

Strategic Planning Preparation



Strategic Planning Definition and Purpose

Strategic planning is the process by which the guiding members of an organization assess its current condition, determine a desired future state, and identify actions to take in order to achieve that future. It answers these critical questions:

- ★ *Where are we now?*
- ★ *Where are we going?*
- ★ *How do we get there?*
- ★ *How are we doing?*

Organizations need strategic planning because the world changes constantly. It is unrealistic to assume that economic conditions, customer needs and expectations, competition in the marketplace, or a host of other factors will be the same two, three, or five years from now as they are today.

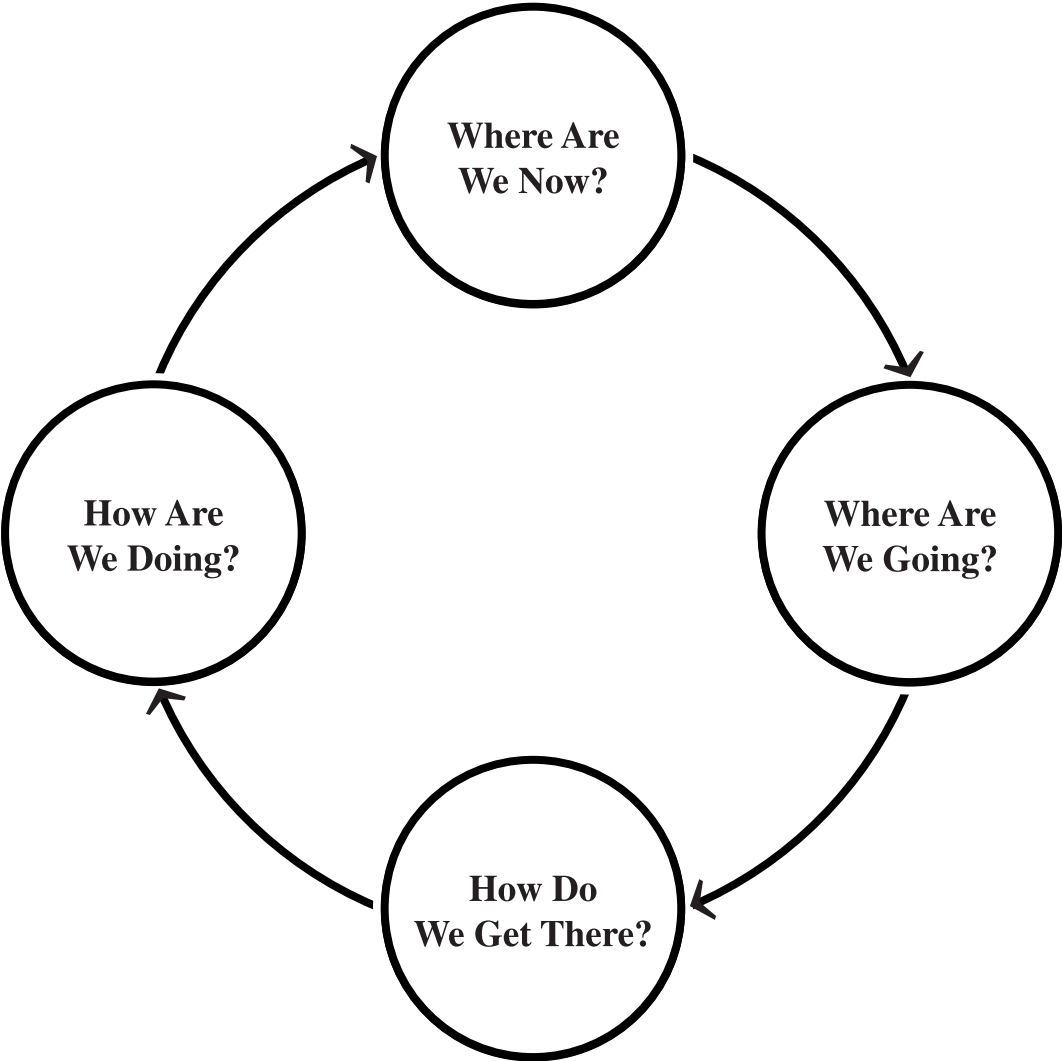
The strategic planning process model used in this pro-treat is a systematic effort by your organization to deal with the inevitability of change. The importance of this process is that it enables you to help *shape* your organization's future rather than simply to *prepare* for its future. The model incorporates five characteristics of successful planning:

1. The process of planning is as important as the products of planning.
2. Planning is highly participative.
3. All interested parties participate in planning as partners.
4. The products of planning (reports and documentation) are clear, concise, and easy to read.
5. Strategic planning is a continuous process linked to annual planning and evaluation.

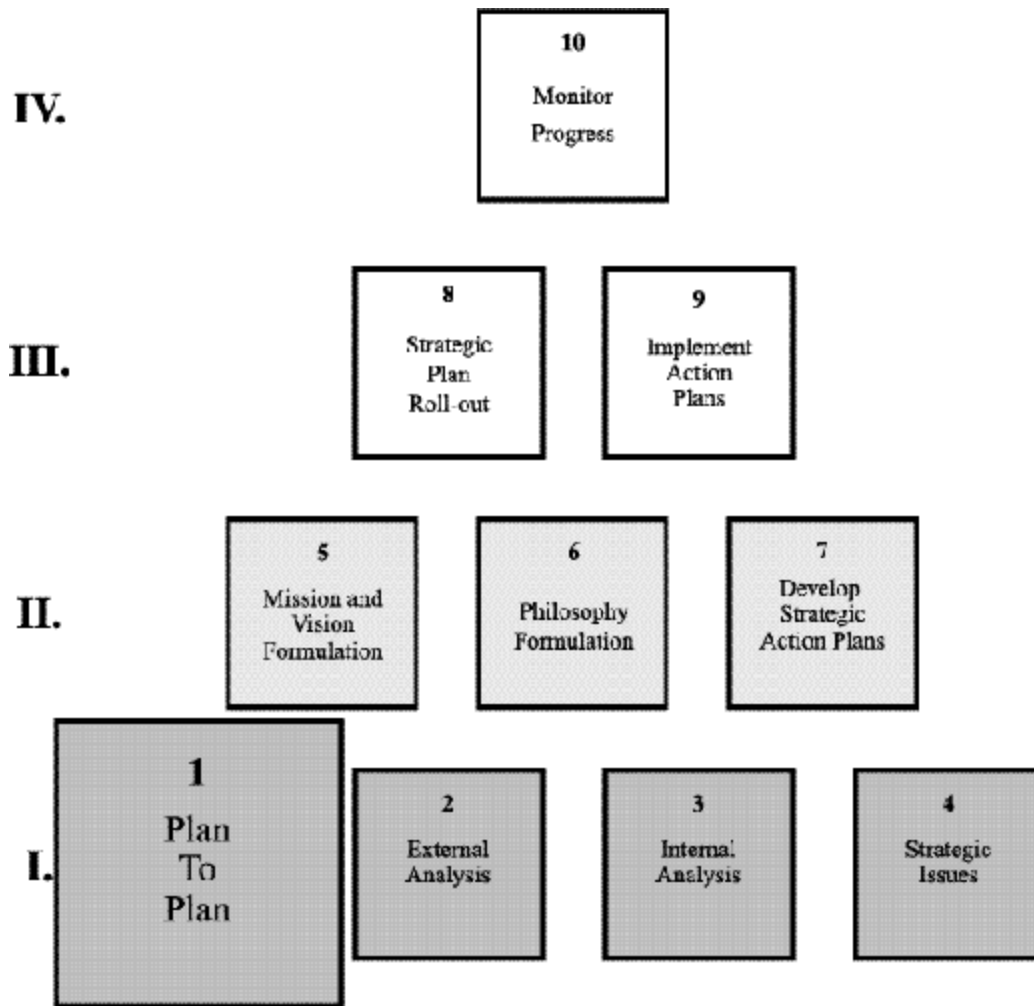
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Strategic Planning Process



Strategic Planning Pyramid



Phase I	<i>Where are we now?</i>	Steps 1-4
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Phase II *Where are we going?* **Steps 5-7**

Phase III *How do we get there?* **Steps 8-9**

Phase IV *How are we doing?* **Step 10**

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Developing Your Strategic Plan

Developing an annual strategic plan is a year long process. The amount of time required for each step will vary, depending on the data collected. The first year it will take longer to gather information, analyze information, and construct the actual plan. In subsequent years, you will normally be able to refine what has already been developed.

Your strategic plan will include components from all four phases of the strategic planning process:

Phase I Where are we now?

- ★ Competition analysis
- ★ Summary of strengths, weaknesses, opportunities, threats (SWOT) analysis
- ★ Assumptions about the future
- ★ Top 10-12 strategic issues

Phase II Where are we going?

- ★ Mission statement
- ★ Vision statement
- ★ Values or Philosophy statement
- ★ Action plans for each strategic issue

Phase III How do we get there?

- ★ Communication and Roll-Out plan
- ★ Implementation plan

Phase IV How are we doing?

- ★ Schedule to review and monitor progress

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Keys to Successful Implementation

Strategic plans are implemented successfully when several key elements exist in the plan and the process. Use this list of key elements to guide you as you develop your organization's strategic plan.

1. Realistic plan
2. "Doable" objectives and goals
3. Involvement of those who must implement
4. Accountability through goals and reviews
5. Top level driver or visionary
6. Scheduled review or rework
7. Success rewarded
8. Right people in right place
9. Team planning

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Benefits of Strategic Planning

Based on what you already know about the process you are about to begin, identify the benefits of strategic planning for:

Your company

Your customers

Your employees

Your managers

Your reputation

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Phase I — Where are we now?

In simple terms, if an organization does not know where it is going, it is destined to end up somewhere else. The purpose of Phase I is to assess the current overall performance of your organization and identify external factors affecting your organization. It answers the question, *Where are we now?* Phase I includes the first four steps of the planning process. This section presents Step 1.

Step 1 — Plan to Plan

Description

Plan to Plan initiates and outlines the strategic planning process. During this step, your organization:

- makes a formal commitment to start or continue strategic planning
- identifies the timetable and critical players of the process

Questions This Step Answers

1. Who should be involved in the strategic planning process?
2. When will you initiate and implement the strategic planning?
3. Where will your strategic planning team meet?
4. Why does the organization need strategic planning?
5. How will you facilitate, monitor and evaluate the process?

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Roles and Responsibilities

In order for the strategic planning process to be successful, the commitment to and ownership of the strategy must be shared by those who can turn your plan into a *way of life and doing business*.

Ideally, your *planning team* should include 10-13 people, plus a facilitator. A typical planning team would consist of your organization's senior management and/or the board of directors. In addition to the planning team, *other key people and groups* (for example, employees, customers, stakeholders, management, board of directors) need to participate during different phases of the process.

Instructions: Identify the key people and groups who need to be involved in the planning process. Then clarify their major role and identify specific responsibilities for implementing and monitoring the strategic plan and process.

Key people/Key groups	Role/Responsibility
1. Planning team members _____ _____ _____ _____ _____ _____ _____ _____ _____ _____	1. Analyze significant data 2. Speak for the many, not the few 3. Evaluate performance 4. Develop strategic plan 5. Communicate the plan 6. Involve other key stakeholders 7. Manage the implementation plan 8. Monitor progress 9. Celebrate accomplishments 10. Coach to enhance results 11. Refine or change strategic plan

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Data Collection Checklist

The following lists identify types of information to collect and summarize for your organization. This is not an all-inclusive listing. Some of the items may not pertain to your organization and some important data may not be listed here.

Instructions: As you review the list of data, determine if the information is available or appropriate to collect (y = yes or n = no) and who to contact to provide the information. Once the data have been received check the item off your list.

Yes/No	List of Data	Contact	Received
Current Documents			
y/n	Strategic Plan	_____	_____
y/n	Guiding Statements	_____	_____
	★ Summary of Progress and Results		
	★ Mission Statement		
	★ Vision Statement		
	★ Values or Philosophy Statement		
External Analysis			
y/n	Competition Analysis	_____	_____
	★ Service level analysis		
	★ Product mix		
	★ Advantages/disadvantages		
y/n	Market Analysis	_____	_____
	★ Marketing research		
	★ Typical Client Profile		
	★ Demographic analysis		
y/n	Economic Analysis	_____	_____
	★ Industry trends		
	★ Government regulations		
	★ Societal issues		

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Yes/No	List of Data	Contact	Received
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Internal Analysis

y/n	Customer Satisfaction	_____	_____
	★ Survey results		
	★ Informal comments		
	★ Buying patterns		
y/n	Employee Satisfaction	_____	_____
	★ Formal surveys		
	★ Exit interviews		
	★ Turnover analysis		
	★ Departmental analysis		
y/n	Management Performance	_____	_____
	★ Administrator		
	★ Department heads		
	★ Corporate		
y/n	Board of Directors	_____	_____
	★ Board Responsibilities		
	★ Strengths		
	★ Weaknesses		
y/n	Financial Analysis	_____	_____
	★ Board responsibilities		
	★ Strengths Year-end reports		
	★ Financial trends		
	★ Product/Service mix		
y/n	Corporate Resources	_____	_____
	★ Board responsibilities		

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Pre-planning Questionnaire

Date: _____ To: _____

From: _____ Subject: Pre-planning Questionnaire

Prior to our Strategic Planning Pro-treatSM on _____, we'd like you to evaluate and describe our current condition and future opportunities. Your feedback will be an important contribution to the success of our strategic planning process. Please return this questionnaire to _____ by _____. Thank you for sharing your thoughts!

1. What are the critical measures of success in this business and/or industry?
2. What is the basic purpose or competitive uniqueness of our company?
3. What are the company's major strengths?
4. What are the company's major weaknesses or challenges?
5. What are the company's major opportunities?
6. What are the company's major threats?
7. What are the current most important strategic issues to address in the next 1-3 years?
8. To adequately meet the changing needs of our current residents and to meet the expectations of our future residents what programs or services should we:
 - a. Improve?
 - b. Reduce and/or eliminate?
 - c. Expand?
 - d. Start or develop?

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Sample Format for Summary of Strategic Planning Questionnaire Responses

Here is a suggested format for summarizing the responses you collect from the Pre-planning Questionnaire. Numbers in parentheses indicate duplicate responses. Your actual summary will include many more responses.

- 1. The critical measures of success in this business and/or industry:**
High level of customer service (9)
Financial reserves (7)
- 2. The basic purpose or competitive uniqueness of our company is:**
Enhanced, comfortable lifestyle (2)
Security (2)
- 3. Our company's major strengths:**
Financial stability (2)
Location (3)
- 4. Our company's major weaknesses or challenges:**
Inconsistencies between departments (2)
Poor design and construction of portions of buildings
- 5. Our company's major opportunities:**
Get involved in the community (5)
Communicate to staff that they are important and valued
- 6. Our company's major threats:**
Increasing costs, taxes (3)
Increasing government intervention (6)
- 7. The most important strategic issues to address in 1-3 years are:**
Improving our image and services to remain competitive (3)
Increasing governmental regulations (2)

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A Typical 2-Day Agenda

I. Introduction

1. Opening and welcome
2. Ice breaker
3. Pro-treat agenda and objectives
4. Pro-treat process and materials
5. Strategic planning overview

II. External Analysis

1. Review information collected
2. Stakeholder analysis
3. Competition analysis
4. Market analysis
5. Opportunities analysis
6. Threats analysis

III. Internal Analysis

1. Review information collected
2. Strengths analysis
3. Weaknesses analysis

IV. Strategic Issues

1. Business life cycle
2. Assumptions
3. Identify top strategic issues

V. Mission and Vision Formulation

1. Draft mission statement
2. Video: *The Power of Vision — Discovering the Future*
3. Draft vision statement
4. Action plan for communicating guiding statements

VI. Philosophy Formulation

1. Draft philosophy of operations

VII. Develop Strategic Action Plans

For each strategic issue:

1. Identify 3-5 measures of success
2. Brainstorm action plans
3. Determine champions and lead persons

VIII. Strategic Plan Roll-Out

1. Identify obstacles to achieving goals
2. Implementation and monitoring schedule
3. Critical next steps

Closing Comments and Commitments