



## **A 7-Step Process for Effective Strategic Planning**

by Linda Pophal

[www.stratcommunications.com](http://www.stratcommunications.com)

Strategic planning is a process and, like any process, involves a series of well-planned and well-executed steps to ensure success. Following are: “7 Steps to an Effective Strategic Planning Session.”

### **1) Know Your Intended Outcome**

A critical first step for any planning group is to clearly understand the desired result or outcome of the strategic planning effort.

There are three vital questions that must begin the strategic planning process:

- **What are we hoping to achieve?**
- **Why are we conducting this planning process?**
- **How will we institute accountability to ensure success?**

It is not unlikely that there will be disagreement on the answers to these questions.

Gather any group of people in your organization around a particular task, ask them

independently to answer these questions and you're likely to come up with as many answers as there are people in the room. How do you achieve alignment?

First, by focusing on your MVV – mission, vision and values. These are the foundational elements that should drive all organizational activities and decisions. (I'm not, of course, naïve enough to believe that the MVV in any given organization is up-to-date and an accurate reflection of reality. The point is, though, that there needs to be some form of unifying force that helps to get everybody moving in the same direction.)

Agreement around mission, for instance, will help to facilitate discussions over such issues as: "When faced with a choice between improving service or increasing revenue, which do we choose?" There is no "right" or "wrong" answer for any organization or group, other than the fact that the answer should be aligned with the groups MVV.

In addition to MVV focus, the group should also have a specific intended outcome for its work. It is not enough to simply say: "We need to develop a business plan for product XYZ," or "We need to develop a marketing plan." What does that mean? What are the specific deliverables the team will be accountable for and what is the target date for producing those deliverables?

Another key step here is establishing accountability for the intended outcomes. Who will be responsible to ensure that the developed strategies and tactics are carried through? Who will be responsible for reporting results? In short, "where does the buck stop?" Leaving this to chance or assigning the responsibility to "the team" is a sure prescription for failure. When everyone is responsible, no one is responsible. Responsibility can be broken down into

discrete tasks/outcomes, but overall responsibility should reside with one individual and each sub-task or outcome should be clearly assigned to one individual.

Make these expectations clear and, as the process unfolds be sure to take the time to *both* celebrate success and debrief on setbacks to provide an environment of continuous improvement for the effort. Neither successes nor setbacks should be overlooked.

## **2) Do Your Homework**

The strategic planning session itself is just the tip of the iceberg. Much of the work occurs long before the group actually convenes. Pre-work involves gathering information and forming insights about your company, its customers, its competitors, potential collaborators, and the external environment.

In addition to understanding the desired outcome, strategic planning participants need to have a clear understanding of the situation and background that has led the organization, business unit or department to its current state, knowledge of internal and external factors that impact the team and a clear sense of the stakeholders and their preferences and potential biases.

A significant amount of information is probably already at your disposal. Internal information may include past documentation of other efforts around this issue, sales data, customer service data, results from surveys or research efforts the organization has undertaken related to the issue, etc. External information may include competitive data, industry data, community/customer perception data, economic impacts, etc.

Strategic planning should be a data-driven process with decisions made based upon current, reliable information – not opinion and conjecture. While there is no such thing as a

“100% right” decision – there are progressively *better* decisions. Better decisions are made when information – data – is sought and considered as part of the process.

### **3) Select the “Right” People**

Two critical people, or roles, are the team leader and the facilitator. These roles can be combined. Often, though, it is helpful to separate the roles so that there is an individual charged with simply “managing the process.” It can also be helpful for that individual to be “outside the process” – or even outside the organization – to avoid even inadvertently influencing the input, responses and opinions of those involved. Skilled facilitators are also familiar with various tools to help generate feedback and input, evaluate ideas, keep the process moving smoothly, etc. These are two key roles and need to be selected wisely.

The role of individual participants is also very important and selections should be made carefully. Not having the “right” people in the room and/or having some of the “wrong” people in the room can hinder strategic planning efforts. Who needs to be in the room? Whose knowledge is integral to moving the process forward? Whose potential resistance needs to be engaged and managed to avoid hindering the process? Think inclusively rather than exclusively. Little can be gained from prohibiting interested parties from participating in the process.

In addition, while it can be overwhelmingly tempting to *not* include individuals who are known to be negative, are opposed to the process or are simply difficult to deal with, involving them now will avoid the “slings and arrows” that will almost certainly come later if they aren’t allowed to participate.

Think externally as well as internally. Who are the key constituencies that either impact or are impacted by this process? This may include customers, vendors, community members, shareholders, etc. Cast a wide net. Be inclusive. The size of the team, of course, needs to be managed, but there are creative ways of doing that.

For example – considering an optimum team size of 5-8 individuals, sub-teams can be established with members of the primary team responsible for gathering insights and input from those team members to bring back to the formal group.

Opportunities to gather even broader input may involve focus groups, surveys, etc. The point is, the better job you do at involving and including all perspectives and inputs during the planning process, the more you minimize roadblocks later.

#### **4) Prepare Participants**

Certainly the leader of the planning effort should have a solid understanding of the desired outcomes and deliverables for the process. But the leader needs to ensure that this understanding is effectively shared with participants in the process. That means:

When participants are recruited they should be given information about their intended role. Are they desired simply for their input – “come to the meeting and share your thoughts with us.” Are they expected to do pre-work – “come to the meeting with responses to questions/requests for information that you’re ready to share with the group.” Are they expected to be ambassadors – “come to the meetings and be prepared to share information with others after the meeting.” Or any combination of these expectations, and more.

The point is, team members should have a very clear understanding of the specific expectations for their participation in the process. Too often members simply “go through the

motions” – come to the meetings, eat the do-nuts, drink the coffee, grumble in the hallways after the meeting *about* the meeting, but fail to take an active, productive role. You would blame the participants for this, of course, but most often this lack of engagement is the result of poorly communicated expectations at the outset of the process.

In addition to a clear understanding of their role in the process and the expectations of them for pre-work, participation and support, participants should be provided with agendas prior to each meeting, a clear indication of the time commitment for the meeting, and follow-up minutes after the meeting that clearly indicate who is to do what, by when.

### **5) Develop Strategies, Objectives and Tactics**

Strategic analysis is the foundation for the development of strategies, objectives and tactics to support the goal that the team was assigned. It involves review and synthesis of all of the information that has been gathered – internally and externally. This information may include what already exists, as well as newly gathered information in the form of additional research, surveys, focus groups, etc.

A widely used tool for synthesizing this information is the SWOT analysis – a review of Strengths, Weaknesses, Opportunities and Threats - SWOT. Strengths and weaknesses are things that are internal to the organization; opportunities and threats are things that are external to the organization. Based on the information gathered, the team will brainstorm (a process that involves hearing, without editing or critiquing, input and ideas from all team members) a list for each of these and, later – through a ranking process – prioritize the list to focus on the key items for each.

The SWOT will then be used to drive the development of strategies designed to either capitalize on Strengths and Opportunities, or overcome Weaknesses and Threats.

Once strategies are developed, objectives (which should be SMART – specific, measurable, attainable, realistic and timely) are developed to support the strategies and tactics are developed to achieve the objectives. It's an aligned process that requires discussion, deliberation and prioritization at each stage.

It may sound very simple and straightforward here, and based on an operational definition it is. It is the implementation of this process, however, that leads to complexity and that makes the next step in the strategic planning process so critical.

#### **6) Facilitate the Process**

This is where “the rubber meets the road,” as they say. Facilitating the strategic planning process is the step that, in many ways, determines whether or not there will be a successful outcome. This is also why it can be advisable to work with a skilled, external facilitator to help move the process forward.

**The biggest barrier to any strategic planning effort is – people. Us. You. Me. All of our fellow team members. We're the problem. But, we're all also part of the solution and a successful outcome. An effectively facilitated process will yield a successful outcome.**

Any team will go through a series of predictable stages in its formation. From a theoretical or academic perspective these stages are referred to as: forming, storming, norming and performing. Storming is the most critical step in the process. It will certainly happen. The question is “how well will this stage be managed?” Managed effectively, the

team will move on to norming and, ultimately, performing – and will achieve a successful outcome. Managed ineffectively and the likelihood of success is minimized; sometimes teams are even disbanded because they are unable to move past this stage.

Any time two or more people gather or engage in a discussion the opportunity for disagreement exists. We all have different perspectives – we all have different opinions. (Sometimes we have different goals, but hopefully Step 1 of this process was managed effectively enough that this will not be the case!)

Facilitation also involves establishing clear guidelines for team members in terms of how their input will be used and how decisions will be made. Unanimity is unlikely to occur. Consensus may also be an unreasonable expectation. But, decisions must be made somehow and the process must move forward. How will this be handled? Be clear. Be specific. Move forward. It's not easy – but it must be done.

## 7) Create the Plan

The actual creation of a document in a written – or electronic – format is often what is considered to be “strategic planning.” As is hopefully clear at this point, however, this document is simply the culmination of a great deal of work and interaction that is really what strategic planning is all about.

Whatever format the plan is in, whatever its length, it should include the following elements:

- **Priorities** (based on your SWOT and outlining your strategies, objectives and tactics.
- **Timeframes** (what will be done, when).

- **Measurable outcomes** (quantified in such a way that two independent observers at the culmination of each step could reach agreement on whether/not the measure has been achieved – “more,” for instance, is not a good measurable outcome).
- **Required resources** (time, money, other).
- **Assigning responsibilities** (again, these should be made to *individuals*, not groups – and the individuals should clearly understand what is expected of them).
- **Establishing methods of communication and follow up**

Which leads to a final step that I believe should be a fundamental element of every other step of the process. It should be embedded in every aspect of the strategic planning process from identifying the goal; to selecting team members; to developing strategies, objectives and tactics – to documenting the team’s activities and recommendations in some tangible form.

### **Communication.**

Regardless of your best efforts to include all stakeholders in a strategic planning effort, it is simply impossible to involve everyone. That’s a given. Too often, though, once a strategic planning process gets underway, communicate about the process is limited to the team. While often unintentional, neglecting to share information about progress, decisions, etc., can create resistance and lack of buy-in among key groups.

Communication is critical and should be addressed as part of the strategic planning process. How will you communicate with those not directly involved in the process about what is going on? Two very important considerations apply here:

- **Team members should recognize their role of being stewards and ambassadors of the process.** It should be clear to them that opportunity for disagreement and dissension is available as part of the process, but that once the *team* has reached a decision there is an expectation that they not only support that decision, but that they become an ambassador for that decision in their interactions with those outside the process. They serve an important role in communicating about the progress and decisions of the team and supporting those decisions.
- **In addition to one-on-one communication efforts by team members, more global communication should also occur.** This could involve any number of activities depending on the organization's communication channels – department or company-wide meetings, a page on the company intranet that provides updates, newsletters, etc. With the community at large or external constituencies, email updates, newsletters or other types of announcements might be used.

It can be a good idea to assign a member of the team specific responsibility for managing the communication efforts of the group, ensuring that the team does not develop a reputation for making decisions “behind closed doors” or being elitist. Efforts made during the process to maintain open communication channels will increase the likelihood of a successful strategic planning effort.

Communication should be ongoing, even if the team has been disbanded and accountability has been operationalized back to business units or departments.

An effective strategic plan requires commitment to actions and accountabilities – and a clear, direct and measurable tie to the outcomes established in Step 1. Once participants leave the room their work is just beginning. Even if the team members themselves will not be directly involved in the implementation of the plan, it's important to ensure that a process for accomplishing the plan through clearly identified deliverables and scheduled “check-points” is imbedded in the process.

**Celebrate successes. Learn from drawbacks. But don't neglect to communicate your activities every step of the way.**

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### **ABOUT LINDA POPHAL**

Linda Pophal is owner/CEO of Strategic Communications, LLC, a Wisconsin-based marketing and communication firm. As a communication professional, Pophal has managed all aspects of corporate and marketing communication including employee communication, public relations, advertising, market research and brand management. As a trainer and university instructor, Pophal has developed and delivered training programs for national and local audiences on all aspects of communication management and employee relations. Pophal is a prolific writer of business management and marketing articles for both general and trade publications and is the author of several books, including *The Essentials of Corporate Communications and PR* (Harvard Business School Press, 2006) and *Marketing With the End In Mind* (IABC, 2005).

**Strategic Communications, LLC**, helps businesses apply strategy to address communication challenges, specializing in strategic communication planning and implementation for brand management, community, customer, employee, marketing and media relations activities. Working with businesses, large and small, Strategic Communications has developed a reputation for tying tactics to strategies and measurable results based on each client's unique goals and objectives.