



Essentials Guide to *Strategic Planning*

Welcome Strategy Leader!

To help close the gap between strategy and execution, we've created the Essentials Guide to Strategic Planning, which provides an end-to-end overview of the strategic planning process.



Create



Empower



Execute

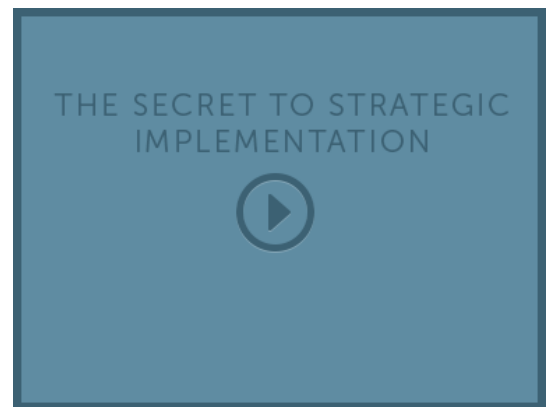
Phase 4: Executing Strategy and Managing Performance



Executing your strategic plan is as important, or even more important, than your strategy. Critical actions move a strategic plan from a document that sits on the shelf to actions that drive organizational growth. The sad reality is that the majority of organizations who have strategic plans fail to implement. Don't be part of the majority! In fact, research has shown that 70% of organizations that have a formal execution process out-perform their peers. (Kaplan & Norton)

Guiding your work in this stage of the planning process is a schedule for the next 12 months that spells out when the quarterly strategy reviews are, who is involved, what participants need to bring to the meetings and how you will adapt the plan based on the outcomes of the reviews.

You remain in this phase of the [strategic management process](#) until you embark on the next formal planning sessions where you start back at the beginning.



Remember that successful execution of your plan relies on appointing a strategy director, training your team to use OnStrategy (or any other planning tool), effectively driving accountability, and gaining organizational commitment to the process.

Phase Duration

- Until you need to formally update your plan, starting again at Phase 1

Questions to Ask:

- What is on and off target ' what do we need to adapt in our plan?
- What emerging strategic topics do we need to identify and solve?

- What can we do to be more effective as a team?

Data Needed:

- Status on goals from the individual to organizational-wide level
- Monthly or quarterly Key Performance Indicator data

Outcomes/Deliverables:

- Implementation schedule
- Regular and effective quarterly strategy updates
- Solutions to 'Strategic Topics'
- Relevant strategy and plan

Action Grid:

Action	Who is Involved	Tools & Technique	Duration
Establish implementation schedule	Planning Team	- Execution plan - Calendar	1-2 hours
Train your team to use OnStrategy to manage their part of the plan	HR Team, Department Managers & Teams	- Executive interviews - Qualitative strategic survey of selected staff or all staff	1 hr per team member
Review progress and adapt the plan at Quarterly Strategy Reviews (QBR)	Department Teams + Executive Team	- Training material - OnStrategy	Department QBR: 2 hrs Organizational QBR: 4 hrs

*To access the worksheets under "Tools & Techniques" please refer to our [Strategic Planning Kit for Dummies](#).

Implementation Schedule

Implementation is the process that turns strategies and plans into actions in order to accomplish strategic objectives and goals. Whereas the strategic plan addresses the what and why of activities, implementation addresses the who, where, when, and how. It is believed that implementation is as important, or even more important, than strategy. The fact is that both are critical to success. In fact, organizations can gain competitive advantage through implementation if done effectively. Below is a sample planning calendar that can help aid you in executing and rolling out your plan successfully. Once your resources are in place, you can set your implementation schedule.

Use the following steps as you base implementation plan:

PLANNING CALENDAR

	JAN	FEB	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT	OCT	NOV	DEC
BOARD OF DIRECTORS/CEO	Approval of FY12 Plan		Q1 Quarterly Business Review Corporate Level			Q2 Quarterly Business Review Corporate Level			Q3 Quarterly Business Review Corporate Level		Approval of FY13 Plan	Q4 Quarterly Business Review #4 Corporate Level. EOY Status Report
VP / EXECUTIVE LEADERSHIP			Q1 Quarterly Business Review Department Level			Q2 Quarterly Business Review Department Level	Exec Interviews Survey		Q3 Quarterly Business Review Department Level	Next Year Planning Retreat	Review/ Refine Draft FY13 Plan	Q4 Quarterly Business Review Corporate Level. EOY Status Report
MANAGERS / ALL STAFF	Check-in/ Update Status of Goals	Check-in/ Update Status of Goals	Check-in/ Update Status of Goals	Check-in/ Update Status of Goals	Check-in/ Update Status of Goals	Check-in/ Update Status of Goals	Check-in/ Update Status of Goals	Check-in/ Update Status of Goals	Check-in/ Update Status of Goals	Check-in/ Update Status of Goals	Check-in/ Update Status of Goals	Check-in/ Update Status of Goals
							All Staff Survey					

■ STRATEGY ASSESSMENT
 ■ STRATEGY DEVELOPMENT
 ■ EXECUTION

1. Establish your performance management and reward system.
2. Set up monthly and [quarterly strategy meetings](#) with established reporting procedures.
3. Set up annual strategic review dates including new assessments and a large group meeting for an annual plan review.

Now you're ready to start plan roll-out. Below are sample implementation schedules, which double for a full strategic management process timeline.

Quarterly Schedule

Quarterly Actions



Monthly Schedule

Monthly Actions



Ideas for Successful Implementation:

- Communicate the strategy to everyone in your organization.

- Involve your staff in the development of the plan.
- Assign your staff clear goals that tap into their strengths.
- Have your staff create the action items to support their assigned goals.
- Hold your staff responsible for the achievement of assigned goals.
- Monitor the Scorecard monthly or quarterly.
- Hold a monthly or quarterly staff strategy meeting to report on the progress.
- Hold meetings with the team leaders, where you only discuss strategy.
- If something in the plan is not working, change it. Take corrective action or move to build on success.
- Plan quarterly meetings where you only discuss strategy.
- Link strategy to performance.
- Make true self-assessment an ongoing practice.
- Celebrate when goals are reached.

Identify Your Competitive Advantage

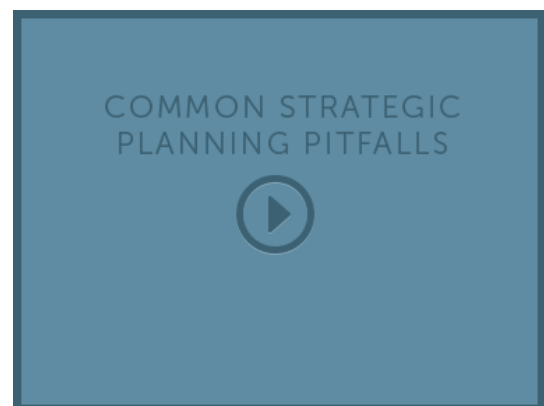
Monthly strategy meetings don't need to take a lot of time ' 30 to 60 minutes should suffice. But it is important that key team members report on their progress toward the goals they are responsible for – including reporting on metrics in the scorecard they have been assigned.

By using the measurements already established, it's easy to make course corrections if necessary. You should also commit to reviewing your Key Performance Indicators (KPIs) during these regular meetings.

Ideas for Successful Implementation:

Never lose sight of the fact that strategic plans are guidelines, not rules. Every six months or so, you should evaluate your plan implementation by asking these key questions:

- Will your goals be achieved within the time frame of the plan? If not, why?
- Should the deadlines be modified? (Before you modify deadlines, figure out why you're behind schedule.)
- Are your goals and action items still realistic?
- Should the organization's focus be changed to put more emphasis on achieving your goals?
- Should your goals be changed? (Be careful about making these changes ' know why efforts aren't achieving the goals before changing the goals.)
- What can be gathered from an adaptation to improve future planning activities?



Common Pitfalls

Here is a list of lessons that are usually learned the hard way. Because you want your plan to succeed, heed the advice here and stay away from these common pitfalls of implementing your strategic plan:

- **Lack of ownership:** The most common reason a plan fails is lack of ownership. If people don't have a stake and responsibility in the plan, it will be business as usual for all but a frustrated few.
- **Lack of communication:** The plan doesn't get communicated to employees, and they don't understand how they contribute.
- **Getting mired in the day-to-day:** Owners and managers, consumed by daily operating problems, lose sight of long-term goals.
- **Out of the ordinary:** The plan is treated as something separate and removed from the management process.
- **An overwhelming plan:** The goals and actions generated in the strategic planning session are too numerous because the team failed to make tough choices to eliminate non-critical actions or don't have employee buy-in.
- **Annual strategy:** Strategy is only discussed at yearly weekend retreats.
- **Not considering implementation:** Implementation isn't discussed in the strategic planning process. The planning document is seen as an end in itself.
- **No progress report:** There's no method to track progress, and the plan only measures what's easy, not what's important. No one else feels any forward momentum.
- **No accountability:** Accountability and high visibility help drive change. This means that each measure, objective, data source and initiative must have an owner.
- **Lack of empowerment:** Although accountability may provide strong motivation for improving performance, employees must also have the authority, responsibility and tools necessary to impact relevant measures. Otherwise, they may resist involvement and ownership.

Remember, it's easier to avoid pitfalls when they're clearly defined. Now that you know what they are, you're more likely to jump right over them!

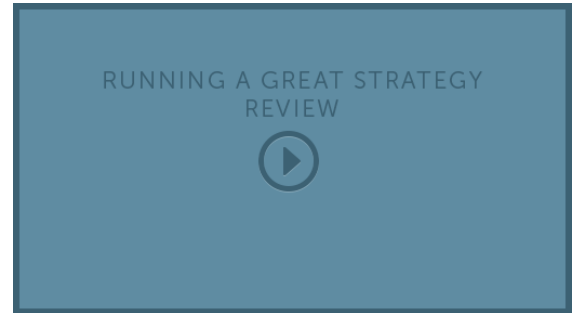
Review & Adapt

Guidelines For Your Strategy Review

Restricting the meeting to reporting on measurements can help you stay on task and keep the meeting within 30 minutes, but if you can commit to a full hour, the meeting agenda should also include some time devoted to working on one specific topic or on one of the quarter's priorities where decisions need to be made. Once agreed upon, this topic should be developed to conclusion.

Consider these additional tips for making your strategy meetings more effective:

- How big is this customer segment and what is the growth potential?
- Schedule the monthly strategy meetings on the same day and time each month in order to encourage making strategy a habit. Likewise, schedule quarterly meetings for the same week of each month following the end of a quarter.
- Invite individuals or departments/team leaders. Their presence creates visibility and recognition for the people getting things done.
- Make the meeting mandatory ' no exceptions. This is 30-60 minutes time well spent.
- Start and end on time and stay on task with an agenda.



Holding meetings helps focus your goals on accomplishing top priorities and accelerating growth of the organization. Although the meeting structure is relatively simple, it does require a high degree of discipline.

Below is a sample strategy review agenda.

STRATEGY REVIEW AGENDA	
Kickoff and meeting setup	15 Mins
Corporate performance review	30 Mins
Department performance review (10 mins per department)	10 Mins per group
Strategic theme or topic (1 or 2 topics)	30 Mins per topic
Wrap up	5 Mins

Why Hold Strategy Reviews?

[Holding regular strategy reviews](#) is the key to implementing your strategic plan, making the numbers, achieving your company goals, and, finally, making strategy a habit for everyone involved. These meetings will give you the ability to manage activities that drive future results and hold people accountable for making sure those activities happen.

According to a past Fortune cover story, 86% of business owners and managers spend less than one hour per month discussing strategy. Not surprisingly, this same article also reported that nine out of ten organizations failed to implement their strategic plan. Quarterly and, in particular, monthly strategy meetings allow you to keep your finger on the pulse of your strategic planning efforts and make any necessary adjustments before it becomes too late.

Evaluate your target customer segment's attractiveness:**Key Points between Operational Status and Strategic Meetings:**

Strategy Review Meetings	Operational Review Meetings
- Monthly	- Weekly
- Are we working on the right stuff?	- What are we working on?
- Organizational level "highways in the sky"	- Runway level "coming in for landing"
- Conversation about 'what' we are working on	- Keep everyone in the loop on 'how' your projects are going
- Review of KPIs 'are we moving the needle?'	- High-level updates 'are we on target?'
- Deep dive into 1 or 2 goals and discuss strategic issues	- Escalating issues that require management involvement
- Take action and adapt the plan	- Individual report outs
- Organization/Strategic Topic deep dive	

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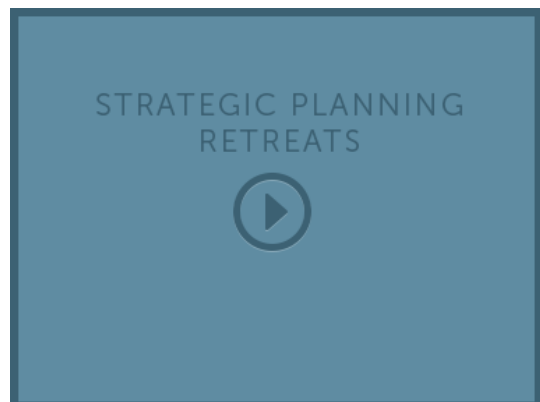
Monthly Strategy Review Meetings: Purpose

The [monthly strategy review meeting](#) is the heartbeat of the strategy management process. In order for a plan to be an effective management tool, it must be up-to-date, guide decision making and be top of mind. Therefore consistent review and monitoring of the plan is necessary to know if we are on or off course and to modify the course if necessary.

- **Required Attendees:** Executive Strategy Team
- **Date, Time, Frequency:** Once a month, 1 hour
- **Input to Meetings:** Only relevant comments that week from updated goals
- **Individual Handouts for Meeting:** Department Managers' Department Action Plans (weekly) / Strategy Director' Full Plan with Progress' for all (monthly).

Annual Updates

The three words strategic planning off-site provoke reactions anywhere from sheer exuberance to ducking for cover. In many organizations, retreats have a bad reputation because stepping into one of the many planning pitfalls is so easy. Holding effective meetings can be tough, and if you add a lot of brainpower mixed with personal agendas, you can have a recipe for disaster. That's why so many strategic planning meetings are unsuccessful. This section focuses on the ten guaranteed ways to ruin your next meeting and



what to do to avoid them in advance.

Top 10 Ways to Ruin Your Annual Strategic Review Meeting

1. Refusing to Use a Facilitator:

Make sure to find a facilitator who understands and runs strategic planning meetings regularly. You want someone who can keep the meeting on task and guide the process so you achieve the desired outcome of a strategic plan.

2. Neglecting to Conduct Any Research Before the Meeting:

Some research is better than none. So if you find yourself in a pinch the day before or the day of the meeting, do what you can to get data about your customers' needs, your competitors' actions, and your employees' opinions. You need the right information in order to feel confident in your strategic decision making.

3. Inviting Everyone:

Although it's imperative that key employees have a voice in planning, not everyone has to literally be at the meeting table. Too many people in the room can lead to chaos and confusion, resulting in a strategic plan by committee instead of through educated decisions and leadership.

4. Holding an Annual Retreat:

Strategic management should be a habit, not an event. Hold your strategy meetings regularly (more than once a year) to realize enhanced performance. With that said, annual retreats are okay, but make sure they're not your only meetings of the year.

5. Getting through the Agenda No Matter What:

Strategic thinking is hard work. It takes a lot of mental energy to pull all the pieces of the puzzle together, see the future, make strategic decisions, and organize the plan usefully. By the end of most strategic planning meetings, people are mentally exhausted. Getting through the agenda is usually what it takes to have a completed plan. However, sometimes getting it all done just isn't possible. Focus on the outcomes instead of the exact agenda.

6. Forgetting to Explain the Process:

A good facilitator explains the strategic planning process and the expected outcome of the meeting from the get-go. Most people think they know how to develop a strategic plan, but that doesn't mean they truly can. Naturally, you don't want to insult anyone's intelligence, but take the time to review the different terms used in strategic planning and each step of the process. By making sure that everyone starts on the same page, you eliminate any confusion that may derail your meeting.

7. Assuming Everyone Thinks Like You:

Of course, everyone thinks like you, right? As a good leader, you know that's not the case. Unfortunately, sometimes you forget what's obvious and end up structuring a meeting based on your own preferences. In

reality, stepping into other people's shoes and ways of thinking is a difficult task. But in strategic planning, you want everyone in the room engaged.

8. Ignoring the Elephant in the Room:

Would you like to see a strategic planning meeting go down in flames? Forge ahead, even though you know you have some staff issues. If any key staff member is upset or has an outstanding problem, your strategic planning meeting may be disrupted. That person may sit in the meeting like a brooding elephant and finally blow his top and get the meeting off course.

9. Ending on a Low Note:

The best way to get people jazzed about the plan is to have them visualize success and ensure that everyone is comfortable with the work product. What does success look like? Help your team feel successful by living the future today. Ask your team to draw a picture of what the company may look like if you achieve your strategic plan. How many employees? What is the office like? Where are you located? Who are your customers? What's the media saying? And so on. Then have your team explain its vision to the group. After the drawings and explanations are over, tell your staff members to hang their creations at their desks to remind them of the plan and their part in it. That way, everyone leaves the planning session feeling successful, bought in to the decisions that were made and not overworked.

10. Overlooking Life after the Meeting:

The absolute worst thing you can do is continue business as usual, as though you never had a strategic planning off-site. Not only have you wasted everyone's time and your money, but you've also made it nearly impossible to get people to participate in the future.

Create — Empower — Execute

OnStrategy is the leader in strategic planning and performance management. Our cloud-based software and hands-on services close the gap between strategy and execution.

Strategy is more than simply achieving business goals. Smarter strategy builds smarter organizations. It inspires people to work hard, incite action and make things happen. Simply architected, thoughtfully executed, strategy moves mountains.

Whether you're just getting started, rolling out an organizational strategy, or managing execution, OnStrategy delivers the right tools and services to get the job done. Learn more at www.OnStrategyHQ.com.

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We built OnStrategy as an organizational platform and integrated tool-set for empowering people to create and execute strategy. Collaborative, intuitive and actionable, OnStrategy is helping thousands of organizations worldwide achieve their strategic objectives. All plans include a 30-day risk free trial with no long-term commitments.

2. Create and Execute Strategy While Empowering Your Organization.

OnStrategy is a tailored, yet structured tool for facilitating every essential element of successful strategy. It fosters engagement, clarity, ownership, accountability and organization-wide communications at every step of the strategic process. Self-help resources, best-practices and templates provide real-world help when needed most.

3. Supported by People Passionate about Strategy.

We built and support OnStrategy and are passionate about helping people achieve enduring success. Available to help throughout the strategic process, we offer practical hands-on services to facilitate strategy creation, empowerment, and execution.



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Phase 1: Determine Your Strategic Position

Phase 2: Developing Strategy

Phase 3: Build the Plan

Phase 4: Executing Strategy And Managing

