

**Introducing . . .**

**ACCORD LIMITED**

STRATEGIC PLANNING  
WITHOUT  
THE MYSTERY

## STRATEGIC PLANNING WITHOUT THE MYSTERY

1. If the word "strategic" in "strategic planning" puts you off, then forget it. Just think about "**planning**." This is a straightforward idea which implies a couple of things.
  - That your organization is not just the result of luck – and that its destiny can be controlled.
  - That the board and staff is capable of reaching out ahead, thinking about the consequences of present actions on the future.
2. **Three to five years out** is about the maximum stretch into the future that can be handled reliably.
  - Ten-year plans are mostly baloney.
  - One-year plans are mostly just an extension of whatever is sitting on the desk the day it is written.
  - Three to five years is the time zone where you can get some pretty good action:
    - It requires you to think.
    - It is close enough so you feel responsible for it.
3. Most people involved in planning want to start with the answers, then invent the questions to fit. There are no shortcuts. **Planning begins with questions. The nastier the better.**
  - Why are we not making our revenue plan?
  - Why are we losing customers?
  - Why do we consistently project higher revenues than we get?
  - Why do we keep believing these projections?
  - Why is it that we do not have the guts to face up to the three key issues? (Name them, every organization has three key issues that, if it did something about them, great things would result.)
  - What is wrong with our board and staff that we haven't figured this out?
  - Why do our competitors consistently outperform us?
  - Why have they grown faster?

The point is – **start with questions**. Not the answers.

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4. Dig out the facts. Take the question on market share as an example.

You may have great increases in revenues and be losing market share, or declining revenue numbers and gaining share, but there isn't much point in dealing in opinion. Get the figures. The quality of the argument is better when you have got the facts.

5. Planning is too important to simply be dumped on the staff planners and bright, young MBAs. **Planning involves the longest term decisions** you will make. It involves the biggest bucks. It involves the decisions with the highest risk. You are naive if you turn this activity over to your beginners, no matter how bright.

6. **There are two kinds of planning:**

- There is financial planning. This is what financial people do.
- There is strategic planning. This is what we are talking about here. It is a highly creative process. It is different than financial planning. It is also different than facilities planning.

7. Decide what your organization is really good at. **Do more of that.** Determine what you are not good at. **Do less of that.**

8. Discover your "mother concept." **Take good care of "mother."**

Most boards and staff inherit a good "mother concept," then screw it up by forgetting to take care of mother, by diversifying into seductive new areas. Or by allowing their key people to play unplanned games, or to go off in costly new directions. (These are fun to play with, but very distracting.)

9. Find out what the issues are that divide the board and/or staff – the ones that are so tender that no one talks about them. Get them surfaced and argued about. Keep arguing them until they get resolved, or people leave because they can't bear the pain.

Very important; these are the issues that are draining off the energies of your team into meaningless wrangles.

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10. More on fact finding. **Discover who you really are:**

- Ask your customers (research).
- See for yourself.
- Look at competitors.

11. You must **state in writing what your organization will stand for**. You are dealing in mush until it is written. This is the "Mission Statement."

If the written statement sounds like it could describe any other organization, start over. You haven't made **tough enough choices** yet. You are still dealing in generalities.

12. Do **not** wind-up with a long list of problems to be solved or goals to be achieved.

- Three is the right number. No more. No less.
- The staff, or an individual, can remember three big problems to be solved or three main goals to be achieved in the next three years.
- No one can remember nine, or seventeen, or twenty-three.
- If you come out with numbers like that, you have built a catalog for future reference – not a plan that will get action.

13. Planning should be **done as a team**. No fewer than four, no more than about twelve. If the group is bigger, it is better to have two teams.

- Create an environment which encourages argument. Conflict. The opposing factions on every issue which must be drawn out and heard from. Don't let anyone hide.

14. Be **visual** in your planning meetings. Use charts. Record what people say. Two reasons:

- They are far more responsible when you write it down for all to see.
- You will forget the real gems or truths that come popping out of the meeting without the charts.

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15. Worry about the **chemistry** of the planning meeting:
  - The planning leader and the CEO must have a good relationship, and strong egos. And, they **must** be different people.
  - Vary the format of the meeting; change the meeting place, the meeting time, the meeting length. Bring in outsiders. Don't get into a routine.
  - It is helpful when everyone is a little edgy.
  - Not too much progress will be made when everyone is playing it safe, or playing compromiser, playing games.
  
16. Keep in mind that the **argument is about 90 percent of the value** of the planning meeting. The written document that follows only about ten percent.
  
17. Keep in mind that the great plan that does not get acted on is a total waste of time. And, that the plan which is only 25 percent as good, but which **gets 100 percent commitment and follow-through, is a winner.**
  
18. You don't care about the form of a plan – what this is all about is:
  - **Results.**
  - A clear **direction.**
  - A plan on paper which becomes the discipline for the whole organization to use in **measuring results.**

Great plans can be written on the back of old envelopes. Rotten plans can come in magnificent gold leaf, leather-bound books. The point: do not get sucked in by the paraphernalia and trappings.

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## SO PLANNING IS

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- Important – life and death decisions for the organization get made there.
- Hard work – takes lots of time and energy.
- A waste of time unless:
  - You get understanding.
  - You get commitment.
- The predecessor to change – that's why you need deep-deep involvement.