

Time for a STRATEGIC PLANNING makeover

Are you still doing traditional strategic planning?

If so, the time has come to put that sacred cow out to pasture and focus on strategic *thinking*. Otherwise, your business may not have the agility to keep up with today's volatile markets.

Back when the world moved a lot slower and markets didn't change overnight, the traditional strategic planning model served us quite well. But as we all know, the world has changed dramatically since this planning model was first introduced. We still need to plan. In fact, planning is probably more important than ever. What needs to change is why we plan and how we go about implementing our plans.

Traditional strategic planning looks out three to five years, predicts where your industry will be, and sets a firm course in that direction. It tends to be static rather than dynamic. So when the plan gets off track, as every plan does, management typically adopts a wait-and-see attitude, preferring to ride out any bumps in the plan rather than make any "unnecessary" adjustments. The end result is a business that struggles to achieve its goals. And one in which most employees have no clue where the organization is headed or how it will get there.

The new strategic planning model is much more fluid and flexible. You still set a target destination, but one that doesn't look nearly as far into the future. And you still set intermediate goals and action steps to help you reach your destination. But instead of expecting the plan to unfold exactly as written, you focus on monitoring and measuring the plan on a regular basis and making adjustments in response to changing market conditions.

STRATEGIC *thinking*

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Here's a quick comparison between the **old** strategic planning model and the **new**:



Old model: Plan three to five years out.

New model: Plan 12 to 18 months out.

Old model: Look at last year's numbers and set this year's goal three to five percent higher.

New model: Set this year's target based on the opportunities available in the market, on what achieving excellence in a new (and constantly evolving) game looks like, not on what happened last year.

Old model: Set a firm target and a firm route for getting there.

New model: Set a firm destination and build in plenty of flexibility for how you will get there. Enable those closest to the work to make day-to-day decisions based on getting to the destination.

Old model: Announce the plan at the beginning of the year and then never say a word about it beyond sporadic management meetings.

New model: Constantly communicate the plan to all employees, using a variety of methods and media. Continuously address "here is why we will still win," even when markets and conditions shift or plans unfold unexpectedly.

Old model: Put the plan on shelf to collect dust.

New model: Review the plan on a regular basis. Ideally, once a month. Once a quarter at minimum.

Old model: Invest a lot of time and energy in creating the plan. Then hope it happens.

New model: Make implementing the plan a priority. Keep it in front of yourself and everyone involved. Talk about it, measure it, and modify it as needed. This includes making quick mid-course corrections based on changes in your markets and customer needs.

Planning vs. thinking...

Our business world moves far too quickly to waste time and resources crafting rigid strategic plans that become obsolete before we get halfway through. Success in today's volatile markets requires moving from strategic planning to strategic thinking.

What's the difference?

Traditional strategic planning involves a process of analysis. You do some research into what is and what is possible. You define a goal, break that goal down into manageable steps, and determine how to implement them while identifying the expected consequences of each step. It's a logical, straightforward process designed to sequentially move the organization from where you are now to where you want to go.

Strategic thinking engages other parts of our brain in synthesizing. It uses intuition, creativity and "what if?" questioning to pull together an integrated perspective from a wide variety of data sources and create a vision of where the organization needs to go.

Strategic planning has a beginning and an end. Strategic thinking never ends. It becomes an integral part of how the organization conducts its business, and needs to be practiced by employees at all levels.

Strategic thinking never ends.



Develop the skill of strategic thinking in your organization.

Focus on a target. Start by getting very clear on what winning looks like for your organization (division, team, project, etc.). Then communicate your picture of winning over and over until everyone gets it.

Ask the right questions. When you can't have all the data, the only alternative is to ask the right questions. Good questions get people to look at the same data differently, so that you get many different perspectives on any given issue. They also shift the energy so that people look to find what will instead of what won't.

Balance the big picture and the details along the way. With strategic planning, you set a firm course and stick to it as much as possible, making allowances for some deviation from the plan. Strategic thinking remains focused on the target (big picture) while staying open and flexible to changing what it takes to get there (the details).

Explore new channels. Broaden your horizons and expand your data gathering efforts beyond traditional sources. What's happening beyond the walls of your business and your industry? Where else can you look to learn? How can you develop new ways of communicating and connecting with key stakeholders?

Teach strategic thinking skills. Teach people at all levels to anticipate opportunities and threats while managing their day-to-day tasks and responsibilities. Give them the training, coaching and mentoring to become more responsive to changing customer needs. Develop their creative problem solving skills, and help them understand how their decisions and actions impact the business in the future as well as today.

Focus on your vision of winning every day. How will you keep the right things in front of you to direct your attention, energy, and thoughts on winning? How can you get them in front of others? How will you stay clear on winning when major challenges and obstacles arise?

Strategic thinking involves a delicate balancing act between holding fast to your vision of winning while adjusting to the constant upheavals in the world around you. It also requires the development of new skills and ways of thinking. The ultimate goal is to develop strategic agility -- the ability to respond quickly to changing market conditions without losing focus on your vision of winning.



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