**STRATEGIC PLANNING**

Not to oversimplify how to create a strategic plan, but by placing all the parts of a plan into three areas, you can clearly see how the pieces fit together. The three pieces of the puzzle are:

* Where are we now?
* Where are we going?
* How will we get there?

Each part has certain elements to show you how and where things fit it. Our 4-Phase Guide to Strategic Planning lays out each step of the planning process.

Where are we now?

As you think about where your organization is now, you want to look at your foundational elements (mission and value) to make sure there has not been a change. More than likely, you will not revise these two areas very often. Then you want to look at your current position or your strategic position. This is where you look at what is happening internally and externally to determine how you need to shift or change. You should review your strategic position regularly using a SWOT. These elements are as follows:

* **Mission statement:** The mission describes your organization’s purpose — the purpose for which you were founded and why you exist. Some mission statements include the business of the organization. Others explain what products or services they produce or customers they serve. Does your mission statement say what you do? Why does your organization exist?
* **Values and/or guiding principles:** This clarifies what you stand for and believe in. Values guide the organization in its daily business. What are the core values and beliefs of your company? What values and beliefs guide your daily interactions? What are you and your people really committed to?
* **SWOT:** SWOT is an acronym that stands for strengths, weaknesses, opportunities, and threats. These elements are crucial in assessing your strategic position with your organization. You want to build on your company’s strengths, shore up the weaknesses, capitalize on the opportunities, and recognize the threats.

Where are we going?

The elements of the question “Where are we going?” help you answer other questions such as “What will my organization look like in the future?”, “Where are we headed?”, and “What is the future I want to create for my company?” Because the future is hard to predict, you can have fun imagining what it may look like. The following elements help you define the future for your business:

* **Sustainable competitive advantage:** A sustainable competitive advantage explains what you are best at compared to your competitors. Each company strives to create an advantage that continues to be competitive over time. What can you be best at? What is your uniqueness? What can your organization potentially do better than any other organization?
* **Vision statement:** Your vision is formulating a picture of what your organization’s future makeup will be and where the organization is headed. What will your organization look like in 5 to 10 years from now?

Need software to help you write your strategic plan and manage its execution?

Start your 14-day risk free trial today.

GET STARTED

How will we get there?

Knowing how you’ll reach your vision is the meat of your strategic plan, but it’s also the most time consuming. The reason it takes so much time to develop is because there are a number of routes from your current position to your vision. Picking the right one determines how quickly or slowly you get to your final destination.  
The parts of your plan that layout your roadmap is listed below:

* **Strategic objectives:** Strategic objectives are long-term, continuous strategic areas that help you connect your mission to your vision. Holistic objectives encompass four areas: financial, customer, operational, and people. What are the key activities that you need to perform in order to achieve your vision?
* **Strategy:** Strategy establishes a way to match your organization’s strengths with market opportunities so that your organization comes to mind when your customer has a need. This section explains how you travel to your destination. Does your strategy match your strengths in a way that provides value to your customers? Does it build an organizational reputation and recognizable industry position?
* **Short-term goals/priorities/initiatives:** Short-term goals convert your strategic objectives into specific performance targets. You can use goals, priorities, or initiatives interchangeably. Here, I use goals to define short-term action. Effective goals clearly state what you want to accomplish, when you want to accomplish it, how you’re going to do it, and who’s going to be responsible. Each goal should be specific and measurable. What are the 1- to 3-year-goals you’re trying to achieve to reach your vision? What are your specific, measurable, and realistic targets of accomplishment?
* **Action items:** Action items are plans that set specific actions that lead to implementing your goals. They include start and end dates and appointing a person responsible Are your action items comprehensive enough to achieve your goals?
* **Scorecard:** A scorecard measures and manages your strategic plan. What are the key performance indicators you need to track to monitor whether you’re achieving your mission? Pick 5 to 10 goal related measures you can use to track the progress of your plan and plug them into your scorecard.
* **Execution:** In executing the plan, identify issues that surround who manage and monitors the plan and how the plan is communicated and supported. How committed are you to implementing the plan to move your organization forward? Will you commit money, resources, and time to support the plan?