

The Key Strategic Planning Process

“Key Associates, Inc. has accelerated our growth plans and provided a responsive and innovative approach that is making a measurable difference -- in how we position ourselves in the marketplace, in how we make decisions and in how we execute together. Another great thing that you did was get a group of non-agreeing managers together and on the same page. You tackled those who doubted the need for this and took them from reluctant attendees to active participants – thank you! ”

**Kevin Hourigan, President and CEO
Bayshore Solutions, Inc.**

“Key Associates quickly and effectively helped us consolidate our past strategic planning work and brought a diverse group of people together to establish a unified vision. What was truly exceptional, was their ability to help us quickly deploy and execute on our plan.”

**Steve MacDonald, President and CEO
myMatrixx**

Right Focus

DSE Consulting will help you develop and refine your Mission, Vision, and Values. Even though you may think you have those in place, our experience tells us that many organizations don't have the right ones or there's no sense of ownership of them across the company. Next we look at your Core Focus – what are you great at that your target customer wants, needs and uses?

Situational analysis

Research and experience has shown that scenario planning and a comprehensive situational analysis is a powerful way of understanding future trends and your competition. During scenario planning, you will explore possible future outcomes -- the best and worst case scenarios and “wild card” or unexpected situations -- and determine what's most probable.

In the situational analysis you'll examine:

- Customers
- Competitors
- The organization's own realities
- Industry dynamics
- The broader environment

Here are some of the types of questions that we ask when conducting a situational analysis:

About Customers

- What are the underlying trends affecting customer preferences?
- Which customers are you targeting?

- What are their priority needs?
- How well are those needs served?

About Competitors

- What are the trends that affect your critical performance measures? What conclusions can you draw?
- Where are you making money and where are you not making money?
- What are your key strengths, the ones that can be leveraged for competitive advantage?
- Where are your weaknesses, the ones that represent barriers to better performance?

About Your Industry

- What trends in your industry are the most important in shaping the future?
- What are you currently doing to address those developments so that you can produce greater value for your customers?
- What barriers do you need to overcome to take the lead in addressing those trends profitably?
- What would the top priorities be to innovate in your space?

The Broader Environment

We will help you examine and understand:

- Economic Trends
- Social habits and attitudes
- Technology
- Demographics and government policies

Sometimes it's necessary to do market research during the situational analysis to determine the viability of an opportunity.

With this work done, we summarize the data into a single list of the most important findings, trends and assumptions. Once you've listed the major opportunities and threats stemming from this data, we will help you identify your strategic choices.

The first step is to agree on your target customers and the products and services you'll offer. An often-ignored next step is defining the winning proposition, which answers the question, "How are you going to win in your market?" A winning proposition might be: "We provide Microsoft technology solutions cheaper and faster than other companies and still make a profit."

With the winning proposition in place, we will help you determine the 3-5 major things, or key success priorities, that you'll focus your resources on in order to deliver your winning proposition.

Source: Willie Pietersen

Developing a strategy

This process will produce a map of strategic choices that can be used to test your best case, worst case and wildcard scenarios, and the most probable future situations. This exercise will display possible future business outcomes more clearly and help your organization better prepare to adapt to a changing climate.

This is a great time for you to revisit your Vision and Mission statements and ask: "If you deliver your winning proposition, is it consistent with your Vision and Mission?" If not, what must you do to create the necessary alignment before proceeding? If there is alignment, then it is time to define strategic goals.

Just as we used the winning proposition to validate previous work, the key success priorities become the basis for your strategic goals. Strategic goals are broad based and directional, and are not measurable at this point. An example of a broad based goal: "to increase customer satisfaction."

Once the strategic goals have been set, a SWOT analysis is completed. SWOT stands for Strengths, Weaknesses, Opportunities and Threats. Internal strengths and weaknesses and external opportunities and threats are analyzed for each goal. Data developed in the situational analysis is considered during this process as well.

Tracking progress and developing ownership

After the strategic goals are set and the SWOT analysis completed, we outline the key result areas or performance indicators that could serve as measures for tracking progress and results. An example here might be "customer retention" as an indicator of achieving the goal of "Increased Customer Satisfaction."

Consistent with a "balanced scorecard" approach, key result areas are sorted into four broad categories:

- Customer
- Financial
- Internal Business Processes
- Learning & Growth

Source: Kaplan & Norton

Key result areas show you where to assess your current position against where you need to be. Assessing where you are now and establishing where you want to be in order to successfully execute your plan allows you to drill down to the specifics. During this gap analysis, we define observable, measurable, and verifiable objectives that will continue to focus resources on what matters most.

An example: Retain 75% of our current customer base during the next 3 years. (We currently retain 45% of our current customers from year to year.)

How will you close the gap? We use action plans to map out your approach. The framework for these can be taught and then all key stakeholders get involved in building and reporting on their action plans. To build accountability into the system, assign an "owner" for each objective. Budget decisions are based on these key result areas, objectives and action plans. Right Execution is enhanced because people are accountable and responsible for their part in making your organization a high performing one.