

# ***Strategic Planning and Management***

By

Norah Madaya

Consultant, ScanStat/INE

19 June, 2008

# What is Strategic Planning?

- Create the future you want by carefully planning:
  - think strategically rather than operationally;
  - involve lots of “voices at the table”,
  - consider the external and internal environment;
  - achieve critical outcomes with a specific plan.
- **It is a way of doing business**
  - It concentrates on long-term purpose and direction, on the key issues, which face the organization in the long-term

# Why institutions/individuals do not plan?

- There is never time to plan because of the pressure of urgent day-to-day work.
- There is little point in planning because the future and circumstances change at a stroke.

*\* To a certain extent this is true because the approaches to planning have been largely imposed and top-down with little emphasis on delegation, empowerment and flexibility. As a result, most plans end up not implemented.*

# Strategic planning

- Planning is not an end in itself, it is an aid to management and it leads to better management. *[its mainly for managers]*
- *Strategic planning emphasizes a predictable path by:*
  - *doing the same thing **cheaper** (cut costs),*
  - *doing the same thing **better** (continuous improvement) and*
  - *doing different things (radical change).*

# ...Strategic planning

- helps to release senior management time rather than adding to the manager's load
- Provides clarity of direction and eliminates the need to revisit issues repeatedly.
- reduces the number of problems encountered (*feasibility & resource issues*).

# Strategic planning process

■ 3 key stages.

1. **Analysis**
2. **Appraisal of options, and**
3. **Action.**

*The process is more important than the product because if people don't internalize the elements of the plan, it is difficult to implement it.*

# Analysis stage

## ■ **Mandate and Stakeholder analysis**

(What do people want from us?)

### **Mandate analysis –**

- What must the organization do?
- What could the organization do?
- What must the organization not do?

[Describe, for example, the history of the organization (function), its major programs and services, highlights and accomplishments during the history of the organization]

# ...Analysis

- descriptions, for example, of the history of the organization, its major programs and services, highlights and accomplishments during the history of the organization

# Stakeholder Analysis...

- **Stakeholder analysis**

Stakeholders are organizations, agencies and individuals that have potential or actual significant influence on the

# Analysis...

In stakeholder analysis there is need to understand;

- who they report to and depend upon
- their resources
- capabilities
- track record
- political clout and reputation
- internal culture and
- attitude towards your organization

# SWOT Analysis

- This is a listing of strengths, weaknesses, opportunities and threats.
  - helps to identify what works- - and what doesn't - about your systems and processes, structure, leadership and management, and
  - how well your vision and mission are being translated into tangible services.
  - opportunities and threats can be further analyzed using a **PEST** technique because of the changes that take place which are *political, economic, social and technological*.

# SWOT...

## Strengths:

- *What qualities do internal and external customers appreciate most about us?*
- *Are we clear about our vision and mission?*
- *Do we have programmes and services that address our customers' needs? If so what and how?*
- *What unique knowledge and experience do our staff members possess?*
- *What resources (people, money, information, technology etc) are available?*
- *How are we innovative?*
- *How and why are we better than others in the same area/business operation?*

# SWOT...

## Weaknesses:

- *What makes our members unhappy about our products and services?*
- *Are we able to deliver on our vision and mission?*
- *What resources do we need that we don't have?*
- *Do we tend to do what has always been done?*
- *Does the organization or staff fear to take risks?*
- *What policies or procedures are obsolete or faulty?  
What positive actions have we yet to pursue?*
- *Where do we constantly struggle or fail to meet our objectives?*
- *What sacred cows are we holding on to, and why?*

# SWOT...

## ■ Opportunities:

- What changes are taking place in the wider environment that support the profession we serve?
- What new or alternative ways could help us do our work more efficiently and effectively?
- What are the government policies, legislation and strategies that work in our favour?
- How can our organization take advantage?
- Where does our organization have entry to influence decision makers to support our work?
- Who in the public eye favours our cause? Who could be a reliable ally or partner?

# SWOT ...

## ■ Threats:

- How could changes in the environment hurt us?
- How could government regulations or pending legislation - in our country or other countries negatively affect us?
- Are our customers unhappy about us?
- Are alternatives available to our customers?

# Vision Statement

- An organizational vision is a mental journey from the known     unknown.

[It is the desired outcome of a strategic plan at a future point. "What do you hope for your clients? It should show the "words" you want to be associated with.]

## Note:

- Vision without action is merely a dream.
- Action without vision just passes the time.
- Vision with action can change the world.

[The purpose of the vision is to inspire and energize so that all employees of an organization can rally behind it.]

# Mission Statement

A mission statement answers the questions;

- “why does this organization exist?”
- “what is this organization seeking to achieve?”
- “what is the organization’s unique contribution?”
- [A good mission statement should be clear, concise output or service focused, and should be memorable]

# Values

- write down the important values from which you want your organisation/function to observe/operate

# Strategic objectives

- Strategic objectives break a mission into a series of statements of intention - i.e. what has to be achieved;
- they are a broad coverage of key areas of service; and are output or service focused i.e. Aimed at achieving the mission.

*Strategic Objectives derived from Weakness + Threats*

# Identification of Strategic Issues

- These are the issues, to which something must be done if we are to be successful.  
(ie. The critical success factors which if not addressed, will have high impact and high cost )



# Action- implementation plan

- The final stage of the strategic planning process is the action stage making sure that things happen ie.
  - Set objectives
  - Allocate objectives – Responsibility centres
  - Choose performance indicators
  - Set targets
  - Documentation and communication
  - Monitor performance
  - Evaluation

# Action Planning Framework

| STRATEGIC<br>ISSUE | ACTIVITIES | OUTPUTS | PERFORMANCE<br>INDICATORS | TIME FRAME<br>(Targets) | RESPONSIBILIT<br>Y CENTRE | IMPORTANT<br>ASSUMPTIO<br>NS |
|--------------------|------------|---------|---------------------------|-------------------------|---------------------------|------------------------------|
|                    |            |         |                           |                         |                           |                              |

# Budget/Financing plan

- ***Prepare the operating Budget for each Year in the Plan***
- list the resources you will need to achieve the goals in the strategic plan and what it will cost to obtain and use the resources
  - Look at each of your service, or program, goals
  - think about the expenses to run the program, such as human resources, facilities, equipment, special materials, advocacy

# Monitoring and Evaluation

- Specify how Implementation of Plan Will be Monitored and Evaluated

*eg. weekly written status reports to the chief executive from officers concerned,  
and  
monthly written reports to board members.*

# The Plan

- The plan must be:
- " simple
- " written
- " clear
- " based on the real current situation

# *Strategic Plan Document*

- To complete your strategic plan document, update the following sections .
  - Executive Summary
  - Foreword (Board authorisation)
  - Acknowledgement

# Caution!!

- Most strategic plans are never implemented no matter how brilliantly conceived they are, simply because they are viewed with suspicion by those who did not participate in their creation.
- A majority consensus must be formed before progress is possible, the process must be participatory, consultative and **owned** by the stakeholders.