

OnStrategy

SESSION #6: MANAGE PERFORMANCE

PLANNING SESSION AGENDA

- I. Strategy Check
- II. Plan Rollout
- III. Establishing our Implementation Process

PHASE 4: MANAGE PERFORMANCE

Our Strategy Management Process

Impact

Engage. Inspire. Execute.

Getting started: ✓ Planning team ✓ Create schedule ✓ Gather documents



Determine Position

Strategy Issues: Identify strategic issues to address

Industry & Market Data: Identify market opportunities and threats

Customer Insights: Assess current satisfaction and future demand.

Employee Input: Determine strengths and weaknesses.

SWOT: Synthesize the data into summary SWOT items.



Develop Strategy

Mission: Determine your organization's core purpose.

Values: Identify your core beliefs.

Vision: Create an image of what success looks like in 5 years.

Competitive Advantages: Solidify your unique position

Org. Wide Strategies: Establish the approach for how you will succeed

Long-Term Objectives: Develop a 3 year balanced framework of 6 or less objectives.

Forecast: Develop a 3-year financial projection.



Build the Plan

Use SWOT: Process the SWOT to set priorities.

Organizational Goals: Set short-to-mid-term SMART goals. (1+ yr.)

KPIs: Select key performance indicators to track progress.

Department Goals: Cascade org goals to departments. (12 months)

Team Member Goals: Cascade dept. goals to individuals.

Budget: Align a one-year budget with the plan.



Manage Performance

Rollout: Communicate strategy to whole organization

Set Calendar: Establish schedule for progress reviews

Leverage Tools: Train team to use MyStrategicPlan

Adapt Quarterly: Hold progress reviews and modify

Update Annually: Review end of year, plan next year.

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STRATEGY CHECK

Six “Strategy” Questions

1. Why do we exist?
2. How will we behave?
3. Where are we going?
4. How will we succeed?
5. What is most important right “now”?
6. Who must do what?

STRATEGY EVALUATION

Test Your Strategy:

- Will your strategy beat the market?
- Does your strategy tap a true source of advantage?
- Is your strategy granular about where to compete?
- Does your strategy put you ahead of trends?
- Does your strategy rest on privileged insights?
- Does your strategy embrace uncertainty?
- Does your strategy balance commitment and flexibility?
- Is your strategy contaminated by bias?
- Is there conviction to act on your strategy?
- Have you translated your strategy into an action plan?

ROLLOUT

LEADERSHIP & STRATEGY

What sets leaders apart:

Focusing on the future

**Clearly communicating the future and
people's stake in that future**

**Where the organization is on the path
from here to there**

COMMUNICATING WITH CLARITY

Repetition: Don't be afraid to repeat the same message, again and again

Simplicity: The more complicated the message, the more potential for confusion and inconsistency

Multiple mediums: People react to information in many ways; use a variety of mediums

Cascading messages: Leaders communicate key messages to direct reports; the cycle repeats itself until the message is heard by all

MAKE SURE THAT ALL STAKEHOLDERS GET THE RIGHT INFORMATION NEEDED TO EXECUTE.

	Strategy	Execution
Public, citizens, customers	<u>Websites</u> , <u>summary sheets</u>	Newsletters, <u>press releases</u>
Board	Executive summary	KPI Dashboard
Senior Staff	Full Strategic Plan	KPI Dashboard
Managers	Department Plans	Dept. Dashboard
Staff	Individual Plan	Status report

CONTINUAL COMMUNICATION BY THE CEO USING THE STRATEGY MAP.



Company:
Plan:

Strategic Plan

Foundation

Our Mission

We are committed to help people with disabilities celebrate their abilities.

Our Core Values

Honesty, Service, Excellence,
Professionalism, Caring,
Community-Focused

Competitive Advantage

What we do best

20+ years of mobility experience
1st class, easily accessible, and strategically located facilities
Outstanding customer service
Braunability Premium dealer
Largest new/used inventory selection
Largest rental fleet in the region

Organization-wide Strategies

How we will get there

2010 - Grow in Braunville metro area by adding a store in south suburb
-Target 1.2M in sales in 1st year
-Use existing admin and inventory support from existing location for 1st 12 months
2011 - Prepare organization for accelerated growth & extended customer reach

Strategic Objectives/Priorities and Goals

Financial - How we are profitable

- | | |
|--|---|
| <p>1. Revenue Growth: Grow revenue 15% per year minimum
1.1 Provide an effective capital structure & fiscal management
1.2 Increase used vanna sales by 5 %
1.3 Increase new van sales by 10%</p> | <p>2. Net Profit: To achieve appropriate net profit
2.1 Manage costs to ensure operating expenses do not exceed 20% of sales
2.2 Keep gross margins at 25% or above
2.3 Deliver net margin >5% on sales</p> |
|--|---|

Customer - How we provide value

- | | |
|--|---|
| <p>3. New Customers: Increase new customer base base encouraging the most important value of honesty
3.1 Increase new customer base by 20% annually</p> | <p>4. Current Customers: Retain current customer base encouraging the two most important values, honesty and service excellence
4.1 Maintain current customers by ensuring customer satisfaction through monthly electronic communication & quarterly scheduled maintenance program
4.2 Make phone calls 2x a year to all current customers
4.3 Host annual appreciation day for all customers and vendors</p> |
|--|---|

Internal/Operational - Which processes we must excel at

- | | | | |
|--|---|--|---|
| <p>5. Equipment: Providing quality mobility vehicles at competitive prices
5.1 Product mix of inventory of vehicles in the \$20K - \$70K price range
5.2 Increase inventory of both new and used vehicles</p> | <p>6. Facilities/ Locations: Expanding our locations throughout the nation
6.1 Secure an excellent location in south suburb
6.2 Expanding our existing parking lot</p> | <p>7. Marketing/ Sales: Invest in marketing & manage its effectiveness
7.1 Develop a database of customers in our area
7.2 Increase use of advertising...
7.3 Maintain relationships with local dealers</p> | <p>8. Processes: Duplicate our technologies and information systems
8.1 Maintain our web-based programs according to the policy of the local sales team
8.2 Close 10% of all leads that come through the system.</p> |
|--|---|--|---|

People/Learning - How we must learn and improve

- 9. Training: Continue to train, motivate, and coach our team of experienced mobility experts and service staff**
9.1 Provide ongoing training and educational opportunities for our sales team by sending them to yearly industry conference and Ability Workshops.
9.2 Require all new sales person to attend Braun training within 90 days of their hire.

Key Performance Indicators

Our Mission

Measure	Target
9% of total unit increase	15%
9% of used vans sold	5%
9% of new vans sold	10%
# of Chrysler vans	33
# of Toyota / Honda Vans	45
# of vehicles total w/used	106
9% of leads closed	>12%
9% of CSI scores	>92%
Workshop attendance	100%

Vision

How we measure success

Helping individuals lead full and active lives, one customer at a time.


- 100s of client testimonials about how our equipment expanded their quality of life
- Clients referring families and friends
- Employee friendly environment and #1 employer in the industry

Implementation

How we make strategy a habit

- Assign a Strategic Plan lead
- Set dates for monthly / quarterly strategy review meetings
- Progress of goals updated by the 5th of each month

STRATEGIC PLAN AT-A-GLANCE



North Slope Borough School District

2010-2015 Strategic Plan Summary

Prepared by M7 Planning

MISSION STATEMENT

Learning in our schools is rooted in the values, history and language of the Iñupiat. Students develop the academic and cultural skills and knowledge to be:


- Critical and creative thinkers able to adapt in a changing environment and world;
- Active, responsible, contributing members of their communities; and
- Confident, healthy young adults, able to envision, plan and take control of their destiny.

VISION STATEMENT

We envision...
Our students graduate prepared and qualified to excel as productive citizens in the world, and able to integrate Iñupiat knowledge and values with Western ways. Our curriculum is culture-based, our attendance rate is above the state average, our parents and community members are committed to education and meaningfully engaged, more of our teachers are our own graduates and speak Iñupiaq, and our schools reflect who we are as people.

CORE VALUES

Our Guiding Principles are:



EDUCATIONAL PHILOSOPHY

Education, a lifelong process, is the sum of learning acquired through interactions with one's environment, family, community members, schools, and other institutions and agencies. Within the Home Rule Municipality of the North Slope Borough, "schooling" is the specific, mandated responsibility of the North Slope Borough School District Board of Education. The Board of Education is committed to providing academic excellence in the "schooling" environment. This commitment to academic excellence shall focus on the learner, recognizing that each student brings to the "schooling" environment his own interest, learning styles, cultural background and abilities.

STRATEGIC PLAN-AT-A-GLANCE

(2011-12 SCHOOL YEAR)



INSTRUCTIONAL FOCUS STRATEGIC GOALS & DISTRICT OBJECTIVES

1 All students will reach their intellectual potential and achieve academic success through integrating Iñupiaq knowledge systems into the core content areas.

- 1.1 Curriculum Alignment, Integration & Mapping: Complete Year 2 of the cycle for K-12 curriculum alignment, integration and mapping in language arts, math and science.
- 1.2 Academic Success: Students will excel in academic areas higher than State or National Standards.
- 1.3 Qargi Concept: Establish the Qargi Concept at each site by Fall 2014.

COMMUNITY AND FAMILY ENGAGEMENT STRATEGIC GOALS & DISTRICT OBJECTIVES

2 We will actively engage parents, Elders, businesses and the community as partners in our children's education.

- 2.1 Improve School Climate: Improve the school climate.
- 2.2 Board: One board member will visit each village once per year to host community dialogue.
- 2.3 Parent Engagement: Create Parent Buy-In to drive attendance through focus on parent education and resources.
- 2.4 Elders: Provide the opportunity for interested Elders to be involved in academics.
- 2.5 Partnerships: Increase community and business partnerships.
- 2.6 Calendar: Define with each community what a culturally sensitive calendar that maintains an academic focus throughout looks like.
- 2.7 Iñisavik Partnership: Transform the pre-K3/K4 program into a lab school to build local capacity needed to develop and sustain language nests slope wide, in partnership with Iñisavik. (Contingent on funding)
- 2.8 Iñupiaq Language: Share responsibility for perpetuating the Iñupiaq language by initiating dialogue with community and elders.

STAFF & BOARD DEVELOPMENT STRATEGIC GOALS & DISTRICT OBJECTIVES

3 We will continually strengthen the recruitment, retention and professional development of highly effective staff.

- 3.1 Hiring and Recruiting: Improve the hiring and on-boarding process for all employees by incorporating elements from the human resources audit.
- 3.2 Retention: Maintain a staff turnover rate lower than the Alaska rural average.
- 3.3 Training and Development: Provide professional development and succession planning for certified and classified employees in support of the goals in the strategic plan.
- 3.4 Local Workforce: Maximize our local workforce by growing and employing local staff.
- 3.5 Certification Program: Design an Indigenous Teacher Certification program, modeled after Hawaii, to increase the number of Iñupiaq people certified as teachers (working in collaboration with Iñisavik College and other education partners).

ORGANIZATIONAL AND FINANCIAL STEWARDSHIP STRATEGIC GOALS & DISTRICT OBJECTIVES

4 We will effectively employ our financial and operational resources to support our strategic goals.

- 4.1 Transparency: Continue to improve and implement transparency and credibility by strengthening financial policies and controls in the budget process. (Tammy & Fred)
- 4.2 Learning Environment: Provide classroom environments conducive to learning through proactive operational support. (Pat & Fred)
- 4.3 Technology: Evaluate the adequacy of technology as a tool to facilitate learning, communication and collaboration, especially in the villages, through the EED technology plan process.
- 4.4 Communication: Foster effective and collaborative communication to sustain a culture of unity and trust.
- 4.5 Endowment: Create a non-profit endowment.





VIDEO GAMING TECHNOLOGIES, INC.



MISSION STATEMENT

Our Mission is to provide superior gaming entertainment:

- Players win with a fun & rewarding gaming experience
- Customers win through exceptional products and service
- Associates win by being part of a culture of excellence, innovation and uncommon achievement

SLOGAN

"We Create Winners!"

VISION STATEMENT

VGT will be one of the top three most profitable US-based manufacturers of gaming machines, dominating the participation market.

Our vision is to triple our business in the next five years. VGT will be one of the top 3 manufacturers of gaming machines as measured by revenue and profit. We will demonstrate excellence in the innovation and creation of unique gaming machines. The industry will envy our profit margins and ability to achieve long-term recurring revenue partnerships with our customers. We drive quality as evidenced through winning the Malcolm Baldrige Quality Award. VGT will be voted the best company to work for in the gaming industry.

At VGT, we will measure excellence through looking at units placed against similar products in our market. We will achieve at least 20% of the market share with a 5-year focus in North America. Our win per unit will exceed 10% above the average. We will achieve 40-50% of total revenue outside of Oklahoma. We will sustain the lease share model at a rate comparable to market average. And, our customer and player surveys will reflect the highest level of satisfaction.

In the next five years, VGT will have great success and our associates will share in it.



CORE VALUES

- We will **Respect** our associates and **Value** their contributions.
- We will compete with **Passion** and **Integrity**.
- We will **Communicate** openly and honestly.
- We will cultivate **Excellence** and **Innovation**.
- We will foster a **Fun** and **Rewarding** work environment.
- We will encourage a culture of **Collaboration** and **Accountability**.
- We will **Do the Right Thing**.

SAVING YOUR DECISIONS

Generate [Reports Here.](#)

IMPLEMENTATION

WHITEBOARD VIDEO

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[The Secret To Strategic Implementation](#)

The monthly or quarterly review meeting is the heartbeat of the strategy management process.

How will we use the plan as a management tool?

Definition:

Implementation is the process that turns strategies and plans into actions in order to accomplish strategic objectives and goals.

Outcome:

Syncing checking in with your plan into the “rhythm of your business”

QUESTIONS TO ASK

- **Communication Schedule:** How and when will you rollout your plan to your staff? How frequently will you send out updates?
- **Process Leader:** Who is your strategy director?
- **Structure:** What are the dates for your strategy reviews (we recommend at least quarterly)?
- **System & Reports:** What are you expecting each staff member to come prepared with to those strategy review sessions?

TIPS

1. Narrow the focus - select high priority goals.
2. Empower the team to act on lead measures.
3. Make progress visible - weekly.
4. Create a cadence of accountability.

STRUCTURE

Management Structure

CEO

Managers

Teams

All Staff

Plan Structure

Vision

Mission

FY13 & 14 Corp Goals

FY13 & 14
Department Goals

FY13 Team Goals

FY13 Individual Goals

Weekly To-Dos

Meeting Structure

Annual Plan Update
(Senior Leadership and the
Core Planning Team)

Quarterly Strategic
Review
(Senior Leadership and Dept.
Managers)

Monthly Strategy
Update
(Dept. Managers with their
Team Leads & All Staff)

Weekly Tactical
(Dept. Managers with their
Team Leads & All Staff)

CREATE A CADENCE OF ACCOUNTABILITY

	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	Required Reports	
Planning	Strategic Plan Approved							Review/Modify Strategic Plan for FY 14-15					<ul style="list-style-type: none"> Comprehensive Strategic Plan Strategic Plan Brochure 	
	Complete Department Action Plans for FY 13-14 and FY 14-15													<ul style="list-style-type: none"> Department Action Plans Team Member Action Plans
						Begin Developing Budget for FY 14-15	Budget Calibration for FY 13-14			Budget for FY 14-15 Sent for Approval	Budget Approved for FY 14-15			<ul style="list-style-type: none"> Current Year Budget Current Year YTD CapEx Expenditures
Engagement	Community Engagement												<ul style="list-style-type: none"> One-Page Plan Strategic Plan Brochure 	
	Staff Comm.												<ul style="list-style-type: none"> Comprehensive Strategic Plan 	
Execution	Board Progress Reporting		Pre-planning Report to Board during retreat			Q1 Progress Report to Board			Q2 Progress Report to Board			Q3 Progress Report to Board	<ul style="list-style-type: none"> Executive Summary with Progress Strategy Review PowerPoint 	
	Staff Progress Report				QBR			QBR			QBR		<ul style="list-style-type: none"> Department Action Plans 	

SAVING YOUR DECISIONS

Set Your [Implementation Calendar Here.](#)

WHITEBOARD VIDEO

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[Running A Great Strategy Review](#)

QUARTERLY STRATEGY REVIEW - OVERVIEW



Core departmental-level leadership team.

Key staff.

Entire senior management team.

No operations review.

Discuss strategic issues (chosen in advance).

** Steps based on an article from Balanced Scorecard Collaborative (BSC) Report,*

December 2006

STRATEGY SESSION AGENDA

Item	Responsibility & What to Bring
<u>Overview - Clarify the Agenda</u>	CEO
<u>Corporate Scorecard Status</u> 1. Report on corporate KPIs - on and off target	CEO
<u>Dept. or S.O. Scorecard Status:</u> 1. Note accomplishments. 2. Report on status of your goals and measures. 3. Determine steps to get off track items back on track.	Department Manager Bring overall “team action sheet” and “department full plan with status”.
<u>Strategic Issues/Topics:</u> 1. Address any items that came up in the team updates. 2. Discuss (formally or informally) strategic issues in order of critical importance to the business. (Brief the issue, identify alternatives, suggest solutions, identify next action.)	Issue leader Bring issue briefing material
<u>Meeting Review</u>	CEO

STRATEGY REVIEW SESSION QUESTIONS

- What were our three most important strategic accomplishments of the last 90 days - how have we changed our field of play in the past 90 days?
- What are the three most important ways we fell short of our strategic potential?
- In the last 90 days, what are the three most important things that we have learned about our strategy? (NOTE: We are looking for insight to decision to action observations.)

COMMON PITFALLS

- Lack of ownership
- Lack of communication
- Getting mired in the day-to-day
- Out of the ordinary
- An overwhelming plan
- Not considering implementation
- No progress report
- No accountability

PLANNING TEAM NEXT STEPS

1. Schedule dates for your strategy review sessions
2. Rollout the plan to key stakeholders
3. Set up reminders to alert people to manage their performance on their strategic goals
4. Ensure a living, breathing plan by conducting your strategy review sessions and updating your plan according to your planning calendar