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## Developing a Strategic Plan within your Organisation<sup>2</sup>:

“To Be In Hell Is To Drift;  
To Be In Heaven Is To Steer”<sup>3</sup>

### **Abstract**

Every institution is vulnerable no matter how great. No matter how much you have achieved, no matter how far you have gone, no matter how much power you have garnered, all are vulnerable to decline. There is no law of nature that the most powerful will inevitably remain at the top. Anyone can fall and most eventually do. In the spirit of statistics professor George E P Box, who once wrote, “All models are wrong, some models are useful,” the stages as set out here are at least helpful for understanding, at least in part, how organisations can stay great and how others can join them. Equally important, I believe that the stages as set out can assist individuals with the tools to seek and set out their own desired future. Success can be achieved and strategic planning if used wisely can assist you in getting there. The origins of this work are based on over twenty years of both studying and working in the field of strategic planning. The aim of this piece is to offer both a practical and theoretical perspective of how strategic planning can play its part if used wisely a vital role in leading an organisation to have a successful future. By understanding the stages of strategic planning as discussed in these pages, leaders can substantially increase the chances of their organisations of having a successful future. The rule while writing this article was to avoid discussing anything that I have not witnessed personally on the area of strategic planning as discussed or developed independently.

### **Introduction**

Leaders and managers of organisations and communities must think and act strategically, now and in the future, if they are to meet their legal, ethical and professional obligations successfully. The tool of strategic planning is a must if these

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<sup>2</sup> For the purpose of this article an organisation as used also means any type of business, institution or organisation including both private and public.

organisations and businesses are to compete, survive and prosper and if real public value is to be created and the common good is to be served.

The English word strategy comes from the Greek strategos, meaning “a general,” which in turn comes from the roots meaning “army” and “lead”. The Greek verb strategeo means “to plan the destruction of one’s enemies through effective use of resources. As a result, many of the terms commonly used in relation to strategy (all of which will be used later in drawing up the strategic plan); “objectives, mission, strengths, weaknesses, were developed by the military”<sup>4</sup>. Strategic planning has been defined as “a disciplined effort to produce fundamental decisions and actions that shape and guide what an organisation (or other entity) is, what it does and why it does it”<sup>5</sup>.

Steiner (1979) as cited in Cole<sup>6</sup> saw strategic planning as “designing a desired future and identifying ways to bring it about”. An even earlier definition of strategy was provided by the American business historian, Alfred D. Chandler (1962) as cited in Cole<sup>7</sup>, as follows: “strategy is the determination of the basic long-term goals and objectives of an enterprise and the adoption of courses of action and the allocation of resources necessary for carrying out those goals”. He goes on to state that strategy is as much about defining goals and objectives as it is about providing the means for achieving them<sup>8</sup>.

Although sometimes used interchangeably with strategic management, strategic planning is the actual process of creating strategy. It is the set of organisational processes for identifying the desired future of the organisation and developing decision guidelines. Thus, strategy may also be viewed as a set of guidelines or a plan that will help assure consistency in decision making and serve as a map to the future. Strategic plans indicate what types of decisions are appropriate or inappropriate for an organisation. Strategy links managements’ understanding of the organisation today

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<sup>3</sup> Shaw George Bernard (1903) *Man and Superman*, Act 3.

<sup>4</sup> Duncan Jack W., Swayne E. Linda, Ginter M. Peter (2002), *Strategic Management of Health Care Organisations*, 4<sup>th</sup> edition. USA: Blackwell Publishing, p. 16.

<sup>5</sup> Bryson John M. (2004), *Strategic Planning for Public and Nonprofit Organisations – A Guide to Strengthening and Sustaining Organisational Achievement*, 3<sup>rd</sup> edition. San Francisco: Jossey-Bass, p. 6.

<sup>6</sup> Cole A G (2003), *Strategic Management*, 2<sup>nd</sup> edition. London: Thomson Learning, p. 3.

<sup>7</sup> Ibidem, p. 3.

<sup>8</sup> Ibidem, p. 3.

with where it wants, can and should be at some point in the future<sup>9</sup>.

Strategy usually describes a thought-out plan of action, a consciously formulated and a broadly defined policy for achieving an objective. The term strategy has been borrowed from its military use and has been applied to decisions made at the corporate level of a firm. Strategy can be broadly defined as the match an organisation makes between its own resources and the threats or risks and opportunities created by the external environment in which it operates. So strategy can be seen as a key link between what the organisation wants to achieve, its objectives and the policies adopted to guide its activities<sup>10</sup>.

Strategic planning is also the process of clarifying what an organisation is about, deciding what is and is not, a priority for the use of resources and setting out a clear direction and concrete goals for the future. Strategic planning means looking at the organisation as a complete entity and is concerned with its long-term development.

In summary strategic planning is about looking at what the organisation wants to achieve in the future i.e. three to five maybe even ten years down the road. Once the organisation has identified where it wants to be and sets its vision, the act of strategic planning is about putting in place a set of processes that will assist the organisation to arrive at its vision.

The purpose of this article is to provide students with a frame work of how best to develop a strategic plan and give entrepreneurs and managers an overview of how best to go about developing a strategic plan for their business or organisation. It combines a systematically constructed toolbox with all the relevant techniques of modern management. This method(s) as provided have maintained their places in both entrepreneurial practice and academic discussion.

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<sup>9</sup> Duncan, Swayne and Ginter., *Strategic Management of .....*, *op. cit.*, pgs. 14-15

<sup>10</sup> Bowman Cliff and Asch David (1988), *Strategic Management*. London: MacMillan Education Ltd, pgs. 4 – 36.

## Stage 1 – Identifying the Benefits of Strategic Planning for your Organisation:

If an organisation is going to invest time and resources into developing a strategic plan then their needs to be benefits for all involved including the users of the services.

In general there are many potential benefits including:

“Strategic planning can facilitate communication and participation, accommodate divergent interests and values, foster wise and reasonably analytical decision making and promote successful implementation and accountability”<sup>11</sup>. “It can improve decision making. Improved decision making is crucial, because recent studies have indicated that at least half of all strategic decisions fail as a result of poor decision-making processes”<sup>12</sup>. Strategic planning focuses attention on the crucial issues and challenges that an organisation may face and helps key decision makers figure out what they should do about them. It can also enhance organisational effectiveness. Organisations engaging in strategic planning are encouraged to clarify and address major organisational issues and to respond wisely to internal and external demands and pressures (including those of accountability). Strategic planning encourages organisations to be well managed. Organisations that are managed well perform better, are more responsive, more innovative, have greater influence and are more accountable than organisations that are not managed well (Light, 1998; Borins, 1998; Rainey and Steinbauer, 1999; Gill and Meier, 2001; O’Toole and Meier, 2003; Cogburn and Schneider, 2003; Boyne and Gould-Williams, 2003).

Strategic planning can directly benefit the people involved. Policymakers and key decision makers can be helped to fulfil their roles and responsibilities and participant in the process can improve their teamwork and expertise<sup>13</sup>. Further, both employees and organisations that can create real, demonstrable public value are more likely to have jobs in the future. Public and nonprofit organisations are externally justified in that they exist to provide a real service; those that do and that continue to find ways to do so as circumstances change typically continue to exist (Pinsonneault and Kraemer;

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<sup>11</sup> Bryson John M. (2004), *Strategic Planning*, .....op. cit., p. 6.

<sup>12</sup> Nutt, P.C. (2002), *Why Decisions Fail*. San Francisco: Berrett-Koehler.

<sup>13</sup> Kim, S. “*Participative Management and Job Satisfaction: Lessons for Management Leadership.*” *Public Administration Review*, 2002, 62(2), pgs, 231 – 242.

Holzer, Lee, and Newman, 2003).

Strategic planning is smart because it is relatively easy to do; not overly time and resource intensive, particularly when matched against the costs of potential failure and would seem to go hand in hand with the craft of creating public value (Lynn, 1996; Bardach, 1998)<sup>14</sup>. Long-term organisational success begins with positioning: that is, being postured to take advantage of a variety of critical opportunities. Positioning an organisation requires strategic planning and a commitment to realize a shared vision. Strategic planning is the tool required for successful positioning and successful enterprise. It is a simple, rational method for building a consensus for participation, commitment, urgency and action. Strategic planning is a mode of communication from within the organisation to its constituencies and from the constituencies to the organisation<sup>15</sup>.

In summary some of the benefits of strategic planning for organisations include:

- The process allows you to document and discuss the environment in which the business exists and operates and explores the factors and trends that affect the way that you do business and carry out your roles;
- Clarifying and framing the issues or challenges facing the organisation;
- Clarifying organisational goals and articulating a vision for where the organisation wants to be and;
- Meets a demand for greater accountability and good governance;
- It is a way of responding to more active and vocal stakeholders, including employees, customers, clients and citizens;
- It is a great tool to for organisations who want to reinvent or reengineer themselves;
- It is method that allows you to constantly improve the efficiency, effectiveness and quality of your processes;
- It looks at ways of collaborating or competing more effectively to better serve key external or internal customers and;
- It meets the need to integrate plans of many different kinds: strategic,

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<sup>14</sup> Bryson John M. (2004), *Strategic Planning* ,.....op. cit., pgs. 11 – 13.

<sup>15</sup> Burkhart J. Patrick and Reuss Suzanne (1993), *Successful Strategic Planning – A Guide for Nonprofit Agencies and Organisations*. London: Sage Publications, Inc., p. x.

business, budget, information technology, human resource management and financial plans, as well as short-term action plans.

## Stage 2 – Understanding the Challenges Associated with Strategic Planning:

There is no guarantee that strategic planning will provide all of the above benefits. Indeed, it is highly unlikely that any organisation will experience all or even most of the benefits of strategic planning the first time through or even after many cycles of strategic planning. Furthermore, strategic planning is not always advisable (Mintzberg, 1994; Barry, 1997; Mintzberg, Ahlstrand, and Lampel, 1998). There are two compelling reasons for holding off on a formal strategic planning effort.

First; strategic planning may not be the best first step for an organisation who are in the middle of a crisis (i.e. their building has just collapsed). (Mitroff and Pearson, 1993; Weick and Sutcliffe, 2001).

Second; when the organisation's key decision makers lack the skills, resources, or commitment to produce a good plan or when implementation is extremely unlikely, strategic planning will be a waste of time<sup>16</sup>.

Mintzberg<sup>17</sup> gives the following as some of the pitfalls that can arise when planning strategically for an organisation. In choosing to plan formally, organisations sometimes have to give up participation for performance. However, there is no real need to be any less effective as an organisation during the process of formulating a strategic plan. It can be business as usual with people being able to take time out to have an input into the process without any major impact on the services being offered.

At times, people, including planners have been somewhat analytical and have sometimes accused managers of being too emotional, too involved in their pet projects, lacking the detachment needed to assess proposals objectively (the use of external assistance to deal with and over come this will be dealt with later). On the

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<sup>16</sup> Bryson John M. (2004), *Strategic Planning* ,.....op. cit., pgs. 13 - 14.

<sup>17</sup> Mintzberg Henry (1994), *The Rise and Fall of Strategic Planning*. UK: Prentice Hall International (UK) Limited, pgs. 170 – 180.

other side of this difficulty is the issue that deep commitment and all-out support are necessary prerequisites to the successful pursuit of difficult courses of action.

Creativity, by definition, rearranges established categories. Planning, by its very nature, preserves them. This is one reason why planning does not easily handle truly creative ideas (the whole area of inspiration, creativity and innovation – all key components of the development of a strategic plan will be explored in greater detail later on). Organisations have to be creative in how they respond to the needs of the groups they service or they will become redundant. The challenge is to allow creativity to flourish yet at the same time ground this creativity in a way that it can best service the needs they are trying to meet.

George Steiner<sup>18</sup> once acknowledged the inflexibility of planning: “Plans are commitments, or should be and thus they limit choice. They tend to reduce initiative in a range of alternatives beyond the plans”. Organisations must recognise the need to build flexibility into all their plans if they are to stay focused on meeting the needs of their customers and not just those of the organisational structure. Regular reviews of how things are progressing must also be built into the strategic planning process so issues like those raised by Steiner can be addressed.

During the strategic planning process there is a danger that an assumption can be made in that the goals and objectives of the organisation will remain stable during this period. It is therefore important to always keep focused on the goals of the organisation yet continue to be aware of any changes in both the internal or external environment and the impact these changes may have on the organisation<sup>19</sup>.

It is very important that we recognise, if we want to plot the best way to our future this involves a lot of hard and tough work. What is being proposed here is not easy, it is far from it. The process is tough and hard and takes a lot of effort to bring with us the faint of hearted but these challenges must be recognised and dealt with in a timely manner.

It is said that nature abhors a vacuum – when we set out to devise a new map there

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<sup>18</sup> Ibidem p. 183.

<sup>19</sup> Ibidem, pgs. 170 – 180.

might just be a vacuum. It is important that we don't rush in and try to fill this vacuum but have the courage and belief to deal with the vacuum in a way that will allow us to take the time, explore the issues and decisions to be made before setting out where it is we want to be in the future. We must remember everything that once seemed a challenge, too difficult, painful or scary is now second nature. Today's challenges can be tomorrow's ease.

### Stage 3 – The Role of Leadership in Strategic Planning:

Leaders are people who don't compromise their values to gain approval; they live up to their own inner sense of things. And for this reason, leadership is often different than success. Success is culturally defined. When you give the culture what it expects, the culture will reward that. But, a leader is someone who gives culture what it needs, not what it expects. Leadership begins with you as an individual and your ability to improve your performance – to develop your expertise and excellence. While no leader can single-handedly build an enduring great company, the wrong leader vested with power can almost single headedly bring a company down. This is why we must choose well, when deciding on who will fill a leadership role. When entering into the development of a strategic plan we must look to those who are prepared to take upon themselves the qualities of leadership and play and full and active leadership role in the development of the strategic plan for their organisation. It is important that all involved in the development of your strategic plan see themselves as taking on a leadership role – real and genuine. That they are willing to step up to the mark and play their part in bringing the organisation forward for the betterment of all. “We all need to start demonstrating leadership. To succeed everybody must now see themselves as part of the leadership team<sup>20</sup>. Times are tough and everyone must play their part if their organisation is come through and have successes in the future. Anyone can be a star when the economy is strong, the competition is weak, and your customers are loyal. Difficult times are the ones that reveal what you're made of – and what kind of a leader you actually are<sup>21</sup>. If you build and develop leaders at ever level within your organisation then you will develop a strategic plan that will see you move through these uncertain and difficulty times. The argument has even been made that

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<sup>20</sup> Sharma Robin (2010), *The Leader Who Had No Title*, London: Simon & Schuster UK Ltd, p; 15

<sup>21</sup> *Ibidem*, p; 95



during hard times the best opportunities arise to show leadership<sup>22</sup>.

#### Stage 4 – The Facilitator: Using a Strategy Planning Consultant:

People who find action irresistible for its own sake often discover they're taking the wrong hill. "You have got to get yourself and your team all on the same page about what success is and what it will require of each and everyone of you to achieve it" and it is the role of the facilitator to see that this happens. Culturally we seem to demand certainty from politicians, the medical profession, ourselves. Once we become comfortable with uncertainty we no longer crumble under the question, 'Are you sure you know what you are doing and that this will work out?' for if we are to get our best, most creative and brightest staff involved we have to let them get on with the task of devising the strategic plan and way forward for the organisation. We can't dictate the direction of the wind, but we can adjust our sails, determining our responses to whatever circumstances we find ourselves in and know that the strategic plan is the map to get us to our desired goals but we are the readers and users of the map and that we will and are capable of making changes as we move forward to the desired destination. The role of the facilitator is to assist you're most creative and brightest staff to get on with the job of drawing up the strategic plan – to design that map, especially when the going gets tough and it will at some stage.

The challenge to the facilitator carrying out the process will be to keep all those involved highly motivated and supportive of the process. The facilitator must also make sure the strategic plan can be claimed to be owned by all involved in the process.

People love stories about people. We love telling them and we love hearing them. It's a universal human trait, and that suggests to evolutionary psychologists that storytelling – both the telling and the listening – is actually hard-wired into the species. Anecdotes are not data: that's a favourite expression of scientists. Anecdotes – stories – may be illuminating in the manner of Shakespeare. Anecdotes don't prove anything. Only data – properly collected and analysed – can do that. Once we have formed a view, we embrace information that supports that view while ignoring,

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<sup>22</sup> Ibidem, p; 98

rejecting or harshly scrutinizing information that casts doubt on our view. Any belief will do. It makes no difference whether the thought is about trivia or something important. It does not matter if the belief is the product of long and careful consideration or something I believe simply because everybody else believes it. Once a belief is established, our brains will seek to confirm it. Unfortunately, seeking to confirm our beliefs comes naturally, while it feels strange and counterintuitive to look for evidence that contradicts our beliefs. Worse still, if we happen to stumble across evidence that runs contrary to our views, we have a strong tendency to belittle or ignore it. Psychologists call this confirmation bias. We all do it. Once a belief is in place, we screen what we see and hear in a biased way that ensures our beliefs are “proven” correct. The facilitator’s role is to challenge and explore the beliefs of both the individuals and of the group so as to make best use of all the potential of all those involved in the process of drawing up the strategic plan for your organisation.

Strategic planning is about keeping the end in mind and the challenge for the facilitator is make sure that those involved in the strategic planning process know which end to keep in mind.

The Judaic tradition of the Kabbalah describes how sometimes we need to take what feels like a drop or a step backwards in order to raise the energy we need for a great leap forward. For this reason it is important that we are not afraid to let those involved in the drawing up of the strategic management plan take the time and space to stand back from the whole process to build up their energy so as to truly commit to seeing the whole process through as success does not allow for partial solutions but real and truly thought out solutions as to how best we need to devise and draw up our map to reach our desired future. The facilitator’s role is to be independent so as to allow all involved to play their part and not pander to individual self interests or to allow participants to act in any way from a position of self interest. Yes at times to act as an honest broker but never be afraid to play the role of devils advocate

When achievement for you or your organisation comes without meaning, then it doesn’t last, the facilitator makes sure that there is meaning and if the group involved in the strategic planning process just find that the world just won’t work the way they want it to – if it can’t make things happen despite their very best efforts – then the

facilitator will assist them to change the way they look at it so as to make things happen for them.

The role of the facilitator is to get everybody talking truthfully about what needs to improve – you can't build a great company if people won't speak the truth. It is also their role to make sure the process doesn't degenerate into endless meetings as this has a very real negative effect on the motivation of staff and management.

### Stage 5 – The Strategic Planning Process: Developing your Strategic Plan:

Mintzberg<sup>23</sup> gives the following overview: “Strategic formation is a planning process, designed or supported by planners, to plan in order to produce plans”. Strategic planning is really about the set of processes used in an organisation to understand the strategic situation and develop decision-making guidelines i.e. the strategy for the organisation. Christine M. Strong, president of the Strong Resource Group summed up the strategic planning process when she described it as “the process is one in which an organisation determines where it wants to be in the future and what action steps are necessary to arrive at that point”<sup>24</sup>. An analytical model which is similar to a map is the one being discussed here. This is about drawing up a blue print or map to work from. This blue print or map would allow you to chart where it is you want to get to and the most efficient and effective way to get there. To use an analytical model of drawing up a strategic plan means having all stakeholders involved in the drawing up of your strategic plan.

The following are three different models an analytical Strategic Planning Process could follow:

#### **Model 1.**<sup>25</sup>

- The organisation codifies the strategy;
- They then elaborate the strategy and;
- Then convert the elaborate strategy.

#### **Model 2.**<sup>26</sup>

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<sup>23</sup> Ibidem, p. 32.

<sup>24</sup> Harrison, Bill J, *Should your organisation invest in strategic planning?* Source: Fund Raising Management; Aug95, Vol. 26 Issue 6, p. 14.

- Ask what should the organisation be doing;
- State clearly the organisations visions and goals;
- Decide what the organisation can do and;
- Agree what the organisation should do, wants to do and can do.

### **Model 3.<sup>27</sup>**

- Select the organisational mission and major goals;
- Carry out a strengths, weaknesses, opportunities and challenges analysis;
- Select strategies that build on its strengths, correct its weaknesses and;
- Decide on the appropriate strategy to put into action.

All of the above have been given as ways of carrying out the strategic planning process. There is some cross over in how they go about the process of drawing up a strategic plan. For the most part they see the need for having a mission statement, organisational goals and a vision statement. They would also look at the internal and external environment the organisation operates within. There would be agreement on needing to decide the desired state the organisation wants to move towards. Having agreed the desired state they then see the need to put in place strategies so as to reach this desired state. The big differences between the three approaches to the strategic planning process are the order in which the steps need to be taken so as to devise their strategy. One starts by deciding what business the organisation is in, another starts by asking what should the organisation be doing and yet another starts by selecting the mission statement and goals for the organisation.

The strategy change cycle may be thought of as a process strategy<sup>28</sup>, processual model of decision making<sup>29</sup>, or activity-based view of strategizing<sup>30</sup>, in which a leadership group manages the main activities in the process but leaves much of the content of individual strategies to others.

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<sup>25</sup> Mintzberg Henry (1994), *The Rise .....*, op. cit., pgs. 337 - 340.

<sup>26</sup> Duncan Jack W., Swayne E. Linda, Ginter M. Peter (2002), *Strategic Management.*, op. cit., p. 30.

<sup>27</sup> Hill L. Charles and Jones R. Gareth (2001), *Strategic Management Theory – An Integrated Approach 5<sup>th</sup> edition*. USA: Houghton Mifflin Company, p. 5. .

<sup>28</sup> Mintzberg, H., Ahlstrand, B., and Lampel, J. Strategy Safari (1998), *A guided Tour Through the Wilds of Strategic Management*. New York: Free Press, p. 199.

<sup>29</sup> Barzelay, M. (2001), *The New Public Management: Improving Research and Policy Dialogue*. Berkeley: University of California Press, p. 56.

<sup>30</sup> Johnson, G., Melin, L., and Whittington, R. “*Micro Strategy and Strategizing: Toward an Active-Based View.*” *Journal of Management Studies*, 2003, 40(1), pgs. 1 – 17.

The model that is presented here while being an analytical model goes further than the ones presented above – as they say the devil is in the detail! This model is about exploring and using twelve easy steps so as to allow your organisation to develop a strategic plan specifically tailored to meeting your needs. In the first instance the process involves your organisation picking your best and brightest to come together to work as a team to develop the strategic plan and map out the way forward for the organisation. A big part of the work, then, is to get yourself and your team to step-up and dream. There is a need to relentlessly limit the number of people allowed to be involved. That means you need formal procedures for excluding people, even well-meaning people with authority. Appoint one person – your best – to run it. Not to co-run it or to lead a task force or to be on a committee. One person, a human being, runs it. His or her name on the finished plan. His or her decision to present the final strategic plan to be signed off by the board. They can approve it, cancel the plan, or suggest a few compromises. Great bosses and world class organisations hire motivated people, set high expectations, and give their people room to become inspired and creative. To give these people their head and allow them to look at and draw a new map for the organisation to now work off. The one chosen to lead must see and understand the challenges before them, to have the wherewithal to not carry the baggage of expectations or attachment.

You can either fit in or stand out – not both and that is the challenge to those tasked with developing the strategic plan – to stand out. Mapmakers often have the confidence to draw maps because they understand their subject deeply. There's no guarantee that anyone who sets out to win Pulitzer is going to win it. There's no guarantee that merely because we're passionate about something that what we do is going to be popular. The vivid truth is this: now that we have the freedom to create, we must embrace the fact that now all creations are equal, and some times we are not going to win. That does not mean we have lost. It might mean that we are making the wrong decisions maybe even drawing the wrong map. The challenge lies in knowing the market and ourselves well enough to see the truth.

Organisations rarely give those involved in the process all the support and encouragement they deserve. This means that your efforts won't always get what they

need to succeed. It's so easy to try to compromise, to do both, to fit in and stand out. Try for both, you might say. There lies failure. There's no room for compromise here, because those who are competing with you are specializing. They're not going to obsess about either fitting in or standing out. The act of deciding is the act of succeeding – that's up to you.

Contention about the issues, if left untapped and without an outlet will become destructive down the road where it will be unwelcome, personal and counterproductive. Worse yet, avoiding contention cheats you out of the best opportunities to unlock the most powerful ideas. This is fertile ground at the beginning of every project and a dustbowl if it never gets planted.

Dissent is very important, especially when it is toward a broad goal. You agree on the board goal and then you disagree and you quibble about how exactly to get there.

As confectionery king William Wrigley once said, "When two men in business always agree, one of them is unnecessary"

The Purpose then of this step is to negotiate agreement among key internal (and perhaps external) decision makers or opinion leaders about the overall strategic planning effort and the key planning steps to be taken. One of the initiator's first tasks is to identify exactly who the key decision makers are along with all of the stakeholders<sup>31</sup>. The next task is to identify which persons, groups, units, or organisations should be involved in the development of the strategic plan as well as naming the individual with overall responsibility. The initial agreement should agree: (a) The purpose of the effort; (b) The form and timing of the reports; (c) The role, functions and membership of the team empowered to oversee the drawing up of the strategic plan; (d) The commitment of the resources necessary for proceeding with the effort and (e) Any important limitations on or boundaries for the effort.

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<sup>31</sup> A stakeholder is defined here as any person, group, or organisation that can place a claim on an organisation's (or other entities) attention, resources, or output or that is affected by that output.

The planning team should explore the environment outside the organisation to identify the opportunities and challenges the organisation faces. It should explore the environment inside the organisation to identify strengths and weaknesses. Basically, outside factors are those not under the organisation's control and inside factors are those that are (Pfeffer and Salancik, 1978). Opportunities and challenges are usually (though not necessarily) more about the future than the present, whereas strengths and weaknesses are usually about the present and not the future (Nutt and Backoff, 1992). Organisations all too often focus only on the threats they see in serious challenges and ignore the genuine opportunities these challenges may also present, so care must be taken to ensure a balanced view (Dutton and Jackson, 1987; Borins, 1998; Nutt, 2001b). In other words, attending to challenges and weaknesses should be seen as an opportunity to build on strengths and improve performance (Weick and Sutcliffe, 2001).

Besides monitoring trends and events, the strategic planning team should also monitor important external stakeholder groups, especially those that affect resource flows (directly or indirectly), such as customers, clients, payers or funders, dues-paying members, regulators and relevant policy bodies. The team should also attend to competitors, competitive forces and possible sources of competitive advantages as well as to collaborators, collaborative forces and the potential sources of collaborative advantage.

Basically, the organisation takes these three steps:

- Scanning the environment to identify key trends;
- Analysing those trends to interpret their importance and;
- Identify issues and compiling reports that are useful for planning and decision making (Pflaum and Delmont, 1987).

Attention to opportunities and challenges, along with a stakeholder analysis, can identify the organisation's critical success factors<sup>32</sup>. These success factors may overlap with mandates in the sense that they are the things the organisation must do or

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<sup>32</sup> Johnson, G., and Scholes, K. (2002), *Exploring Corporate Strategy*. (6<sup>th</sup> ed.) Harlow, England: Pearson Education, P. 145 – 198.

criteria it must meet in order to be successful in the eyes of its key stakeholders, especially those in the external environment. Ideally, the organisation will excel in these areas and it must do so in order to outperform or stave off competitors.

Stakeholders judge an organisation according to the criteria they choose, which are not necessarily the same criteria the organisation would choose. For external stakeholders in particular, these criteria typically relate to performance. If an organisation cannot effectively meet its stakeholders' performance criteria, then regardless of its inherent worth, the stakeholders are likely to withdraw their support (Epstein, Wray, Marshall, and Griffel, 1998; Poister, 2003).

A consideration of the organisation's strengths and weaknesses can also lead to identification of its distinctive competencies (Selznick, 1957), or what have been termed more recently "core competencies" (Prahalad and Hamel, 1990; Johnson and Scholes, 2002) or capabilities (Stalk, Evens, and Shulman, 1992). These are the organisation's strongest abilities, most effective strategies and actions, or best resources (broadly conceived), on which it can draw routinely to perform well.

## Success

The fellow asked the bearded sage he met on the path, "Which way is success?" The monk said nothing and gestured down the path. The seeker was elated by the prospect that success was so close and so easy, and rushed ahead. Suddenly, there comes the sound of splat.

In a little while, the seeker, now tattered and stunned, limps back, assuming he must have taken a wrong turn. He repeats the question to the guru, who again points silently in the same direction. The seeker nods, turns, and heads back in the same direction as before. This time, the sound of splat is deafening.

When the seeker crawls back, he is bloody, broken and angry. Screaming at the monk, he demands to know why he was sent off in the direction of disaster. "No more

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pointing. Talk!”

Only then does the guru speak. “Success is that way,” he said. “Just a little past splat”.

If there is just one thing that every enduringly successful person has in common, it is that they are all great at failure. If you can laugh at adversity and enjoy this kind of rough-and-tumble learning in your personal life and work, you’re a rare one. Those that attain success refuse to let their goals and dreams be held ransom by their feelings in that awful moment when everything has gone wrong and during the strategic planning process things will go wrong. To successfully develop a strategic plan then you must be able to move from negative emotion to constructive action quickly. When things are tough and going against you then instead of struggling to choose your attitude, shift your focus to what works, and when you do that, your attitude will improve as well. When developing a strategic plan then we must be like an athlete, who, like pilots and sailors, tack left and right towards their dreams, never assuming they will get to their destination in a straight line.

When planning strategically optimism is one of the most important traits, because it allows us to evolve our ideas, to improve our situation, and to hope for a better and more prosperous future for our organisation. We need to identify those that we work with that have this optimism, because they can honestly say that they are working to make things better for everyone. Optimism is for those who want success – whining and fear, on the other hand, are largely self-fulfilling prophecies in organisations under stress.

One of the things mostly lacking in organisations under pressure is optimism, real and genuine optimism. All parties can see that their current system is not working, but they’re unable to embrace a new one because they’re certain that it won’t turn out perfectly, that it can’t be as good as what they have now. Organisations under pressure are stuck because their pain makes it hard for them to believe in the future.

This resistance to moving forward and developing a new map to get you to the that desired future can persist in slowing you down and preventing you and your colleagues from putting your heart and soul into your work is simple and this

resistance is often about failure - you might fail. Of course you might. In fact, you will. Not all the time, certainly, but more than you'd like.

And when you fail, then what?

Successful people are successful for one simple reason:

- They think about failure differently.
- Successful people learn from failure, but the lesson they learn is a different one. They don't learn that they should not have tried in the first place, and they don't learn that they are always right and the world is wrong and they don't learn that they are losers.
- They learn that the way used did not work or the people used in the process were not the right ones for this or that particular task.
- Going out of your way to find uncomfortable situations is not natural, but it's essential.
- Discomfort brings engagement and change. Discomfort means you're doing something that others were unlikely to do, because they're in that comfortable zone.

## Stage 6 – Inspiration, Creativity and Innovation

To make the most of the opportunity and get real value from developing a strategic plan then it is really important that those leading the process get inspired so as to allow creativity flourish and be the key element along with practicality in devising the strategic plan for their business. If you or those charged with the development of the strategic plan are not inspirationally or creatively inclined then those that are or have the potential to be need to be involved in the process of developing your strategic plan. It is not enough to just get inspired and creative if there is no tangible outcome in terms of this leading to innovation for the organisation.

When initiating the development of a strategic plan then it is vital all involved work as a team. A team of focused people who will work together as a team systematically, creatively, and yet in a disciplined way<sup>33</sup>.

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<sup>33</sup> Venzin Markus, Rasner Carsten and Mahnke Volker (2005), *The Strategic Process - A Practical*

A genius looks at something that others are stuck on and gets the world unstuck. So the question is have you ever done that? Have you ever found a shortcut that others could not find? Solved a problem that confounded others? Seen a way to make something work that was not working before? Made a personal connection with someone who was out of reach to everyone else – even once? It is that genius that we need to draw upon – to look at those within your organisation who show this genius or potential genius. The problem is that our culture/society and dare it be said our education system can engage in bargain, in which we trade our genius for apparent stability.

What map is your organisation working off? Is it right at this point to stop, take stock and draw your own map? Is it time to stop settling for what's good enough and start creating ways to allow your organisation to have great success? Be a success, a real success. We need to identify original thinkers, provocateurs, and people who care to get involved when devising a strategic plan. We need those staff member(s) that are prepared to be shunned if it is necessary for them to make a point, the one person who can bring it together and make a difference. Some organisations haven't realised this yet, or haven't articulated it, but we need staff and colleagues who are confident enough to be inspired and creative. Inspired and creative people with a genius for finding a new answer, a new connection, or a new way of getting things done! Yet sometimes we don't need more ideas, we simply need to evolve the ideas we all ready have<sup>34</sup>.

These inspired and creative people are essential building blocks of tomorrow's high-value organisation. They don't bring capital or expensive machinery, nor do they blindly follow instructions and merely contribute labour. They are indispensable, the driving force of our future and need to be involved when you're planning where it is you want your organisation to be in the future. And if part of your strategic plan is to have management attract, motivate, and retain great talent, then it has more leverage than the competition. Would your organisation be more successful if your employees were more obedient? Or, consider for a second: would you be more successful if your

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*Handbook for Implementation in Business*, Germany: Campus Verlag GmbH, p. 37.

<sup>34</sup> Williams Nick (2005), *How To Be Inspired*, London: Tethered Camel Publishing, p; 45.

employees were more connected, aware, passionate, genuine and creative – you can't have both. When your organisation becomes more human, more remarkable, faster on its feet and more likely to connect directly with customers, it becomes indispensable. Those inspired and creative staff members if given the opportunity and power to make a difference will work harder, stay longer, and produce more than you pay them to. Because everyone is a person and people crave connection and respect. We need to get these staff members who are or who have the potential to be inspired and creative involved in the development of strategic plans, to allow their inspiration and creativity be a driving force in its development.

If you doing what you have always done then you're not innovating. You're not doing your part to make things better. You're not creating superior value. And that means rather than evolving to ever-increasing levels of excellence, you are slipping deeper into old patterns of stagnation – that's when your competition eats you for breakfast. Choose innovation over stagnation and you will be just fine in this crazy busy business world we're now in. choose calculated risk taking versus operating the same old way, and you will do great.<sup>35</sup>

Imagine a business with employees who can accurately see the truth, understand the situation, and understand the potential outcomes of various decisions. And now imagine that these people are also able to make something happen. Every organisation, every non-profit, every political body, every corporation desperately seeks these people. They create forward motion. Yes there will be those in positions of authority who might be threatened by someone who can create forward motion, but the shareholders and owners and board of every organisation on earth desperately want forward motion. If your one of them well then it might be time to accept that you are and then do two simple little things that will enhance your own position firstly don't fight them – join them and secondly, let them flourish and allow yourself to accept the reflected benefits that will come as you bring your organisation forward. Those that are inspired use bravery, insight, creativity, and boldness to challenge the status quo of where it is we are at this point and where it is that we want to be in the future as an organisation. Those that are inspired and creative want to get involved for the simple reason that by being involved in the development of a strategic plan they

are been given the chance to make things better.

Inspiration is cultivating a space within us and an environment around us that encourages ideas to come to us. We need a space that holds and supports the germination of ideas – a space of emptiness: if we are full, how can more be added? Too often we are afraid of emptiness, of not having lots of distractions, of not being busy and having our time structured. But empty hands are receptive hands, they can receive and hold. In the Buddhist tradition, the Zen mind, or beginner's mind, is to know we don't know and not to be afraid. We are not limited by preconceived ideas, and are open to all possibilities.

We can't force ourselves to be inspired; we can't control inspiration, which is why many people have trouble with it. We can make ourselves receptive to it. We do this by surrounding ourselves with inspiration but also by the choice to keep turning up to inspiration and creativity, however resistant we may feel<sup>36</sup>.

Creativity is an instinct to produce and this is what we are do producing strategic plan as where it is we want to be in the future and the best way to get there. One way to become creative is to discipline ourselves to generate bad ideas. The worse the ideas, the better. Do it a lot and magically you will discover that some good ones slip through. Nine times out of ten, the answer is no. Finding good ideas is surprisingly easy once you deal with the problem of finding bad ideas. All the creativity books in the world are not going to help you if you're unwilling to have lousy, lame, and even dangerously bad ideas. Everyone, every single person, has been a genius at least once. Everyone has winged it, invented it, and created their way out of a jam at least once.

To be creative is to be in conscious contact with another realm of ourselves. It does not derive from the everyday 'I' that we use to pay the bills and drive to work, but from greater power. The artist Pablo Picasso described this in a letter to his friend: 'At the beginning of each picture there is someone who works for me. Toward the end I have the impression of having worked without a collaborator.' We are in an invisible but very real partnership with a force of inspiration that at first can feel separate from

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<sup>35</sup> Sharma Robin (2010), *The Leader Who.....*, op. cit., p. 64

<sup>36</sup> Williams Nick (2005) *How To Be Inspired.....*, op. cit., p. 25.

us. As we follow and trust our inspiration, it becomes more integrated and we simply experience it as a part of ourselves. Zen teachings tell us that the practice of enlightenment is concerned with emptying out our minds, not cramming them full. Pablo Picasso, Zen teaching and Strategic Planning would you believe it! If we are to be different and look at the future differently than our competitors so as to be better positioned to stack our claim to having greater success in the future then we need to see things differently and come up and implement different responses to how best deal with the challenges we will have to deal with in the future then we need to be creative in the most positive way possible.

Creativity is personal, original, unexpected, and useful. Unique creativity requires domain knowledge, a position of trust, and the generosity to actually contribute. Unique implies that creativity is focused and insightful. Delivering unique creativity is hardest of all, because not only do you have to have insight, but you also need to be passionate enough to risk the rejection that delivering a solution can bring. You must ship. The resistance, our fear of standing out, rears its ugly head every time we're on the hook for this sort of work. So we avoid the work. The sparse list of people willing and able to do this sort of work makes it particularly valuable. Companies that squelch creativity can no longer compete with companies that champion creativity. Passion for what you do is not just a creative imperative – it is a competitive necessity. Creativity means either infusing our work with our own uniqueness or bringing ideas from the realms of our mind and imagination into physical reality. Creativity is natural to us and, as we remove the blokes we have erected to our naturalness, we will find ourselves becoming channels for creative ideas and energy, and becoming co-creators with life. Creative action is the way we turn inspiration into action. Creativity is the ability to act, not just react. The word authentic is derived from the Latin *authenticus*, meaning 'original' and 'written in the owner's hand'. This is what we all yearn for in our work – authenticity, something that is us through and through. Then there is capital 'C' Creativity, concerned with our God-given ability to bring into existence something that does not currently exist, to see and create our future. The Latin root of the word create is *creare*, meaning to 'bring into being'. It is in our nature to imagine, dream, create and shape our world, and when we do so in the spirit of love and compassion our creativity can literally bring heaven to earth. To surrender to it and let it flow through us requires something in us – some of our limits

and self-concepts – to die. Culturally creativity is often marginalized and seen as unimportant, irrelevant or even dangerous to our working lives. Perhaps the biggest challenge is the core belief that we are not creative. Only a minority of people believe they are. We are not particularly educated to value and encourage creativity. We marginalize it and reward people for doing as they are told, not for being original and authentic; it may even seem as if there is an enmity between work and creativity. Creative confidence is not about being certain of the answers but about being certain that we will find and discover the answers ourselves. Courage oxygenates hope, vision, faith and trust, and allows us to act despite and in the face of fear, anxiety, doubt conflict and even despair. We may encounter the fear that if we give all of our creativity then we will have nothing left to give; our creative cupboard, as it were, will be empty. We need to remember that the substance from which creativity flows is unlimited. As we commit to a creative life and developing our own creative skills for our joy and the benefit of all, we are aligning ourselves with the creative intelligence behind all things. More organisations have to report to shareholders monthly or quarterly, let alone yearly; governments are always looking to the next election. All these pressures discourage and damage true creativity. Over and over again people drop creative ideas that don't come to immediate fruition, not realising that if they stay focused on their goal it will eventually become real. In Greek there is a word *chronos*, meaning linear time, and a word *kyros*, meaning at the right time.

We don't get creative just by reading about it or watching it: we need to throw ourselves into it somehow – strategic planning if carried out correctly can so forcefully lend it's self to this. Creativity is not limited by circumstances, even harsh circumstances. We have all seen incredibly wealthy and uncreative people and organisations driven by the belief that throwing money and resources at any problem will solve it. We know that does not work: creative solutions – new ways of thinking – are what are needed.

The conscious desire to feel secure is, however, natural and important. The more we identify ourselves with externals, achievements and everything impermanent, the more we tend to cling. We can put great energy into trying to maintain and defend our identify, leaving little energy to be creative.

It has been said that the only way to be safe is never to be secure! Our best advice might be to run from safety. What is rigid, secure and inflexible will die; that which adapts and evolves endures. The word secure actually comes from two Latin words, *se* meaning ‘without’ and *cure* meaning ‘care’ – being free from anxiety and not burdened by excess cares.

The derivation of the word problem is from Greek *problema*, made of the word *pro* meaning ‘before’ or ‘in front’, and *ballein* meaning ‘to throw’; problems are situations, events and feelings thrown before us as we now map out the way forward for the organisation.

We need to ask our-self intuitively, ‘what gift does problem hide?’ note the answer, which may be something like a new way of thinking, a new way of doing something, the opportunity to take risks etc. One grate example of using inspiration, creativity and innovation is the growth and development of the airline Ryanair - started in 1985 with one aeroplane which was leased to becoming the most profitable airline in the world by 2006. Their strategy starting out was chaotic but they now have this down to a fine art in that there is now in place a five year strategic plan of which the first twelve months is set in stone but year’s two to five are fluid.<sup>37</sup> We must not stop using our imaginations. Equally we must not drop our lust for creativity and our drive to be different. People are often just too scared to be too original. Playing safe is not a good business strategy. Innovation always beats repeating what might have worked in the past. To be constantly reinventing ourselves – that’s the essence of innovation. Innovation sounds complex, but it really is simply about consistently making everything a whole lot better than you found it. Innovation and creative mastery is to be all about making each day better than the day before.<sup>38</sup>

## Stage 7 – Agreeing a Vision for your organisation

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<sup>37</sup> Ruddock Alan (2008): *Michael O’Leary, A Life in Full Flight - The Story of the Man Who Made RYANAIR Take Off*: Ireland, Penguin Books. Pgs: 36, 51, 55, 59, 75, 393 and 394.



Once the difference had been explained in that the mission was “what they would be doing” and the vision was “what they hoped to do”<sup>39</sup> the rest of the process was to run very smoothly.

In this step the organisation develops a description of what it should look like once it has successfully implemented its strategies and achieved its full potential. This description is the organisation’s vision of success. Such descriptions may include the organisation’s mission, its values and philosophy, its basic strategies, its performance criteria, its important decision rules and the ethical standards it expects of all employees. This description, to the extent that it is widely circulated and discussed within the organisation, informs organisational members about what is expected of them without constant managerial oversight. Members are free to act on their own initiative on the organisation’s behalf to an extent not otherwise possible. The result should be a mobilization of members’ energy toward pursuing the organisation’s purposes and a reduced need for direct supervision. A challenging yet achievable vision embodies the tension between what an organisation wants and what it can have.

Some might question why developing a vision of success comes at this point in the process rather than much earlier. There are two basic answers.

Firstly, it does not have to come here for all organisations. Some organisations are able to develop a clearly articulated, agreed-upon vision of success much earlier in the process.

Secondly, often several cycles of strategic planning are necessary before organisational members know what they want, what they can have and what the difference is between the two.

Sometimes the bigger the vision, the more beautiful it is, the more important it is, the greater the resistance to it. The resistance may be fear, uncertainty or doubt, and we

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<sup>38</sup> Sharma Robin (2010), *The Leader Who.....*, op. cit., pgs. 60 - 63.

<sup>39</sup> Eadie C. Douglas, Title: *Putting Vision to Powerful Use in Your Organization*. Source: Nonprofit World; July/August 1995, Vol. 13 Issue 4. p. 42

learn to use resistance as a sign, and can tell ourselves, 'If I am resisting something this much, there must be something good here, a new birth, that my ego wants to keep me away from'.

The vision is really an abstract goal that describes a desirable situation in the future. It is the starting point for a process to be implemented because it shows up the gaps between the current situation and the future ideal situation. In many organisations, the vision is only put together because many believe that there ought to be one and many more this is the only reason - there ought to be one. There is a challenge to have the vision but one that is real for the organisation and for all who work there. If the vision is owned by the organisation at all levels then there is a much better chance of having it implemented and reached! Developing a vision means creating a picture of the future that is better than the status quo and we all want a better future. If the vision does set out a better future that while challenging does have a realistic chance of being achieved then it can be a great way to motivate staff especially in uncertain and very challenging times. Employees will be much more motivated if they can clearly see their own contribution to the over all success of the organisation and what part they can play in achieving the vision and seeing it implemented. A vision that has a real chance of being implemented and one that feels owned by those working in the organisation will provide coordination vertically (through the levels of the hierarchy) and horizontally (across the functions). Like goals within the organisation Visions too should be given a date. When setting out your organisational vision statement you must keep to the fore-front the aim that all should be able to identify with the vision.

Everybody should also perceive that the vision is feasible. Of course it should set challenging goals, but it must be clear that there are practicable ways of achieving them within the desired time frame. The vision must also be easy to communicate.<sup>40</sup>

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<sup>40</sup> Venzin Markus, Rasner Carsten and Mahnke Volker (2005), *The Strategic Process* ....., op. cit., Pgs; 48, 113, 114, 115 and 116.

## Stage 8 – Agreeing your organisational goals

To be meaningful, goals should have the following four main characteristics:

1. They need to be precise and measurable. Measurable goals give managers a yardstick for judging their performance;
2. They need to address important issues. To maintain focus, an organisation should operate with a limited number of major goals;
3. They need to be challenging but realistic and;
4. When appropriate, specify a time period in which they ought to be achieved.

Well-constructed goals provide a means of evaluating the performance of both the organisation and the manager<sup>41</sup>.

Actions to be implemented to achieve goals:

- Expected results and specific objectives and milestones;
- Specific action steps and relevant details;
- Schedules;
- Resource requirements and sources;
- A communication process;
- Review, monitoring and midcourse correction procedures and;
- Accountability procedures.

It is important to remember that what happens in practice will always be some blend of what is intended and what emerges along the way.

Setting Big Goals – they instantly capture your heart and head. They deliver clear direction. Don't confuse direction with a roadmap, however.

Dream big – but start small.<sup>42</sup> Think of Ryanair from one aeroplane to becoming the most profitable airline in the world.

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<sup>41</sup> Hill L. Charles and Jones R. Gareth (2001), *Strategic Management*, op., cit., pgs. 54 -55.

<sup>42</sup> Sharma Robin (2010), *The Leader Who.....*, op. cit., p. 63.

Audacious goals stimulate progress, but big bets without empirical validation, or that flay in the face of mounting evidence, can bring companies down, unless there blessed with unusual luck. And luck is not a reliable strategy.

The following can be used to gage your goals against before agreeing on their implementation.

1. What's the upside, if events turn out well?
2. What's the downside, if events go very badly?
3. Can you live with the downside? Truly?

Building greatness requires a series of intelligent, well executed actions that add up one on top of another. Some decisions are bigger than others, but even the biggest decisions account for only a small fraction of the total outcome that makes a great company. Most “overnight success” stories are about twenty years in the making.

Goal setting and committing your intentions to paper so that they become vivid and real versus generalities not only builds accountability to your priorities, but it also actually causes the release of positive energy. Which helps you deliver your results even more quickly.<sup>43</sup>

A key component of the strategic planning process is goal setting. The goal setting process is both powerful and dangerous because it can make you effective at achieving objectives – to take the hill, as they say – without any assurance that it's the right mountain for you to climb. Goals have no intrinsic meaning unless you invest meaning there. Goals don't come with a built-in guarantee that you will benefit by reaching them or enjoy the process of getting there, nor do they assure you that you're on the right track. Goals, by their nature, don't necessarily require focusing on inspiration as they do on perspiration and the sheer pragmatic effort of getting things done.

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<sup>43</sup> Ibidem p. 119.

It's important to curb the rational impulse to set goals too soon on your journey. Goals become a barrier to success and satisfaction when they're not really yours. This is what they call the Secret Life of Goals – when the milestones themselves take on a life of their own. Goals can dictate success for its own sake or by someone else's definition, not necessarily success that matters to you and the stakeholders you care about.

Measuring things helps you take account of progress on your long hike towards your goal, but it won't tell you if you're headed in the right direction. It's important to start with the end in mind, but it could be a dead end if you're in such a hurry to set a goal for yourself or for the sake of others without connecting in with what you have set out what it is you want to achieve as an organisation.

The best way to get to the next level of excellence is not by some revolutionary idea or some radical initiative. Great lives and businesses are built by evolution. By slow and steady improvements that actually don't look like much when you view them in isolation. But over time, these small, incremental, evolutionary improvements amount to massive gains.

### Stage 9 – Deciding on the appropriate strategy to put into action so as to achieve your goals

A strategy can be defined as a pattern of purposes, policies, programmes, actions, decisions, or resource allocations that define what an organisation is, what it does and why it does it. An effective strategy must meet several criteria. It should be technically workable and administratively feasible, politically acceptable to key stakeholders and results oriented. Every effective strategy builds on strengths and takes advantage of opportunities while it minimizes or over comes weaknesses and challenges. Basically the Strategy is the path to the goal.

The simple definition of a strategy is the description of a path leading to the achievement of a long term-term goal.

The Bourgeois study<sup>44</sup> of twenty firms, found that agreement on strategies was a “significantly more important” factor in explaining performance than agreement on goals. The study also showed that the firms whose managers agreed on strategies but disagreed on goals exhibited the best performance by far, while those whose agreements were the opposite (on goals but not on strategies) exhibited negative performance. This is why disagreement should not be discouraged but managed for the betterment of all. Decisions should not be rushed but given the right amount of time so as to look at the options and then adopt the best course of action. Decision derives from the Latin word *decidere* meaning ‘to cut off’, so when we make decisions we are cutting off other options and committing to particular directions and choices. As part of the strategic planning process we need to be concerned with getting better at making decisions.

We do have the capacity for what the Japanese call a *sartori* or an insight that literally transforms our view the future and how things can be done. Its implementation may take years but it is vital that those who are involved in the process of drawing up your strategic plan must have the circumstances to at least have the opportunity to have a “*sartori*” moment.

### Carrying out your strengths, weaknesses, opportunities and challenges analysis

Organisations all too often focus only on the threats they see in serious challenges and ignore the genuine opportunities these challenges may also present, so care must be taken to ensure a balanced view. In other words, attending to challenges and weaknesses should be seen as an opportunity to build on strengths and improve performance. Company strengths can lead to superiority, whereas company weaknesses can translate into inferior performance.

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<sup>44</sup> Mintzberg, 1994, *The Rise and Fall*,.....op. cit., pg. 197.

## Stage 10 – Drawing up your organisational mission statement

The mission statement itself might be very short, perhaps not more than a sentence or a paragraph. But development of the mission statement should grow out of lengthy dialogue about the organisation's identity, its abiding purpose, its desired responses to key stakeholders, its philosophy and core values and its ethical standards.

Most corporate mission statements are built around three main elements:

1. A declaration of the mission, of the company;
2. A summing-up of the key philosophical values that managers are committed to and that influence the decisions they make and;
3. The articulation of key goals that management believe must be adhered to in order to attain the mission and that are consistent with the values to which managers are committed<sup>45</sup>.

In great organisations there's a sense of mission. People are racking up accomplishments, the organisation is going somewhere.

Your mission statement needs to describe the company's area of activity and its system of values:

In a very short and distinct way your mission statement needs to answer the following questions as it also sets out the company's general position in the business world. It will describe the corporate identity and will form the basis for strategic decisions.

- Why was the company set up?
- What products and services does the company stand for now?
- What contribution does the company make to society and people's quality of life?

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<sup>45</sup> Hill and Jones (2001), *Strategic Management Theory*....., op. cit.,45- 46.

- How workers are productively employed and encouraged to develop their skills?
- What are the rules governing life in the company – what is the code of behaviour?
- What are the company's basic values?

There is a danger that mission statements can often exercise greater influence on external PR than day-to-day actions within the organisation. However, if the mission statement is worked out in collaboration with employees who do a variety of jobs and come from various levels in the hierarchy, it can have the following positive effects on the company:

1. Give direction to the workings of the company in all areas;
2. It can act as a control mechanism for the company's long term development;
3. The mission statement supports managers in everyday decision-making, by offering them guidelines, rather like the road markings on a road and;
4. The ideal mission statement motivates employees, by associating their individual identity with the corporate identity. Mission statements should arouse emotion.

## Stage 11 – Implementing your strategic plan

All staff members will be more up-beat enthusiastic and less cynical about the strategies to be implemented if they have some sense of ownership. The strategic plan must be clear and clearly understood by all within the organisation. All staff needs to be both encouraged and challenged to ask “is this consistent with Our Strategy” before making a decision that will effect the running of the organisation. Equally important is that all managers at every level have access to the skills and tools to drive the strategic plan through all levels of the organisation.

Once strategies have been formulated, the planning team may need to obtain an official decision to adopt them and proceed with implementation. The same is true when a formal strategic plan has been prepared. The team charged with the drawing



up of the strategic plan will need to approve the resulting strategic plan in its totality. Relevant policy-making bodies and other implementing groups and organisations are also likely to have to approve the strategic plan, or at least parts of the plan, in order for implementation to proceed effectively. In order to secure passage of any strategy or plan, the planning team must continue to pay attention to the goals, concerns and interests of all key internal and external stakeholders (Borins, 2000).

The team charged with the development of the strategic plan need to look at and review in a short distinct manner their overall role in the drawing up of the strategic plan i.e. look at the following in relation to themselves as a group:

- Implementation roles and responsibilities of oversight bodies, organisational teams or task forces and individuals – has everyone played their full and active part in the development of the strategic plan?

Have the expected results and specific objectives and milestones been met?

Have all specific action steps and relevant details been adhered to?

Have all Schedules been kept to?

Were all the necessary resource requirements in place?

How did the communication process work out?

Was there adequate time given over for the Reviewing, monitoring and midcourse correction procedures and?

How did all the accountability procedures work out?

It is important to remember that what happens in practice will always be some blend of what is intended and what emerges along the way (Mintzberg, Ahlstrand, and Lampel, 1998).

Surveys have shown that around 80 percent of strategic initiatives are either not carried through or only a very small part of them realized. This resistance to change may have many causes: Often the need to act is not seen (“But we have always been successful!), the vision is not shared by everyone, the strategy is too complex and is not

understood, or the initiative is not supported by changes to the agreement on objectives, including appropriate incentive systems. Logically, effective implementation does not begin only after the strategy has been developed, but much earlier, when the strategic themes are defined. Active communication and the involvement of the most important decision-makers are also crucial for a fast turnaround process.<sup>46</sup>

## Stage 12 – Reviewing the process for future learning outcomes

Once the implementation process has been under way for some time, the organisation should review the strategies and the strategic planning process, as a prelude to a new round of strategic planning. The strategic planning process should also be examined, its strengths and weaknesses noted and modifications suggested so as improving the next round of strategic planning.

Through reviewing the whole strategic planning process many learning outcomes for all involved can be achieved. These learning outcomes if adopted can play a significant part in any future strategic planning undertaken by the organisation.

## Conclusion

Those organisations wishing to enter into a strategic planning process must have a full understanding of all that is involved in the process. Once they have decided to look at entering into a strategic planning process they must first look at the potential benefits and pitfalls of undertaking a strategic planning process. After weighing up the pros and cons of entering into a strategic planning process the decision must then be made to either stop at that point or move forward into a formal strategic planning process. Having decided to enter into a strategic planning process the decision must then be made on the most appropriate staff to be involved taking into consideration the use of

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<sup>46</sup> Venzin Markus, Rasner Carsten and Mahnke Volker (2005), *The Strategic Process* ....., op. cit., p; 50

a strategic planning consultant as well as all of the necessary actions to be taken so as to maximise the benefits in the drawing up of your strategic plan.

Strategic planning requires patience, realism, and logic. Patience, for strategies take time to develop within the market and particularly within the company itself. Realism, because unsustainable growth and returns that are permanently above market average break all the laws of economics. Logic, because strategy processes represent a demanding management task that involves convincing people and carrying through decisions. So do not expect miracles from strategic planning and working, just good results.

No activity is more essential for companies than setting the course for the future. It follows that expertise in the process of strategic planning and management is vital if your organisation is going to not only survive but to thrive. Hopefully you have enjoyed reading this article and every success in implementing these suggestions within your own organisation.

“What happens when academics who think before they act (if they act) meet managers who act before they think (if they ever think)? Does your management team consist of more adventurous doers or academic analysts? What ever you do, look at this and see where best your staff and colleagues could play their part in developing your strategic plan.

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