



Ready, Aim, Fire — The Real Value of Strategic Planning

Ready, fire, aim. Wait, the sequence is wrong! But, does this sequence describe the way you do business? Unfortunately, many of today's businesses "fire" first and "aim" later in an effort to seize an opportunity in the marketplace. While this particular strategy may yield some positive results in the short term, it may have a different effect in the long term. So, what can you do to avoid this? Strategic planning offers options!

Strategic planning may best be summed up by the words of one of the country's most prominent business authorities, Peter Drucker. According to Mr. Drucker, "Strategic planning does not deal with future decisions. It deals with the futurity of present decisions. What we have to do today is to be ready for an uncertain tomorrow." The idea sounds simple enough. In fact, in the 1960s the popularity of corporate strategy sky-rocketed and nearly every CEO earned his keep by categorizing, analyzing, quantifying and predicting. Through these exercises, it was believed that one could plot a strategy that would safely steer a company to the threshold of success and beyond. By the 1980s, however, U.S. companies found themselves fighting for market share with their global competitors. In the struggle to catch up, corporate America began the infamous trend of reengineering. While reengineering may help squeeze a little more profit out of operations, it does little to generate a distinctive competitive advantage. That is where strategic planning comes in!

No longer a top-down, internalized process, today's strategic planning process brushes with a broad stroke and encompasses a variety of perspectives, models and approaches. Goals-based planning is the most popular approach. Goals-based strategic planning offers some striking benefits. By focusing on the organization's mission and vision, it offers a mechanism to establish goals, strategies to achieve those goals and realistic action plans – all while ensuring consistency with the company's core values. Documenting this provides a basis from which progress can be measured.

The real benefit of strategic planning is in the process itself, however, and not the resulting documents. Working through the process ensures that all the organization's leaders are "on the same page" which means that valuable resources are focused on the same priorities. By establishing the process, companies can also react quickly and methodically to changes in the marketplace rather than firing first and aiming second. Finally, resulting from direct involvement in the process, strategic planning may give employees a sense of ownership. Many times, this leads to more efficiency, effectiveness and even greater innovation.

Wondering how to start the process? Companies typically have the most success with outside consultants or facilitators. This is especially true when the process has not been conducted before or previous planning was not deemed successful. Despite the obvious savings of using an internal facilitator, outside consultants offer objectivity and will most likely increase, rather than inhibit, open participation.

Who should be involved and how long will it take? Assembly of the right team is critical and it should always include the CEO and Chairman. Some representation from the other end of the spectrum is a must as well, so that upper management can get a better grasp on day-to-day issues and junior staffers can grasp top-level issues. Most importantly, those individuals who will actually implement the plan must be included. The process, itself, can take several months to complete though numerous factors can impact it including the size of the organization and whether the organization has done this sort of planning before. In general, it is important to have the meetings fairly close together to keep the momentum going and, remember, no plan is perfect so the object is to learn from the process and not to belabor the process until the plan is perfect.

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Implementation and Follow-up. A frequent complaint about strategic plans is that they produce a document that ends up on the shelf collecting dust. To succeed, the support of top management is essential from the onset. Before the planning process begins, however, a strategic analysis must be conducted. Conducting a thorough SWOT Analysis (Strengths, Weaknesses, Opportunities and Threats) is a good start. Relying on what planners perceive about the business environment they operate in nullifies the entire process. Finally, realistic and specific action plans must be established followed by regularly scheduled status checks.

Ready, aim, fire. Now that sounds better and when it comes to business, it's the magic formula. As skilled strategic planners, we can facilitate your next strategic planning session. Give us a call to fire toward your future target.