

Strategic Planning & High Performing Organizations

November 2021

Speakers



Frank Kaufman, CPA
Retail National Practice Leader
(949) 933-9646
frank.kaufman@mossadams.com



Mark Steranka
Partner, Business Consulting
(206) 302-6409
mark.steranka@mossadams.com



Kris Dunning
Partner, Retail & E-commerce
(408) 558-4347
kris.dunning@mossadams.com





Agenda

- **01** MARKET FACTORS
- 02 A DIFFERENT PERSPECTIVE
- 03 EMPLOYEE ENGAGEMENT
- 04 Q&A



POLLING QUESTION#1

Does your organization have a strategic plan?



B. No

C. I'm not sure



POLLING QUESTION#2

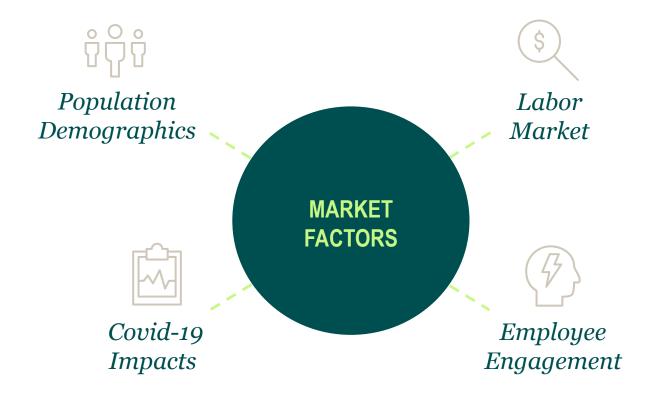
If your organization has a strategic plan, to what extent is it shared with employees?

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



Market Factors

Employer Challenge



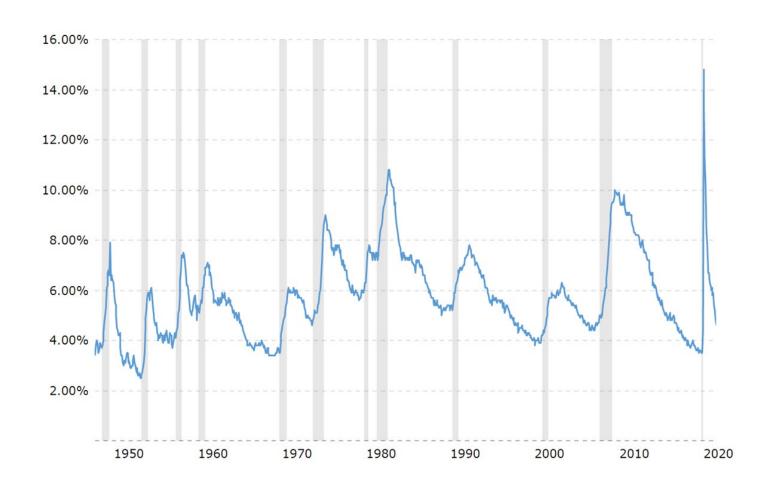


Population Demographics

	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



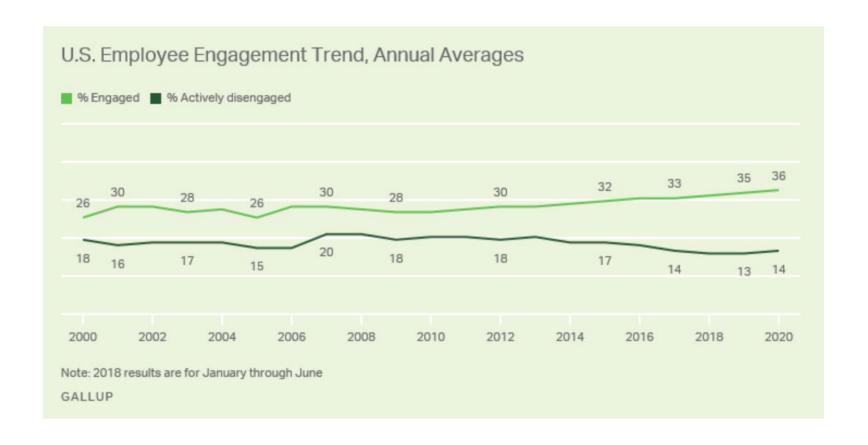


Employee Engagement

- 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.)





COVID-19 Impacts

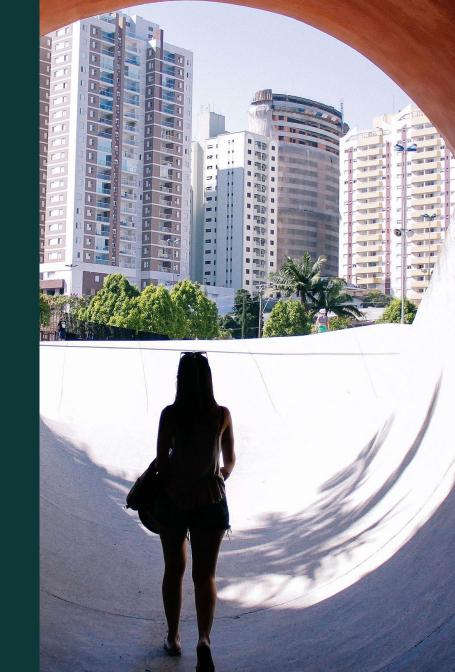
- 0% to 100% of employees working from home
- Work with limited or no in-person interaction
- Rely more heavily on technology
- Reduced work force
- Great Resignation
- Employees able to makes similar pay on unemployment
- Accelerated change in customer buying habits



A Different Perspective

How Does the Market View You?

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

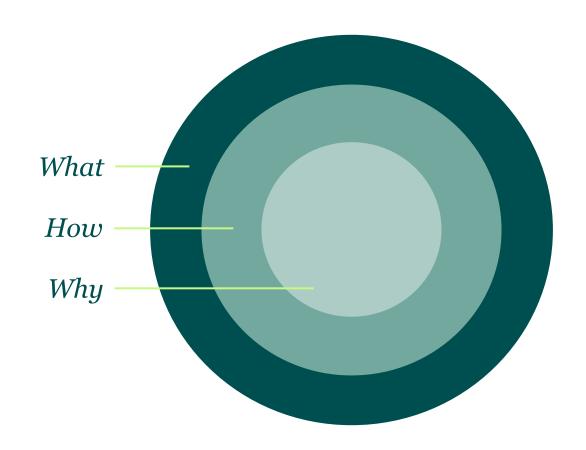


How Do Your Employees View You?

- 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?



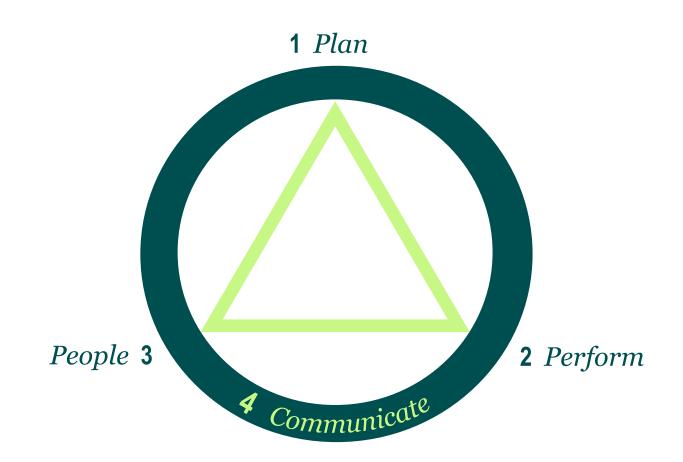
Golden Circle





Employee Engagement

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

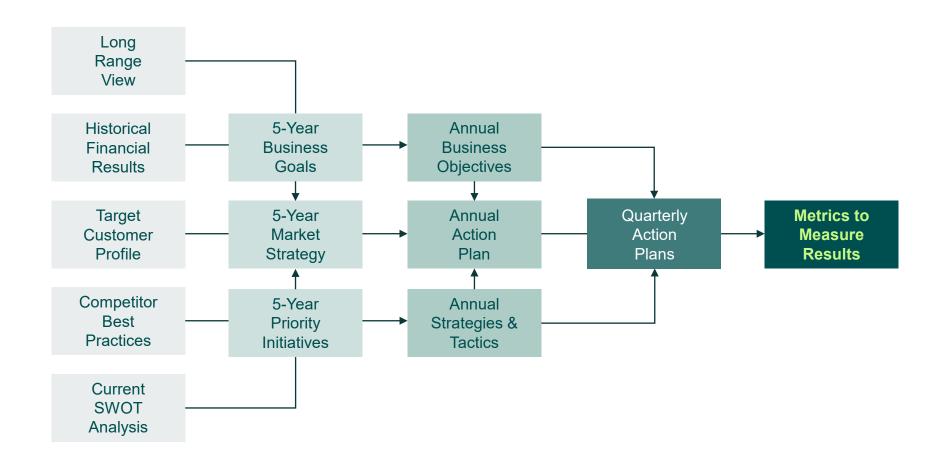
Human capital requirements to cultivate and compensate employees and execute strategic plan

COMMUNICATE

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



Components





Management Tool

Foundation	SWOT	Goals, Objectives, and Metrics	Strategies and Yartics	Actions	Actions	Actions	
Maden	Service	5 Year Black	Francis Greats	Year 1 Priority Actions	2.6 Serious Development Press		
Provide our clarity with Proposity opposed mind through the	e bright, young anarystic, passimula parpis	a Francisi MA con 35 SW confi	e Cate additional production and of sainting produces	1. Organization: Martify reurant for such some process.	L feeble americal quarterly Principals	1. Tel the 100 story, and gain load press. Lie, May Row.	
entertains are deliver and the trust and confidence they	t landston is community	e Service Miles Inc. Club M 20000 Inc. Club M 20700-	e And about/CTD/CTC and MSC predictor/s)	decorate and dissurable core presents. Not a CM, and			
ham been	e integrity, increasion, and continue various	Ch Ch. 3 M (MRQ: New services \$650), (75, 175,	e Add uselfs renegorant and commute langite	staff in support growth.	modern. Grant	Q-300	
	in Companionate amplique & Inpal ampliques	Mac) (D.4 W (MI)	produces	2. Financial Growths Ashieve \$5 million primarily through	3. Principals must wouldy to coordinate Principals	3. Organise on annual observagementation: Line, May Nove.	
	e Salationship with NAPA	e Cross Galling (Cit to Inspire) 28%	a Promption and disparating processes to achieve	People up professes in focus more on business	smally production activities. GL 2012+	event. GLESSE	
	e liabilitation with service perform?	a Locational apportunistically aspires other	efficiencies	densiryment.			
Water	n Freelunghandes offering	boothra (kg., Pt. Worth, Olighona Chy.	n Define productivity expectations and resource	3. Cross Gallings Set up Wild mastings with priority CS	3. Principals must mortify in review Principals	5. Organiza annual or comitane unit olient Lias, Préce, MF	
In he the most trusted advisor providing publishes and	e Southpus and recogniti	imainmah)	requirements to achieve growth goals	riera.	production parformance. GLOSSE	education arrants with referral partners. 00,0000-	
reserved to highly exerciseful includes and businesses.	Princip to all the principal reserves The body to address in principal risks	e Periodra ISP - Introduce individual and small	e Cain reportunities through referred partners e Canada more institute through come saffing	 Saferral Pertners Begin executing outreach plans to begat perform. 	6. Missaura and report production against	6. Continuate utiliza Cit clari profile att. Continuate Min.	
regarding their financial and human capital.	- Treme to account it accompany	lateral learner 12 legs amounting from and	constrain	E. Assertance Arthurs anhanced expression with larger	de la contraction de la contra		
		too 5.35 Secretary referring transpose to LCC in parts	n increase use of belong-halfing in exposed Cli hashess	refered partners and other resource (45 feet).	54 20141	Q0 30 Co	
	Westmann	market	a comment of the first of the same	6. Producero Principal obtain Laries 34, and Mariffo	5. HAY office buy 2 of side to to 11 of A Reymond, San	5. Create quarterly neurolatter to educate	
	triack of formal processes & business reside?	e Producer WW-2 KW (\$300) back), 418		partie mital providence in John 100 in 2013.	freehal garren in effects elleris. (§ 2002)	clarity. QC20C2+	
Service Promises	n inefficient operations	(\$4000/sech), with 4 mid names and 3 surfacement	,	7. Cambra Obsenification: Create profiles for executivative	6. Investigate using PT Marketing mother: Use, Seymond	6. Consolidate has LCC variation into one Use, May Rev.	
We promise to held relationship through bring to.	miles of white, grade, accountability in Marily and Francisco and action properties."	CB = 2 MW, 2 LB, with 3 mid names and 3 marky.	Service Diversification	proposition and each service.	in create Oi business in UL. 02 2002	other. On the second	
oliperisting, and increasion.	 Mostly undefined formal value proposition* Lack of market averages* 	namer (\$400s/sarts)	 Add corporate barrefits services (AUC), CTS, CTC) to 	8. Locations: Separal reportunistically through potential	1. Intibite hashess development with the President	7. Create video for solutions forward Protects	
it integrits, by doing what is right when no one also is	think of releases between offices	a Automore Will - top UR of CA and building	deliver a room full service removable benefits offering	new producers.	in the President. GRADULE	such major service. 00 3000	
wait hing.	milest of browning between WM and CB	in each market served actively refer LCC and	e Add MC and small term the insurance to capture		-		
e Citigantists, by giving advise and counsel without	a Parameter and additional of Highway & heart com?	terprint and dismin how LCC in the best; CS-top.	hariness currently being notecomed	LA Process Improvements	3. Completing	6.Protests	
	e Procedulagations	many of 122 and would remaide relating and	 Density information profiles of LCC's count rates 				
 innovation, by taking the most marks approach possible when addressing our obselv's code. 	niah damenting polices."	min-ing LCG	proposition and each service, including investments	1. Salablah a process couner for each as		Principal obtain factor 34 linerse. Austr	
and annual provides have	* Priority to address in action plan	e Organisation: regardational structure, business	Insurance and Corporate Senatts	major process.	office for potential worlds recognized 0,5 2002	90,000	
		model, and processes are it place to support		3. Comprehendady document such Process Corner.	2. Priorities ellevis. Use immeri	2. Identify potential new producers to job.	
		greath goals and recovers are functioning at			and any and any	CORP. DECE	
11	Opportunities	highest and best use (1986s)	Locations	QC 2013	013003	GB/R 2012	
11	e Add the right produces."		in Cash approximation to exhabit a presence in other	3. Evolute each present for efficiency (8, Owner,	3. Covering pursuit strategy for each 1, 3, 56, 1, 5	5. Add six (C) WM preducers (6 in Liberal 2) (66)	
	a Healthcare reform and gifting learning par-	Year I Oldeshop	brianus markets and markets in the adjacent dates of	learn and the second se			
	e integration between WM and CB	Year 1 Cities has	Canada, Milamori, Tarressana, Miladeshysi, Louisiama,	00 860	03 3063	1878F	
Macriden	e Mara efficient operations?	a Francisi Creativ Arbitra \$1 million primarily	Term, and Ottohome	4. Descript improved processes. (8) Owners	4. Set up WM martings with compared 6 1, 6, 65, 1, 6	E. Add from (E) Ch. producers (C in Life and	
a Configuration of the Property and profit of the	triansequentianal committee transfer	through free by up produces to focus more on	11	90.2013	benefits stants. 022002	2 in 1995, with 2 mild current and 2 early: 2003a	
e Carper at most for a months are	· Congretto esperator*	money procedure.	11			10/907	
e Mary officiant operations		e Sandra Shamiffortion: Create profiles for executi	11	8. Create Standard Operating Procedures 28, Gunera	6. Their program and management from the	5. Working with NFF, and producers in the	
a Personnal operating at highest and heat use	e Espand Mathillanos model e Espando dissatisfaction et urba become	onice proposition and each service. • Cross Sallings Sall up Wild resettings with priority	11 1	(60P) Manual. 00 2003	(martings with more as).	other markets.	
a Director business reprojekt and individual accountability	t Seri generation of clients	Orders			9.00		
e Additional semises/enforce value proposition	* Priority to address in action plan	r Loudines Topani apportunitie de though	I	6. Institutionalise processes for consistent (66, 48) profession throughout COS.		6. Add produces that offer experience out with largeted new services.	
e Bobust customer bess		potential new producers.	Patrices	GR 20121	3.A Presi Up Producers	200.00	
e Additional Insultant	11 1	e Selected Partners: South executing outreach pilot	a Activate drive business through strategic CN and law		Define cornel rate Emergendrible Protects		
e increased multi sembs clients		in terpri pariners.	former barriers in each market served through				
e Creater presents in marketylans o Creater sales to NTP and referred sections		in Producers: Principal obtain Series 26 and Warnify	Martin extract straight and differentiating service	1.8 General Manager	(3.582)	7. Service Diversification	
a characteristic and management	Threats	petertial produces to join UCG in 2003.	offerings	1. Seffectioned miss/responsibilities of times	3. Monthly roles & responsibilities that Produces	 Sensing profiles of 100's executivation. Produces, MF. 	
	n Haalifour strafform and regulation in general	a houseness habites enhanced expresses with	a Lavarage NPP to create strategic referred partner	President. 60 3053	should be delegated. 03 2002	proposition and each service. Quinter	
	n impart of according on Will clarity	terget referred partners and gain press on 122	maketin maketin	3. Martify fresident miss/responsibilities (see	3. Determine support resources needed . Produces, GM	3. Add 4015, CTS, CTC to corporate 696	
	n Target of competition	allery.		to gerter GML 000 2002	for dailsgation and growth. 63 2002+	haraffe offering 2000s	
	e Complement ^a e Personal challenges/datum time ^a	a Organization Identify number for each one	11	1. Caffee CM make and recognitivities. Nath Japan, 28	4. Obtain widdlings support resources on \$1.450	5. Add P&C and small term Me insurance. 656	
	a februario tela coltaci	No a GH, and staff to appear growth.	11	00 2003	needed. Galleria	inter-	
	* Princip in pickage in prilim pion	tion a use, and start to appear growth.		4. Selfre CM has all-fluiden in Firmflure. Principals	E. Carlogala non GM duties. Produces	E. Add Francis Sanning for E.S. College Go.	
		11 1					
	11 1		Producers	Q2 2013	69.000	using Kerapian. 2008	
	11 1		n Add producers in adding marketing to achieve service	5. Complifer informal and increm external 1986, Jacon	6. Calegate CM duties. GM		
1	11 1	Media	and gaugespille revenue largets in Add a conditional of surface and mid-surger producers	nandránia. Go 2013	983962	B. Locations	
1	11 1	Indiana Brian Terrat	to come the base and desired	6. Inhibite recruiting process, if necessary. Herealter, 48		L. Identify potential markets in AS, ES, 656	
1	11 1	STATE STATE	n Work with MFP to identify potential producers in	00 2003	4. Selected Parties	MS, THE MS, LA, THE WHITE CO. GARDON	
		Financial Grouph 50 million	entiting and potential fature reprises that would be self-	2. Interview conditions. Surv., Principals	Little By target lawyors and Chile in each Produces, All	2. Exclusive each market. (04)	
	l	Profession 20-08%	from the LCG model	939392	market served. 012002	94300	
	l	Service Individual Parameters	e Daffers and sail to LCG's full value proposition	L. Harpidas. 1985, Janes.	2. Character with INF to Hamiltonia. Produces, 41	5. Working with MP, Coproduces who did	
	l	Creative 28% of Challenger Will		98.2013	brancago polisto. 02 2002	would benefit from LCG model. 04 3000	
1	l			GLASS	3. Principle increase and Chile for Projugate All	A. Sarrakiy a husiness near to quantify the GALAS	
1	l		Assertion				
1	l	Self. Perform 2-9 CH & Seaffers partners	 Learning expended use of talemarketing recovers to half expenses and office raise reportunities 	3.A Peer Go Produces			
	I	Produces Addressed WM and 4 CB	a Cognitive designational experience performance with	1. Dafte conset miss & responsibilities	6. Property reduce prop for lawyore & CPAs Line, loting firm	5. Explore burning with promising GH	
1	l	Assertance Wild Top SIRs of CH and law from	direlagir referral partners	101 MISS	referring that offents to LCG. 033 2002	professions Expended parted. QCOD	
	l	Assertance Cit. Top SIRs of companies in each.	e Tail the LCG story and build larget and ellert	2. Martify miles & responsibilities that Profusers	E. Communicate monthly six phone with Produces	6. Secret produces providing a presence dist	
1	l	Organization GHI in plant, of serving at	expenses of LCC and translations	should be delegated. 00 2013	referrel partners. 63 3002+	in priority markets. October	
1	l		a Utilize marketing activities that halfd programms	3. Determine support resources resolution. Produces, 654	6. Mart in parent quarter's with each Producers		
1	l		through both market cradibility and general after thing	for delegation and growth. 0020021	referrel partner. 60 20021		
1	l		that features clients	4. Obtain additional support manuscrape as 18, 600	7. Designational and asserting to deliver the last line Aff		
1	I	1		medial.	with partners in order / year.	I	
I	I	1				I	
1	I	1	Organization	5. Selegale non-Gill duties. Profuses	E. Copportunities for leveraging WF in Produces, GM	I	
	I	1	a Decument and Institutionality business processes to	Q0 2013	Serign action attend a marks. (\$2.000)	I	
1	I	1	achieve greater operational efficiency and effectiveness	6. Debugate CM durba. 600	ı. ———	I	
1	I	1	 Define roles and responsibilities that enable personnel. 	68.2013	1	I	
I	I	1	in werk at PERSU • Hits a General Manager (CM)		I	I	
1	I	1	n Add analytical, account management, and	1	1	I	
	I	1	administrative staff or necessary to support highest and	1	1	I	
1	I	1	had on if profession	1	I	I	
1	I	1	e identify sensor development and growth paths for	1	I	I	
1	I	1	each member of the LCS team	1	1	I	
1	I	1		1	I	I	
	I .	I .		1	I .	l .	

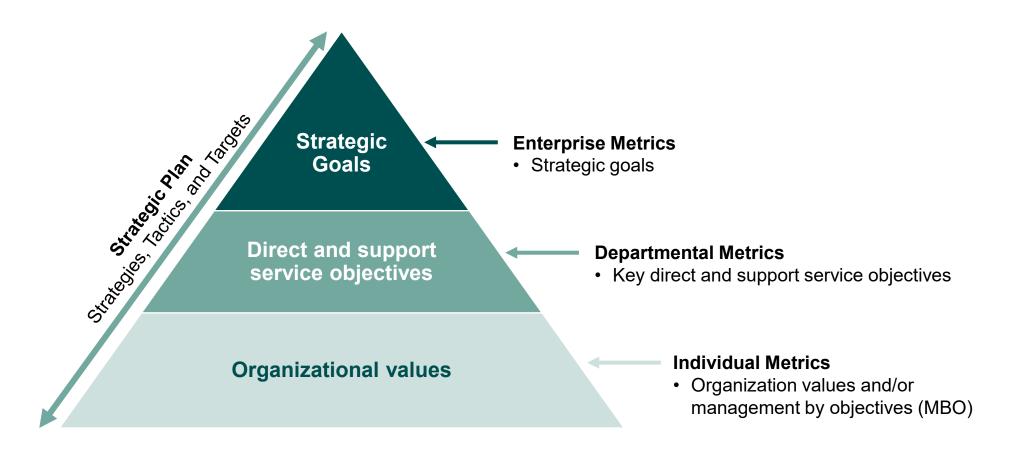


COVID-Related Strategies

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



Multi-Level





All Functions

Key Performance Metrics	Target
Enterprise Performance	
Strategic Initiatives	X
Department Performance	
• Sales	X
Marketing	X
Product Development	X
 Customer Satisfaction 	X
Operations	X
Finance	X
Human Resources	X
 Information Technology 	X
• Legal	X
Individual Performance	
 Organizational Values and/or MBOs 	X



Visibility to Key Metrics



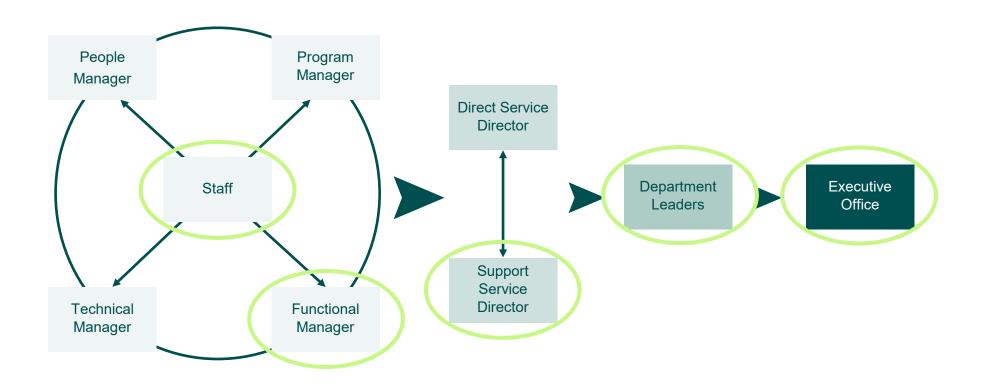


COVID-Related Strategies

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



Career Pathing



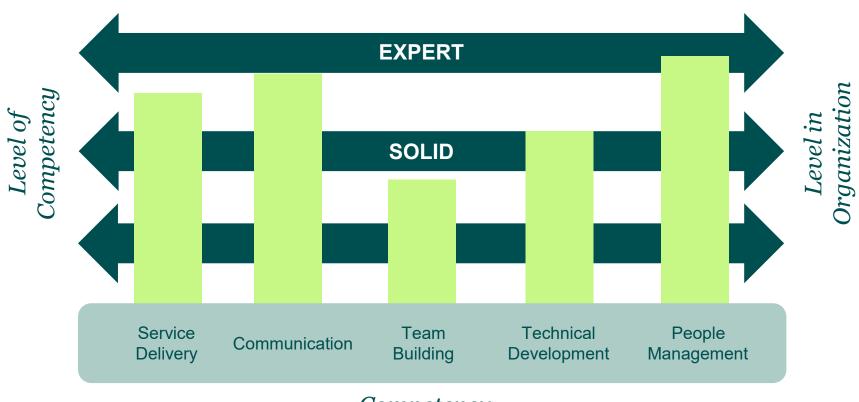


Competencies

Core Functional			ess all of the competencies of the previous level or leve ad a senior manager should exhibit all of the competency		mpetencies of a staff professional, a manager should
ACHIEVING RESULTS BUSINESS ACUMEN COMMUNICATION CLIENT SERVICE LEADERSHIP	Development of Salf	Takes a proactive approach with own career; develops goals for personal and professional development. Monitors own development against competency framework to identify strengths and development of the strength of the stre	Identifies and invests in long-term mentoring relationships for self-development Develops ability to mentor-others	Formulates long-term strategies for growth through a leadership downlopment plan Maintains a career plan that sleppiys an understanding of and commitment to firm's goals and objectives	Evaluates long-term development strategies and career plan to ensure continued alignment with firm's goals and objectives is a role model for ongoing self-development and continued development of others
	Development of Others	Shares knowledge and insights with colleagues	Provides regular coaching, mentoring, and constructive feedback to junior team members Creates development opportunities and stretch assignments for junior team members Provides regular and timely formal evaluations as required for engagements or projects	Includes jurior team members in key meetings to provide opportunities for leadership Helps jurior team members understand and act on performance feedback Uses the formal performance management process to conduct timely and effective performance evaluations Acts as an effective career advisor and follows through on coaching responsibilities by holding regular coaching discussions	Displays a commitment to help others develop long-term strategies for growth Seeks to enhance personal and professional growth for junior team members or advisees Shares knowledge by developing and leading formal training on technical subject matter Supports and encourages mentoring relationships Demonstrates support for the career advisors program and mentors other career advisors
	Leading the Firm	Understands how his or her role contributes to the firm's goals and objectives Embraces and adapts to changes in the firm, business environment, and engagement or project objectives Collaborates by sharing information and helping team members Demonstrates an interest in learning about or participating in office committees. Respects individuals with diverse ideas, perspectives, and values	Ensures efforts align with the firm's goals and objectives Recognizes resistance to change and responds appropriately Supports and executes on changes in engagements, projects, and firm strategies Encourages callaboration among team members and departments Motivates eff and others to achieve results Demonstrates leadership through participation in office committees Encourages collaboration among individuals with diverse ideas, perspectives, and values	Develops short- and long term strategies that contribute to the firm's goals and objectives Motivates junior team members by communicating how they contribute to the firm's goals and objectives Understands how change impacts engagement or project. Clarifies how change impacts the firm's business objectives and helps others navigate change Identifies opportunities to collaborate across departments, practices, offices, and regions as appropriate Leads by example; sets and communicates high expectations to achieve results Cana visibility by assuming an increased level of responsibility in office or firm wide committees Creates an environment that promotes diverse ideas, perspectives, and values	Achieves results that advance the firm's goals and objectives Is a role model and catalyst for organizational change and innovation; builds shared vision with others Adjusts strategies to meet changing market dynamics Cains buy-in from key stakeholders regarding change Champions collaboration to promote a unified Moss Adams team Fosters an environment that acts on suggestions and ideas and recognizes achievements Is recognized as a leader by championing office, regional, or firm-wide initiative. Displays a commitment to strategic people management, within his or her office or industry practic Creates plan for own succession Creates plan for own succession



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

- Empathy
- Creativity
- Micro surveys
- Flexibility
- Fatigue



Performance

KEY PERFORMANCE METRICS	TARGET	ACTUAL	STATUS
Enterprise Performance			
Strategic Initiatives	X	Y	
Department Performance			
• Sales	X	Υ	• •
 Marketing 	Χ	Y	• •
 Product Development 	Χ	Y	• •
 Customer Satisfaction 	Χ	Y	• •
 Operations 	X	Υ	• •
Finance	Χ	Υ	• •
 Human Resources 	Χ	Υ	• •
 Information Technology 	Χ	Υ	• •
• Legal	Χ	Y	• •

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

- 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



PREPARE AND POSITION YOUR E-COMMERCE BUSINESS FOR THE FUTURE December 7, 2021 at 10am



> QUESTIONS

Let's start a conversation.

mark.steranka@mossadams.com

kris.dunning@mossadams.com



The material appearing in this presentation is for informational purposes only and should not be construed as advice of any kind, including, without limitation, legal, accounting, or investment advice. This information is not intended to create, and receipt does not constitute, a legal relationship, including, but not limited to, an accountant-client relationship. Although this information may have been prepared by professionals, it should not be used as a substitute for professional services. If legal, accounting, investment, or other professional advice is required, the services of a professional should be sought.

Assurance, tax, and consulting offered through Moss Adams LLP. ISO/IEC 27001 services offered through Cadence Assurance LLC, a Moss Adams company.

Investment advisory offered through Moss Adams Wealth Advisors LLC.

