

# **THE STRATEGIC PLANNING PROCESS OVERVIEW**

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## **Overview**

As organizations attempt to enhance the services or products they provide in an ever-changing client environment, strategic planning becomes one of the most effective approaches to streamlining operations and setting long-term and short-term goals. Strategic planning involves the development of a collective vision, mission, and corresponding strategic themes and goals. As a result, organization activities and initiatives become focused and accomplishing important goals becomes more attainable.

A strategic plan and its corresponding goals represent activities beyond normal organizational operations. Therefore, embarking on a strategic planning process involves actions and initiatives that are additional to normal operations. Moreover, strategic plans will impact the organization financially by requiring funding above the operational budget.

## **Strategic Planning Process**

Strategic planning is a systematic process for evaluating the nature of an organization and defining long term goals and initiatives. Usually a strategic plan is developed as a 3-5 year plan. The resulting plan is a guide for accomplishing an organizational mission composed of a number of goals and component action steps.

Strategic planning begins by addressing the following three questions. Where are we today? Where are we going as an organization? How do we get there?

After these preliminary questions are answered by the organization, a four step process to build the plan is initiated. Diagram 1 illustrates this process.

### **Step One - Creating a Vision for the Organization**

During this phase of the process, the articulation of the organizational culture, structure, and direction is formulated by team members. This includes the ability of team members to perceive changes in the organization as well as identifying core values. The result of this phase is the creation of a comprehensive vision statement that describes how the organization will look in the future.

### **Step Two - Creating a Mission Statement**

After the creation of the organizational vision statement, a mission statement is developed directly from the vision. The mission statement should be concise and easy to understand from both the employees' perspective as well as the clients. It should incorporate the organizational culture as well as specific outcomes.

### Step Three - Goal Identification

A goal is a broadly defined planned organizational outcome or accomplishment. Goals are multi-dimensional and easy to understand but too broad to measure directly. Goals should flow directly from the mission statement.

### Step Four - Creation of Action Steps

Action steps are the concrete initiatives for completing the goals identified. They should be quantifiable as well as measurable in order to determine the status of the goal. More than one action step is associated with each goal. Action steps are then assembled into a tactical plan for implementation.

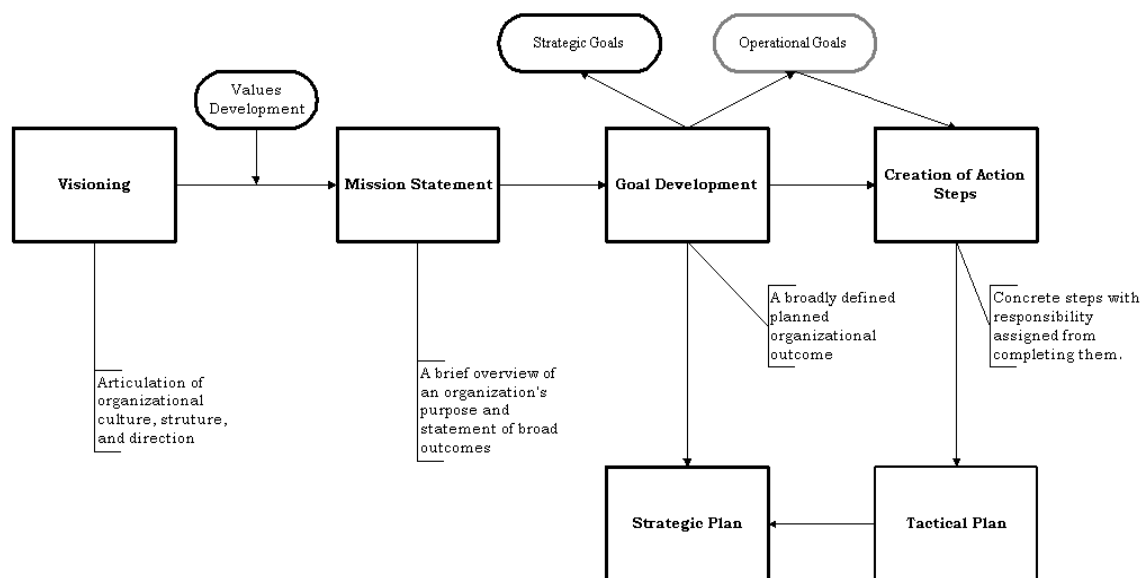


Diagram 1. The Strategic Planning Process Within Organizations

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### Potential Problems Associated with Strategic Plans

For most organizations, there are four potential problems linked to strategic plans. One involves stressing numbers instead of quality. Many times strategic plan success is tied to quantitative results (increased number of in profession employees, enhanced training efforts, etc.). Rather, assessment of plans should also take into account the impact on quality (how is the employees/clients experience improved, how has the workplace become a better environment for the employee/client, or how has the plan improved the overall well being of the employee).

Another potential pitfall is neglecting the analysis of both the internal and external environment. An organization must consider the internal environment and determine whether it is prepared for embarking on a strategic planning process. Coupled with this decision is assessing the impact on the strategic planning process by forces outside of the organization.

Implementation is a third potential problem related to strategic planning. Identifying a vision, mission statement, and goals is relatively simple. The difficult work is translating these into action steps and tasks. In other words, turning the abstract into the concrete can be tough for organizations. For a strategic plan to work, measurable goals with action steps must be developed along with assigning individuals or organizational units to accomplish them.

Lastly, every strategic plan has financial considerations. The costs associated with implementing a strategic plan are above the costs associated with operational activities. All strategic plans will impact the budget and this must be assessed by the organization before starting the process. Failing to address the financial considerations is the ultimate *deal breaker*.