

Strategic Planning & Programme Implementation

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It is easy to get caught up in the myriad of literature written about strategy and strategic planning. Put simply, strategic planning is a process used to understand where an organisation is going and what it needs to do to get there. In order to start a strategic planning process, an organisation must first understand why they exist in the first place; what is their reason for being, beyond the necessity of making money. A solid company purpose then becomes a foundation for the organisation to build upon. An understanding of why an organisation exists in business will ensure the focussed development of a vision (where we're heading) and the strategy required to achieve it (the how we'll get there).

It has been said that there are two key reasons why organisations need to develop their strategic plans: external positioning and internal alignment (Kaplan, 2010). A strategy needs to consider the markets and customers that the organisation is targeting while also bringing employees on the journey so that they can own and fully invest themselves in its execution. This latter point speaks to the importance of the people in the organisation and aligns to Peter Drucker's well-known remark that "culture eats strategy for breakfast". The force of culture and an engaged workforce is far greater than a well-developed business strategy, and so having an inclusive environment which ensures as many employees as possible are contributing to the development of strategy, will help to ensure that a culture of ownership is developed. By engaging the people in the development of a strategic plan, leaders can catapult a business forward and create an energised workforce in the process (Haudan, 2008). It will ensure that employees aren't simply told what the

plan is, but are actively involved in its creation.

Common approaches to strategic planning include the traditional SWOT analysis which involves an initial examination of the internal Strengths and Weaknesses of a company as well as an investigation into the external environments within which the organisation operates (looking for the Opportunities and Threats). These aspects are both important for a company to get a realistic view of the world within which they operate, both internally and externally. Ideas flow from this analysis and organisations come to develop strategy based on where they deem efforts will be most fruitful.




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for breakfast"**



However, what many companies fail to address directly, are the potential roadblocks or challenges associated with trying to achieve a vision. While many challenges are implied during the traditional SWOT analysis, if these are not addressed directly, the whole value of the strategic planning process can be lost. Too many times, employees have seen a plan developed with little thought as to whether or not it can be realistically achieved given (seemingly) obvious internal and external constraints. The difference here is not simply in the language, an opportunity or threat could easily be seen as a challenge that's not being addressed effectively, but calling it a challenge from the start ensures that employees focus on finding a way to deal with it directly. And if such constraints aren't directly addressed, the plan will be consigned to the bottom draw only to be removed when one needs to prove that a plan exists.

While addressing the roadblocks might seem obvious, there are a number of other common pitfalls that many organisations succumb to, not least of which is the failure to plan for execution or implementation. "Make no mistake; the best plans or ideas without great execution are just plans or ideas; they don't result in much of anything" (Lawlor, 2005). In spite of this, less than 10% of strategies effectively formulated are effectively executed (Fortune Magazine, 1999). Mintzberg (1994) suggests the problem is that planning represents a calculating style of management, not a committing style; which is what is required in order to effectively execute. Recent research has proven that those organisations that do have a formal strategy implementation process in place dramatically outperform those without formal processes (Kaplan, 2010), and this is where adhering to clear principles of programme management come into play.



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While project management involves doing things right, programme management ensures that you are doing the right thing. At the end of a strategic planning process there will be a large number of initiatives that an organisation has identified necessary to complete in order to achieve the company vision. Effective programme management will place rigor around prioritising these initiatives, ensuring sufficient budget and resource is available and defining the order in which they should occur given any natural dependencies and pre-cursors. To operationalize the plan effectively, the organisation also needs to ensure they are aligned to the plan from an operations point of view. This will allow

for much smoother implementation and ensure focus on achieving the organisation vision.

Kaplan and Norton have sung the praises of strategy maps for some time as effective tools for operationalizing the vision, purpose and strategy of an organisation. Maps let an organisation describe and illustrate its objectives, initiatives, performance measures and the links between all the pieces of its strategy (Kaplan & Norton, 2000). The roadmap becomes a visual tool that allows employees to see how their work fits in the overall scheme of things and contributes to company success. It provides real clarity so that anyone in the organisation can easily understand and align to it.

One should not discount the importance of leadership, good management and communication. Leaders must bring the vision to life. They must motivate, inspire and create a sense of urgency. Management should provide the rigor, alignment and discipline required to implement the strategy and achieve the plan. This also means they need to respond to changes in the environment. While to many it may seem that "the world is supposed to hold still while a plan is being developed and then stay on the predicted course while that plan is being implemented" (Mintzberg, 1994), this is obviously not the way it plays out in reality.

Finally, every manager must also understand that communication is the key to successful execution. The best vision, purpose, strategies and tactics will fall short of the desired result if they are not effectively communicated and consistently reinforced. Telling someone what to do one time simply does not qualify as effective communication. To completely engage an employee, he or she needs to know the what, why and how behind the strategy employed and the tactics devised to support that strategy. This further reinforces the point made earlier, which advocates including as many employees as possible in the planning process itself.

And so it is with a philosophy of employee engagement and operational alignment that **Management Toolbox** develops strategic plans with clients that are easy to understand, inclusive and inspiring. The company vision and direction should be simple and clear. Goals should be set that are 'hard' – using the SMARTER acronym for specific, measurable, accepted, realistic, timely, extending and rewarding. Visions are linked to defined objectives that focus the business on the key areas required for success. Challenges associated with achieving the vision and objectives are addressed directly with those affected by them. Critical success factors ensure each objective can be effectively measured and action plans are developed which allow the organisation to clearly understand what needs to be done to achieve each success factor. Programme management tools are then put in place to support the organisation for successful implementation.

Please contact us if you want to discuss your strategic planning or execution needs.

References:

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