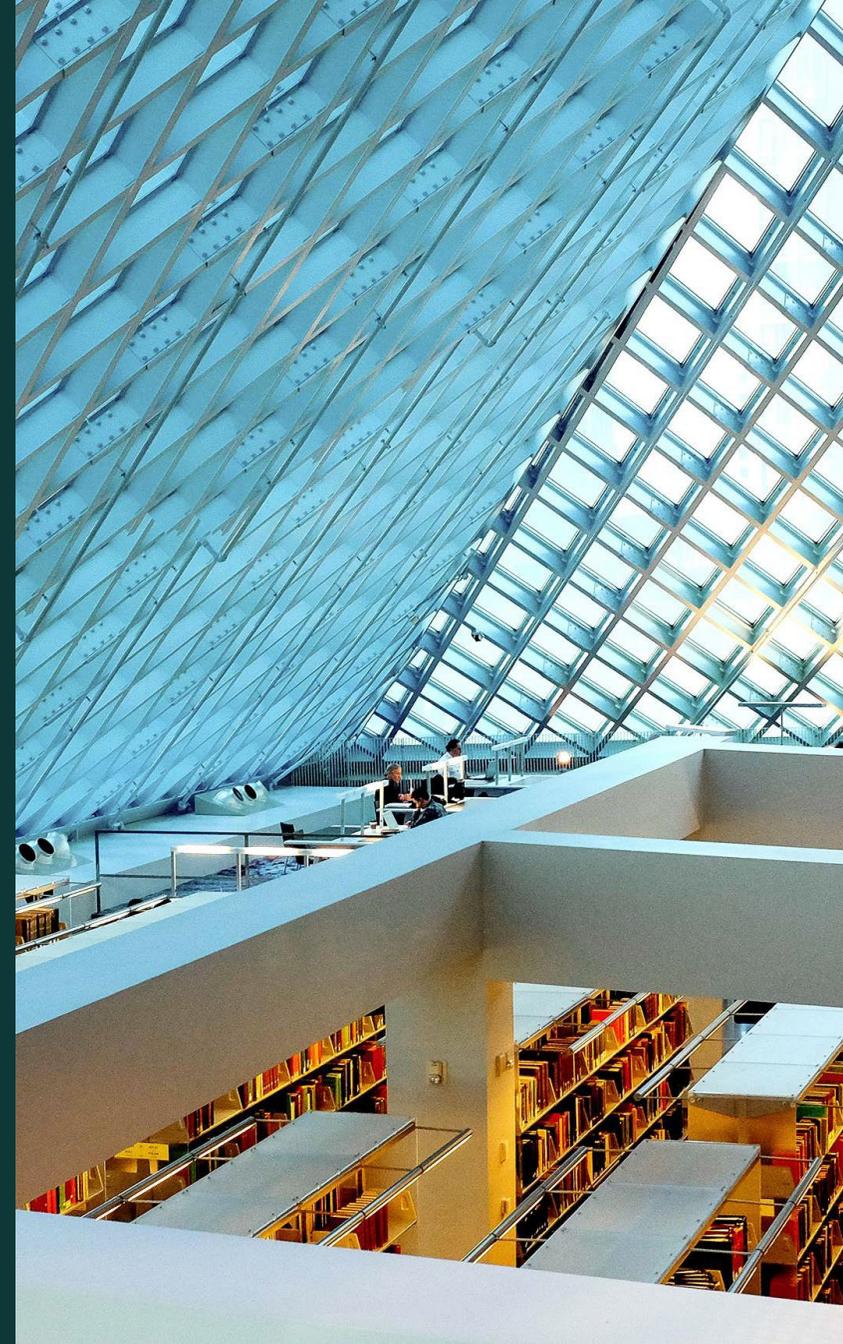




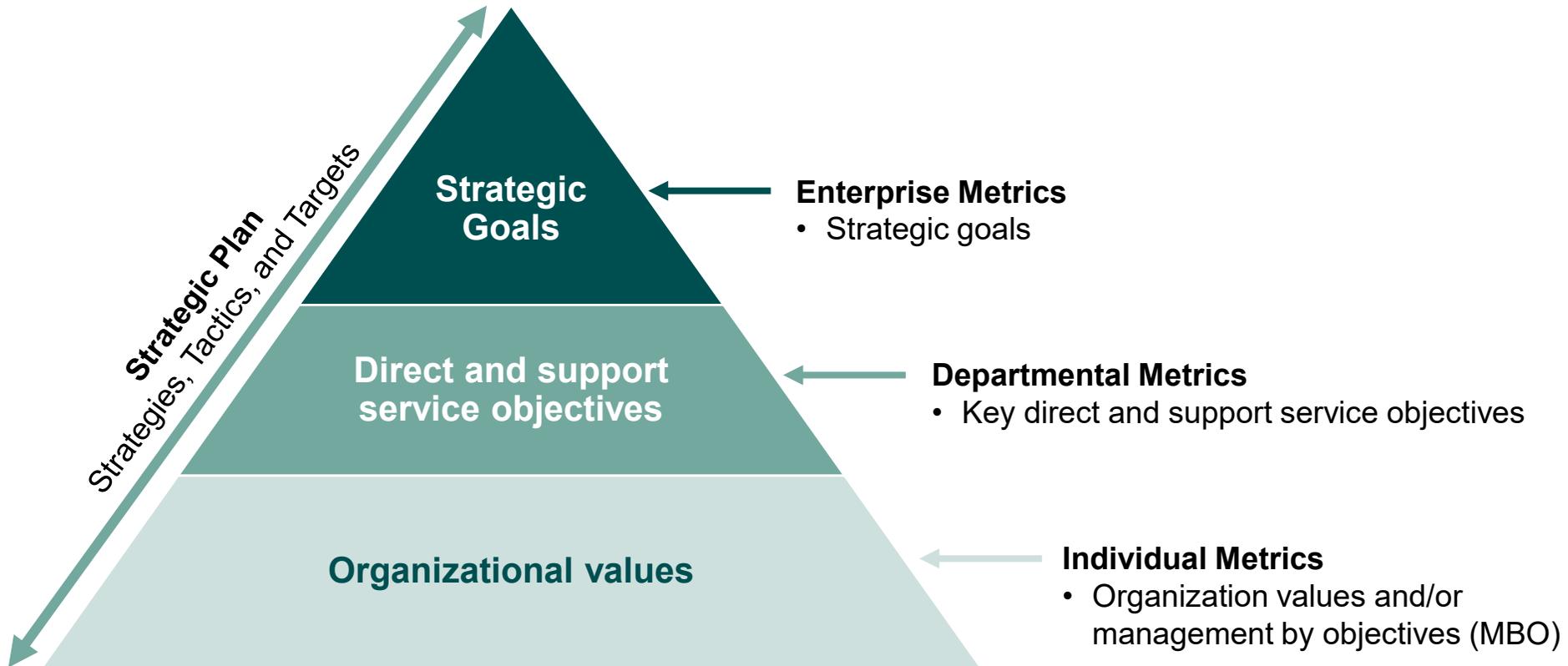
# COVID-Related Strategies

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- Employee participation
- Market conditions
- Cash flow and reserves
- Physical space
- Employee and customer safety



# Multi-Level



# All Functions

Key Performance Metrics	Target
Enterprise Performance <ul style="list-style-type: none"><li>• Strategic Initiatives</li></ul>	X
Department Performance <ul style="list-style-type: none"><li>• Sales</li><li>• Marketing</li><li>• Product Development</li><li>• Customer Satisfaction</li><li>• Operations</li><li>• Finance</li><li>• Human Resources</li><li>• Information Technology</li><li>• Legal</li></ul>	X
Individual Performance <ul style="list-style-type: none"><li>• Organizational Values and/or MBOs</li></ul>	X



# Visibility to Key Metrics

Current Month Revenue



YTD Revenue



Actual Annualized Growth

22.6%  
 (3 Mth Avg)

Forecast Annualized Growth

12.7%  
 (3 Mth Avg)

Actual YOY Revenue Growth

32.4%

Forecast YOY Revenue Gr...

28.6%

Chart Legend

**Annualized Growth**  
 Three month average change of rolling annual revenue.

**YOY Growth**  
 Change of annual revenue from the same month last year.

Revenue Forecast



Rolling 12 Month Revenue by Month



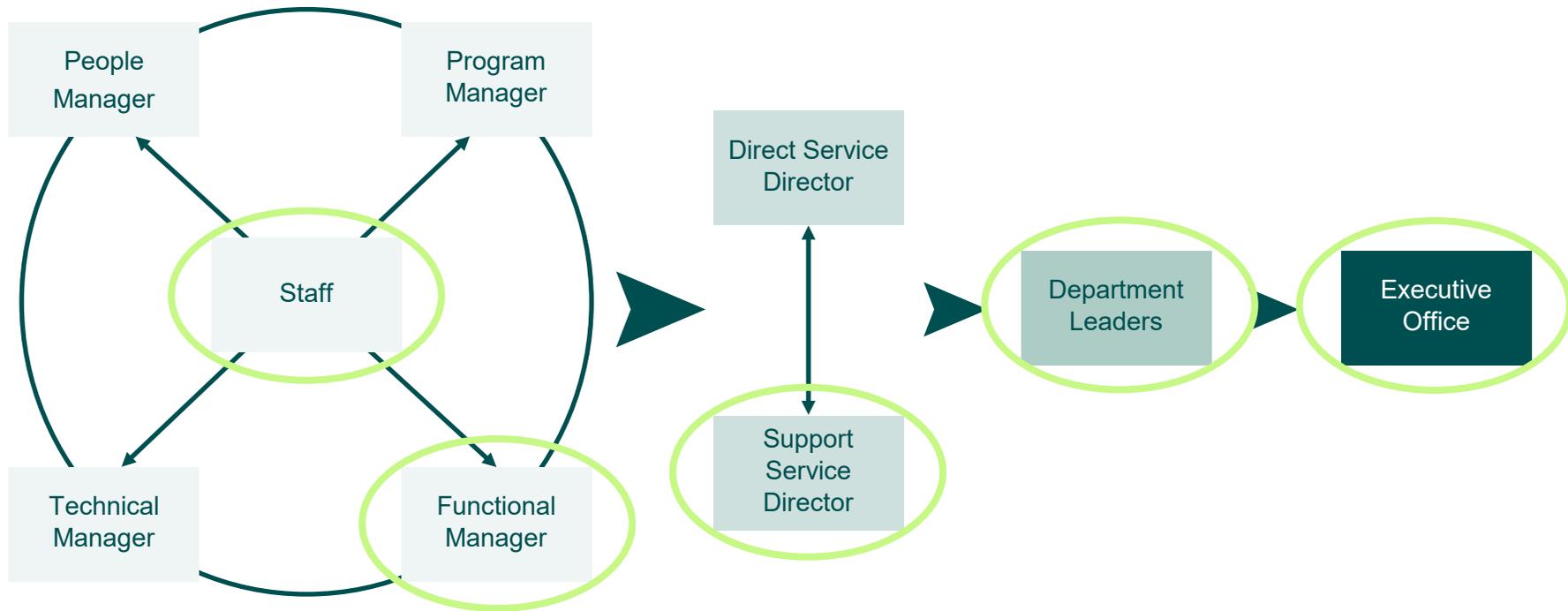
# COVID-Related Strategies

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- Use of technology
- Omni channel
- Remote operations
- Cost structure
- Operational flexibility



# Career Pathing

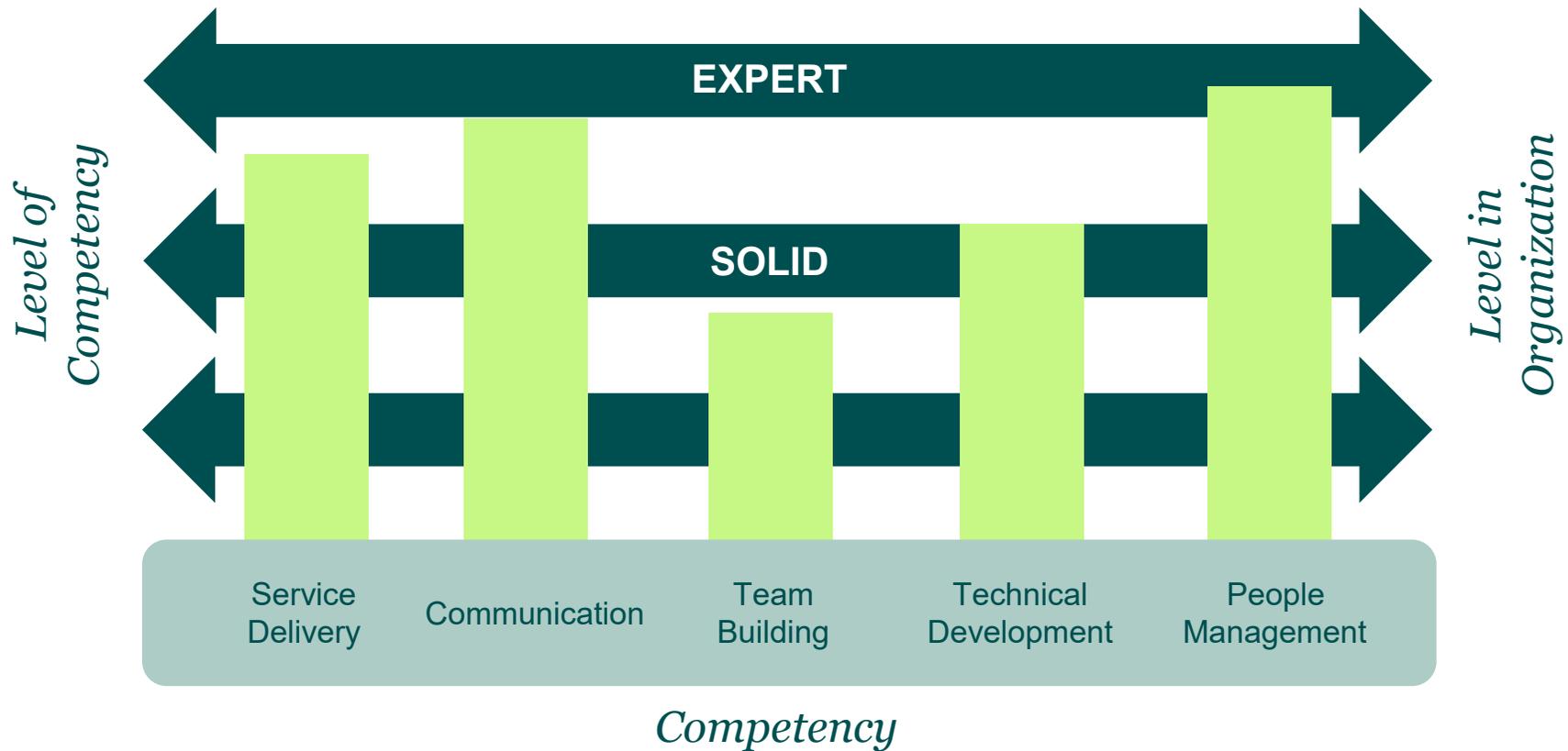


# Competencies

COMPETENCIES	STAFF	SENIOR	MANAGER	SENIOR MANAGER
<p><b>Core Functional</b></p> <p>At each stage of your career, you're expected to possess all of the competencies of the previous level or levels. In other words, a senior should exhibit all of the competencies of a staff professional, a manager should exhibit all of the competencies of a staff and senior, and a senior manager should exhibit all of the competencies of a staff, senior, and manager.</p>				
<p><b>ACHIEVING RESULTS</b></p> <p><b>BUSINESS ACUMEN</b></p> <p><b>COMMUNICATION</b></p> <p><b>CLIENT SERVICE</b></p> <p><b>LEADERSHIP</b></p>	<p><b>Development of Self</b></p> <ul style="list-style-type: none"> <li>• Takes a proactive approach with own career; develops goals for personal and professional development</li> <li>• Monitors own development against competency framework to identify strengths and development areas</li> <li>• Seeks and takes advantage of development opportunities and stretch assignments to gain more responsibility</li> <li>• Pursues learning and development opportunities to enhance own skills</li> <li>• Proactively seeks and acts on developmental feedback; learns from experience to improve performance</li> <li>• Pursues mentoring and coaching opportunities</li> </ul>	<ul style="list-style-type: none"> <li>• Identifies and invests in long-term mentoring relationships for self-development</li> <li>• Develops ability to mentor others</li> </ul>	<ul style="list-style-type: none"> <li>• Formulates long-term strategies for growth through a leadership development plan</li> <li>• Maintains a career plan that displays an understanding of and commitment to firm's goals and objectives</li> </ul>	<ul style="list-style-type: none"> <li>• Evaluates long-term development strategies and career plan to ensure continued alignment with firm's goals and objectives</li> <li>• Is a role model for ongoing self-development and continued development of others</li> </ul>
	<p><b>Development of Others</b></p> <ul style="list-style-type: none"> <li>• Shares knowledge and insights with colleagues</li> </ul>	<ul style="list-style-type: none"> <li>• Provides regular coaching, mentoring, and constructive feedback to junior team members</li> <li>• Creates development opportunities and stretch assignments for junior team members</li> <li>• Provides regular and timely formal evaluations as required for engagements or projects</li> </ul>	<ul style="list-style-type: none"> <li>• Includes junior team members in key meetings to provide opportunities for leadership</li> <li>• Helps junior team members understand and act on performance feedback</li> <li>• Uses the formal performance management process to conduct timely and effective performance evaluations</li> <li>• Acts as an effective career advisor and follows through on coaching responsibilities by holding regular coaching discussions</li> </ul>	<ul style="list-style-type: none"> <li>• Displays a commitment to help others develop long-term strategies for growth</li> <li>• Seeks to enhance personal and professional growth for junior team members or advisees</li> <li>• Shares knowledge by developing and leading formal training on technical subject matter</li> <li>• Supports and encourages mentoring relationships</li> <li>• Demonstrates support for the career advisor program and mentors other career advisors</li> </ul>
	<p><b>Leading the Firm</b></p> <ul style="list-style-type: none"> <li>• Understands how his or her role contributes to the firm's goals and objectives</li> <li>• Embraces and adapts to changes in the firm, business environment, and engagement or project objectives</li> <li>• Collaborates by sharing information and helping team members</li> <li>• Demonstrates an interest in learning about or participating in office committees</li> <li>• Respects individuals with diverse ideas, perspectives, and values</li> </ul>	<ul style="list-style-type: none"> <li>• Ensures efforts align with the firm's goals and objectives</li> <li>• Recognizes resistance to change and responds appropriately</li> <li>• Supports and executes on changes in engagements, projects, and firm strategies</li> <li>• Encourages collaboration among team members and departments</li> <li>• Motivates self and others to achieve results</li> <li>• Demonstrates leadership through participation in office committees</li> <li>• Encourages collaboration among individuals with diverse ideas, perspectives, and values</li> </ul>	<ul style="list-style-type: none"> <li>• Develops short- and long-term strategies that contribute to the firm's goals and objectives</li> <li>• Motivates junior team members by communicating how they contribute to the firm's goals and objectives</li> <li>• Understands how change impacts engagement or project</li> <li>• Clarifies how change impacts the firm's business objectives and helps others navigate change</li> <li>• Identifies opportunities to collaborate across departments, practices, offices, and regions as appropriate</li> <li>• Leads by example; sets and communicates high expectations to achieve results</li> <li>• Gains visibility by assuming an increased level of responsibility in office or firm-wide committees</li> <li>• Creates an environment that promotes diverse ideas, perspectives, and values</li> </ul>	<ul style="list-style-type: none"> <li>• Achieves results that advance the firm's goals and objectives</li> <li>• Is a role model and catalyst for organizational change and innovation; builds shared vision with others</li> <li>• Adjusts strategies to meet changing market dynamics</li> <li>• Gains buy-in from key stakeholders regarding change</li> <li>• Champions collaboration to promote a unified Moss Adams team</li> <li>• Fosters an environment that acts on suggestions and ideas and recognizes achievements</li> <li>• Is recognized as a leader by championing office, regional, or firm-wide initiatives</li> <li>• Displays a commitment to strategic people management within his or her office or industry practice</li> <li>• Creates plan for own succession</li> <li>• Leverages diverse ideas, perspectives, and values to strengthen the firm's competitive advantage</li> </ul>



# Competency Levels



# Compensation Components

	COMPONENTS		
Level	Cash	Equity	Deferred
Executives	✓	✓	✓
Middle Management	✓	*	✓
Staff	✓	*	

\* Some companies, such as high tech, grant equity more broadly.



# Incentive Compensation

COMPENSATION		PERFORMANCE			ANNUAL
Component	Distribution	Company	Dept.	Individual	Max. Payout
1. Executives	X%	50%	25%	25%	\$
2. Management	Y%	25%	50%	25%	\$
3. Staff	Z%	25%	25%	50%	\$
Total					\$



# COVID-Related Strategies

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- Empathy
- Creativity
- Micro surveys
- Flexibility
- Fatigue



# Performance

KEY PERFORMANCE METRICS	TARGET	ACTUAL	STATUS
Enterprise Performance <ul style="list-style-type: none"><li>Strategic Initiatives</li></ul>	X	Y	<span>●</span> <span>●</span> <span>●</span>
Department Performance <ul style="list-style-type: none"><li>Sales</li><li>Marketing</li><li>Product Development</li><li>Customer Satisfaction</li><li>Operations</li><li>Finance</li><li>Human Resources</li><li>Information Technology</li><li>Legal</li></ul>	X	Y	<span>●</span> <span>●</span> <span>●</span>
	X	Y	<span>●</span> <span>●</span> <span>●</span>
	X	Y	<span>●</span> <span>●</span> <span>●</span>
	X	Y	<span>●</span> <span>●</span> <span>●</span>
	X	Y	<span>●</span> <span>●</span> <span>●</span>
	X	Y	<span>●</span> <span>●</span> <span>●</span>
	X	Y	<span>●</span> <span>●</span> <span>●</span>
	X	Y	<span>●</span> <span>●</span> <span>●</span>
	X	Y	<span>●</span> <span>●</span> <span>●</span>
	X	Y	<span>●</span> <span>●</span> <span>●</span>



# Cadence

## **ANNUALLY**

Strategic Planning

## **QUARTERLY**

Enterprise Performance and Adjustments

## **MONTHLY**

Department Performance and Adjustments

## **WEEKLY**

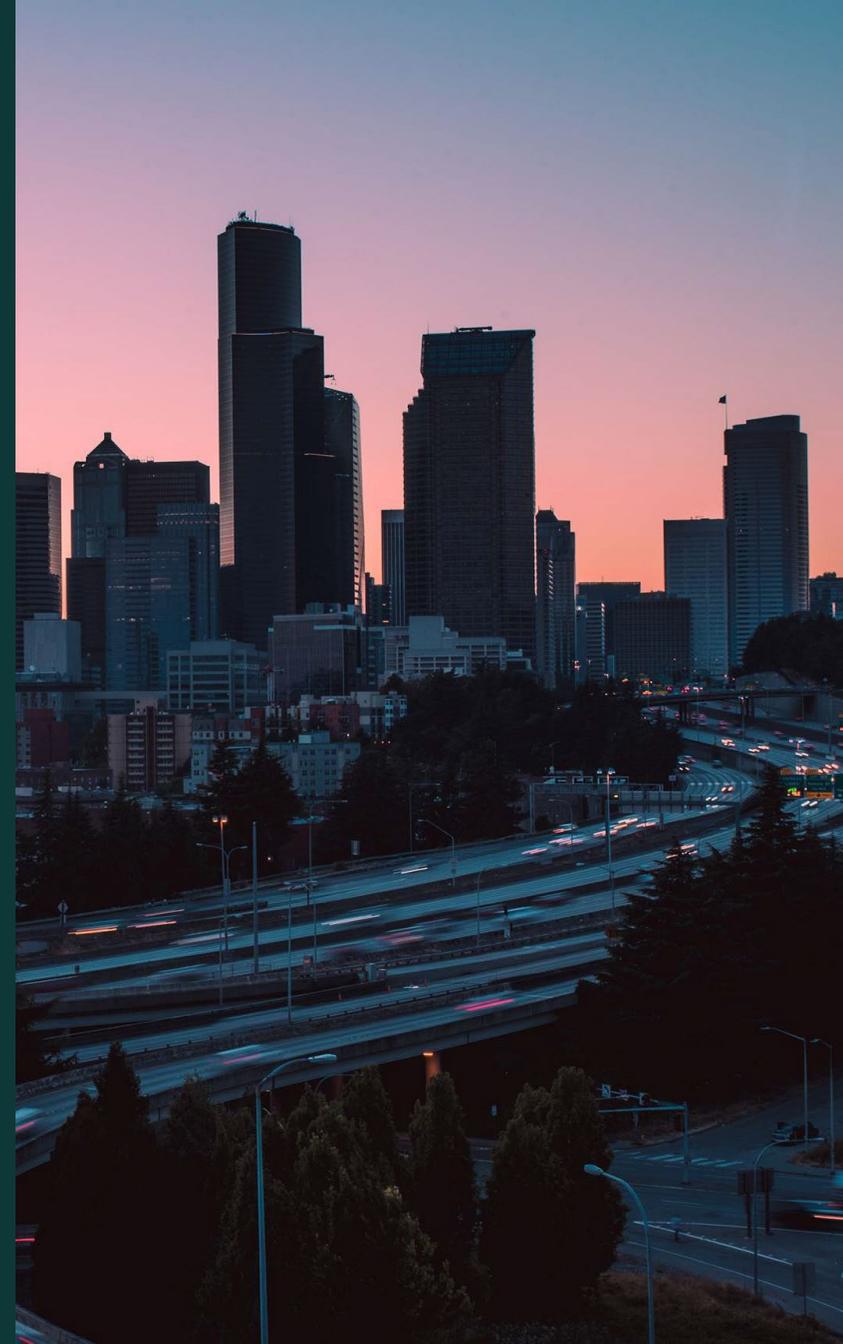
Team Planning and E-commerce/Store Goals



# COVID-Related Strategies

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- Transparency creates trust
- More frequent cascading communication
- Improve/increase manager communications skills
- More frequent check-ins on the individual, not just the job
- Recognition
- Proactive



# Action Items for You and Your Organization

Addressing the four action items below should help your e-commerce company increase employee engagement through strategic planning.

1



*Create or update your strategic plan and share a summary with your employees.*

2



*Define performance priorities for achieving your plan.*

3



*Define what key actions you need from each facet of your organization to achieve your priorities.*

4

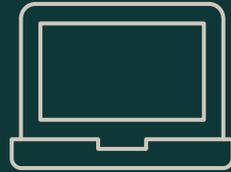


*Establish a communication cadence for sharing progress in achieving your plan with your employees.*



# E-commerce Series: Up Next

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**PREPARE AND POSITION YOUR E-COMMERCE BUSINESS FOR THE FUTURE**

December 7, 2021 at 10am



# ➤ QUESTIONS

Let's start a conversation.

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