



Strategic Planning Is Often Not Strategic at All

“Short-term thinking optimizes the here-and-now only...”

Simple answer: today’s executives rarely invest time to do it, mistakenly believing it’s a long, arduous and painful process. This first point is easily understood. No one has the patience these days to deliberate on the future in any really *true strategic way*. It seems to be more about doing something – *anything*; then waiting to see whether or not it works. Rather dangerous; this unproductive gamble propels companies into making huge mistakes; wasting a great deal of money on the wrong things yielding little or useless results.

The second issue is conditioning. Larger consulting firms force organizations through lengthy processes delivering little value and poor output. Executives are left with the notion it’s easier to deal with a few implementation tactics; short term in nature. If your board room reflects the many we’ve seen, these executives are attention deficient. They cannot and *do not want* to spend quality time thinking about their competitive position, customers and strategies in any structured way, all too often missing the cornerstones for success.

Some gurus say strategic planning is back in fashion. For us it never was out of fashion. We understand that strategic planning is part of the core fabric in business.

At T.S.P.G. we define strategic planning as “*the process by which the guiding members of an organization envision the company’s future and develop the necessary procedures and operations to achieve that future.*” The vision of an emerging world far different from today provides both the direction and energy so necessary to guide and direct the organization into the future.

Successful strategic planning is characterized by:

- alignment of the organization with changes in the external environment
- identification of a small set of strategic gaps that must be closed in order to bring about the envisioned future
- mobilization of the entire organization to close these gaps.

Strategic planning embodies a belief that the future can be influenced and changed by what we do now. A good strategic planning process helps organizations *create* their future – a proactive discipline that is the hallmark of all successful companies.

This process begins with a vision for the enterprise. That vision must be owned by the CEO. The *Chief* must be able to convey terms the entire executive team can understand and believe in. Surprisingly, we find many CEOs don’t have a vision; don’t want to go through the process of defining one. Here again the conditioning imposed by larger consulting firms have made this process so painful for CEOs they would rather abdicate the process to their executive team.



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Contrary to popular belief, the process, in my view, should not start with a financial target exclusively. When this happens one is dealing with a business plan exercise, not a strategic plan. To do the strategic plan properly, a series of alternatives scenarios (organic growth or loss, stretch growth and extreme growth) are prepared by Finance after the vision has been built. The executive team can then discuss and debate implications fully, thereby determining those scenarios worthy of their resources, effort and dedication.

Following a robust discussion, a clear understanding of the numbers and implications, a choice then has to be made. Once made, the team then decides critical strategies required to achieve targets bringing the vision to life. We call these strategies Critical Success Factors. What life threatening strategies does the company have to undertake to be successful. Done effectively, there should only be four to six. More than that and you move into the realm of “nice to have” defeating the notion of ‘critical success factors.’

As the vision, metrics and CSFs are solidified, a framework begin to emerge. Time needs to be taken now to assess customer needs, company strengths and weaknesses and the market place opportunities and threats. And not superficially! Done thoroughly and effectively, this environmental analysis will begin to reveal the gaps in the CSFs.

By this I mean the difference between where you are today and what you have to achieve in each CSF. Attempting this holistically, is too broad. Each strategic category must be assessed: marketing, operations, technology, supply chain, logistics, human resources, etc. Only then can an honest assessment surface on the challenges that lay ahead. Anything less than this would be delusional and incomplete.



STRATEGIC SOLUTIONS



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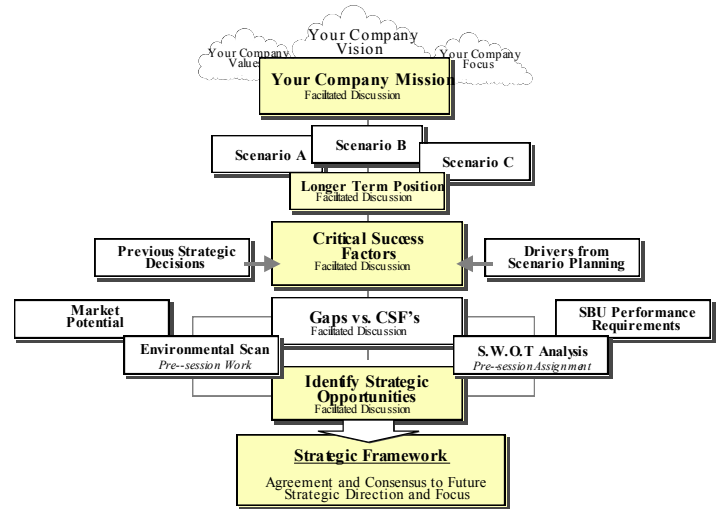
Completion of the strategic framework requires a clear set of defined opportunities within each CSF. It may be Marketing, Sales, Manufacturing, Field Operations, Technology, Supply Chain, Human Resources or any other major operating unit, the major future opportunity now needs identifying. If the gaps are the shortcomings of the past, the opportunities now are the great challenges and new stepping stones to the future.

Strategic opportunities in all key areas need to be prioritized according to the size of the gap in each CSF. This priority setting nurtures an ordered focus and an enterprise-wide agreement on the key areas of significance. There should be no disagreement here if the process is conducted properly.

This process with its vision, long term targets, CSFs, environmental scan, gap analysis and opportunity statements will bring forth *a strong strategic focus* on planning. Moreover, this can all be done quickly in a workshop environment with proper preparation and a strong facilitator. Attempting this all internally is another recipe for disaster.

The process can be invigorating, energizing and exciting. It's a shame strategic planning has gotten such a *bad rap*. Seeing a plan come together is inspirational; watching the rejuvenation of a company revived and energized, the result of good planning and great execution. And a good plan is only as good as its execution.

An Effective Strategic Framework



About

The Strategic Planning Group

The Strategic Planning Group (T.S.P.G.) is a **full service consulting firm** that can provide organizations with a wide range of advice, business tools and solutions. At T.S.P.G. our focus is on helping our clients solve their complex issues to realize their ultimate potential, whether we are assisting in a particular functional area or helping to set the overall strategy for the organization. Our full service approach combined with our commitment to helping clients realize their ultimate potential, results in an efficient and effective approach, creating great value for our clients.

We want to be more than just consultants. For us to be successful in helping you we need to understand how you operate and what challenges you are currently facing. We want to help you achieve your goals and your ultimate business potential. To accomplish this we must be trusted and objective advisors to our clients by contributing our knowledge, experience and thinking in ways that make a positive impact.

We are growing rapidly and on the leading edge of thought leadership with a goal to add value to our clients.

How to Reach Us

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