

STRATEGIC PITFALLS

How to avoid eight common mistakes when formulating a strategic plan

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A strategic plan outlines the steps to achieve a desired future, and the process of creating that plan can provide an invaluable opportunity for the exchange of ideas and consensus among your management team and your staff. Defining your shared vision and then planning based on that desired outcome is the essence of strategic planning. With that in mind, allow me to share with you eight gaffes that should be avoided while outlining your strategic plan.

The time frame of the plan is too long

First, strategic plans need to remain laser-focused on accomplishing strategic priorities in a timely manner. The plans also need to be frequently refreshed to keep them from becoming stale and to keep the organization energized on plan execution.

Long-term planning certainly has its place in a corporate world, but shorter operational plan horizons, going only 12 months out, allow organizations to utilize valuable current information and remain engaged in delivering the plan milestones.

Too many strategic goals

We all fall victim to this mistake. Organizations often have a laundry list of goals. Dreaming up goals is never an issue. Instead, the issue is having the discipline to narrow down prioritized goals to a manageable and achievable level.

Five goals is a good number to consider as a maximum. When you factor in each goal that will lead to a sequence of programs, initiatives, activities and deliverables

to be managed and implemented throughout the organization, it's easy to see how a

long list of goals can inhibit implementation success.

Goals are not tied to measurable outcomes

Organizational goals should be constructed in terms of outcomes. They should be defined in such a way that they can be measured and managed throughout the layers of the organization to propel action and achievement from those involved.

Employees are unaware of the goals

Believe it or not, this can be a huge problem in many organizations. When the corporate planning process fails to consider the individuals who will actually implement the plan, breakdowns happen and desired outcomes are rarely attained.

Key vendors and partners not considered

By communicating organizational goals to key vendors and partners, much needed buy-in and assistance can be gained from these external parties to achieve desired outcomes. Think about it. Are they not critical to your long-term success?

Organizational culture is overlooked

The corporate planning process must consider the organizational culture. Without this, it is impossible to fulfill the organization's potential to dominate within their marketplace. Culture determines how the organization functions

and how work will be completed.

Operational planning is overlooked

An effective corporate planning process allows the organization to plan strategically at the enterprise level and then operationally at the business unit level with each part supporting the other.

Failing to reach all the way down through the organizational layers is a common problem with corporate planning processes. Strategic planning, to be effective, must address the entire business ecosystem — from top to bottom.

Customer value is overlooked

At the end of the day, it is all about the customer. Customer-centric planning puts your No. 1 stakeholder — the end customer — at the forefront of the organization's activities and goals.

By creating goals that reflect the type of value the organization can create for the customer, you'll put a face to the name and more effectively connect members of the organization with the desired outcomes.

We have entered into a forever changed business climate. Put another way, the new normal is here and here to stay. Despite all the distractions we encounter every day, we must never lose sight of the fact that we must spend more time on the business rather than in the business, and it all starts with a strategic plan. <<



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