

# ***Strategic Planning***

*A **strategic plan** is relatively short written document that is visionary, conceptual and directional in nature that describes a company's vision, mission, objectives, and goals, and its strategies for reaching goals and objectives based on the environment in which the company is operating.*

- I. Consultant informational interview.
  - a. Overview of company goals
  - b. Explanation of company's current status
  - c. Details of existing company problems or opportunities
  
- II. Employer and employee interviews (***If applicable***)
  - a. People
  - b. Communications
  - c. Process/Procedure
  - d. Customers
  - e. Human Resources
  - f. Marketing
  - g. Technology
  - h. Other customized questions relating to specific company issues
  
- III. Strategic Planning Session
  - a. Establish a vision statement
  - b. Establish a mission statement
  - c. Establish company values
  - d. Establish company objectives
  - e. Complete SWOT analysis
    - i. External environment
      1. Industry trends
      2. Competitive environment
      3. Society Trends & Economic Environment
      4. Technological Environment
      5. Legal & Political Environment
    - ii. Internal environment
      1. Marketing
      2. Management
      3. Operations
      4. Products/Services
      5. Finances
      6. Research and Development
      7. Human Resources
      8. Systems
  - f. Revisit steps a - d.
  - g. Set company strategies
  - h. Set specific goals
  - i. Establish strategic action plans
  - j. Set timeframe for implantation of action plans

## Strategic Planning Sessions Agenda

**Preparation:** Key management and/or employees must individually:

- ❖ Create Vision Statement
- ❖ Create Mission Statement
- ❖ Identify Company Values
- ❖ Identify Company Objectives

These are given to facilitator one week prior to Day 1 to compile and set up for Day 1 session.

### Day 1:

- Develop Vision Statement
- Develop Mission Statement
- Develop Company Values
- List Company Objectives
- Conduct SWOT Analysis
- Prioritize SWOT results
- Revisit and revise Vision, Mission, and Values

After Day 1, facilitator will provide recap report to company either that day via a disc or email file or within one week, along with outline of Day 2 agenda.

### Day 2:

- Review Day 1 results
- Develop Strategies and Objectives
- Set Goals
- Set Action Plans

Facilitator will provide a strategic plan summary to company within one week of Day 2.

## Basic Terminology for Strategic Planning

Strategic Plan - a relatively short written document that is visionary, conceptual and directional in nature that describes a company's vision, mission, objectives, and goals, and its strategies for reaching goals and objectives based on the environment in which the company is operating.

Vision - A 'pen' picture of the company in three or more years in terms of its potential physical appearance, activities, size, etc.

Mission - The mission statement describes the nature of the business in terms of what it does, the activities it performs, who it serves, where and how it performs its function, what it offers, and how it will be competitive. The mission statement should be shared throughout the entire organization and posted in visible areas throughout the business' offices. The purpose is to keep management and employees focused on the company's key purposes.

Values - This refers to the values a company sets for itself in guiding its operation and its conduct and relationships with society, customers, suppliers, employees, and other stakeholders.

Objectives - Objectives are the results the company needs or wants to achieve in a specified time frame, generally three to five years. Objectives should relate to the requirements of all major stakeholders, including employees, and should reflect the underlying reasons for the business' existence. Objectives could cover areas such as markets, product offerings, growth, profitability and technology.

SWOT Analysis - An evaluation of the company's internal strengths and weaknesses and external opportunities and threats. A company has control over the internal environment, but generally not the external which would include factors such as competition, industry trends, legal and political environment, and other influencers on a company's potential success.

Goals - Specific, interim and quantifiable measurements a company hopes to achieve by implementing its strategies in pursuit of its longer term objectives.

Strategy - The rules and guidelines, or approach, by which the vision, mission, objectives, and goals may be achieved. Strategies may focus on the entire business such as a diversification or acquisition strategy or they can relate to key functions such as introducing new products (product development strategy) or entering new markets (market development strategy) or selling more of current product to current markets (market penetration strategy), to name a few.

## **The Participant Planning Handbook**

This Participant Planning Handbook outlines the planning session activity flow and provides you, as participants, with space to record and express your ideas and opinions. The handbook provides a written record of both individual and team thoughts. The handbook is yours - please use it to record your thoughts and opinions, and to make notes on today's discussions.

The handbook will include worksheets that will assist you in completing the various tasks during the planning session. The facilitator will provide specific instructions as to how to complete each task.

At the end of the handbook, a program evaluation form has been included. At the conclusion of today's session, please take the time to complete the evaluation form. Your candid, honest critique of the session assists us in improving and revising the planning session process. As you ask of your members how to improve products and services, we ask you how to improve our product.

## Strategic Planning Session

### Step One: COMPANY VISION

Up to 150 words

What will the business look like in 3-7 years in terms of physical appearance, size, activities, etc? Consider its future location, products, markets, customers, processes, staffing, etc.

Below is a sample vision statement accredited to Arnold Schwarzenegger:

*I will come to America, which is the country for me. Once there, I will become the greatest bodybuilder in history...I will go into movies as an actor, producer and eventually director...I will collect houses, art, and automobiles. I will marry a glamorous and intelligent wife. By 32, I will have been invited to the White House.*

Write your vision statement below. Write in future tense.



#### **Step Four: OBJECTIVES**

Up to 150 words

Explicitly state the Company's Objectives in terms of the results it desires to achieve in the next three to five years. Objectives should relate to the expectations and requirements of all major stakeholders and should reflect the underlying reasons for running a business.

Highlight below the achievements and broad progress to be realized over the next three to five years. These can relate to shareholders of the business itself.

#### **Step Five: SWOT ANALYSIS**

Strengths and weaknesses are internal to the business, and opportunities and threats are external. All SWOTs should be strength or weakness, an opportunity or threat, they cannot be both.

##### **External Environment**

Areas that are external to the business, which the business cannot control, but can, have an impact on its potential success or failure.

##### Industry Trends

Changes in industry, i.e., growth, maturity, product offerings, niches, etc. How has the industry changed, or has it, since the business started? Do these changes present an opportunity or threat?

- Opportunities
- Threats

##### Competitive Environment

Are competitors entering/leaving the marketplace? What is their performance like, likely plans, strengths and weaknesses? Does the competitive environment present a threat or opportunity?

- Opportunities
- Threats

##### Society Trends & Economic Environment

The marketplace (customers, demographics/social issues, distribution channels) may be changing due to trends in society and the economic conditions. Do these trends or changes present an opportunity or threat?

- Opportunities
- Threats

##### Technological Environment

Has the introduction of new technologies impacted the need for fundamental changes in products, processes, etc.? Do the changes in technology present an opportunity or threat for the business?

- Opportunities
- Threats

#### Legal & Political Environment

Do current or potential future activities in the legal and/or political environment have an impact on the company? Does the environment present opportunities or threats?

- Opportunities
- Threats

#### **Internal Environment**

Internal environment refers to matters concerning resources, programs, and organization within the company. A company has control over its internal environment.

Marketing - sales, distribution channels, promotion, support

- Strengths
- Weaknesses

Management - expertise, systems, resources

- Strengths
- Weaknesses

Operations - efficiency, capacity, processes

- Strengths
- Weaknesses

Products/Services - added value, services, quality, pricing, features/benefits, range of offerings, competitiveness.

- Strengths
- Weaknesses

Finances - performance, resources, cost management, productivity, purchasing

- Strengths

- Weaknesses

R&D - effort, direction, resources

- Strengths
- Weaknesses

Human Resources - personnel needs, skills, benefits, employee manuals, job descriptions, etc.

- Strengths
- Weaknesses

Systems - organization, structures, technology

- Strengths
- Weaknesses

### **Prioritize SWOTs**

Now you must note the most important or significant SWOTs. List up to six major strengths and weaknesses and up to six major opportunities and threats. Differentiate between current SWOTs and potential future SWOTs.

Key Strengths (Current)

- 1)
- 2)
- 3)
- 4)
- 5)
- 6)

Key Strengths (future)

- 1)
- 2)
- 3)
- 4)
- 5)
- 6)

Key Weaknesses (Current)

- 1)
- 2)
- 3)
- 4)
- 5)
- 6)

Key Weaknesses (future)

- 1)
- 2)
- 3)
- 4)
- 5)
- 6)

Key Opportunities (current)

Key Opportunities (future)

- 1)
- 2)
- 3)
- 4)
- 5)
- 6)

- 1)
- 2)
- 3)
- 4)
- 5)
- 6)

Key Threats (current)

- 1)
- 2)
- 3)
- 4)
- 5)
- 6)

Key Threats (future)

- 1)
- 2)
- 3)
- 4)
- 5)
- 6)



**Step Seven: STRATEGIES**

Based on the SWOT analysis, and the company's inherit vision, mission, values and objectives, the specific strategies for achieving desired outcomes can now be formulated. Here, the Company describes its approach to the marketplace.

In writing strategies, be sure to build on strengths, resolve weaknesses, exploit opportunities and avoid threats. Consider any new dimensions revealed by vision and mission. List up to ten major strategies. These strategies can cover the business as a whole (diversification, acquisition plans, product development, market development, etc.) or they can relate to key functional areas (finance, marketing, management, operations, etc.) List *must do* and *should do* strategies.

***Must Do Strategies:***

- 1)\_\_\_\_\_
- 2)\_\_\_\_\_
- 3)\_\_\_\_\_
- 4)\_\_\_\_\_
- 5)\_\_\_\_\_
- 6)\_\_\_\_\_
- 7)\_\_\_\_\_
- 8)\_\_\_\_\_
- 9)\_\_\_\_\_
- 10)\_\_\_\_\_

***Should Do Strategies:***

- 1)\_\_\_\_\_
- 2)\_\_\_\_\_
- 3)\_\_\_\_\_
- 4)\_\_\_\_\_
- 5)\_\_\_\_\_
- 6)\_\_\_\_\_
- 7)\_\_\_\_\_
- 8)\_\_\_\_\_
- 9)\_\_\_\_\_
- 10)\_\_\_\_\_

**Step Eight: SPECIFIC GOALS**

Goals should be *specific, quantifiable, realistic, achievable, and time-based*. Goals are what a company hopes to achieve by implementing strategies in pursuit of the company's objectives. They can relate to factors such as sales, market size/share, products, profitability, finances, etc.

Below list one to five major goals.

1) \_\_\_\_\_  
\_\_\_\_\_

2) \_\_\_\_\_  
\_\_\_\_\_

3) \_\_\_\_\_  
\_\_\_\_\_

4) \_\_\_\_\_  
\_\_\_\_\_

5) \_\_\_\_\_  
\_\_\_\_\_

## Step Nine: STRATEGIC ACTION PROGRAMS

Programs are the tools which set out the implementation plans for the key strategies. These should cover resources, time frames, budgets, deadlines and performance targets. Below outline up to four major action programs in order of importance. For each, specify who, what, where, how and when.

1) Action: \_\_\_\_\_

- Who - \_\_\_\_\_
- What - \_\_\_\_\_
- Where - \_\_\_\_\_
- How - \_\_\_\_\_
- When - \_\_\_\_\_

2) Action: \_\_\_\_\_

- Who - \_\_\_\_\_
- What - \_\_\_\_\_
- Where - \_\_\_\_\_
- How - \_\_\_\_\_
- When - \_\_\_\_\_

3) Action: \_\_\_\_\_

- Who - \_\_\_\_\_
- What - \_\_\_\_\_
- Where - \_\_\_\_\_
- How - \_\_\_\_\_
- When - \_\_\_\_\_

4) Action: \_\_\_\_\_

- Who - \_\_\_\_\_
- What - \_\_\_\_\_
- Where - \_\_\_\_\_
- How - \_\_\_\_\_
- When - \_\_\_\_\_

**Step Ten: IMPLEMENTATION**

A plan that does not get implemented is an exercise in futility. Set up a designated time of when implementation will take place, i.e., January 2005. Develop specific tactics that help the plan achieve its goals and objectives.

1) \_\_\_\_\_  
\_\_\_\_\_

2) \_\_\_\_\_  
\_\_\_\_\_

3) \_\_\_\_\_  
\_\_\_\_\_

4) \_\_\_\_\_  
\_\_\_\_\_