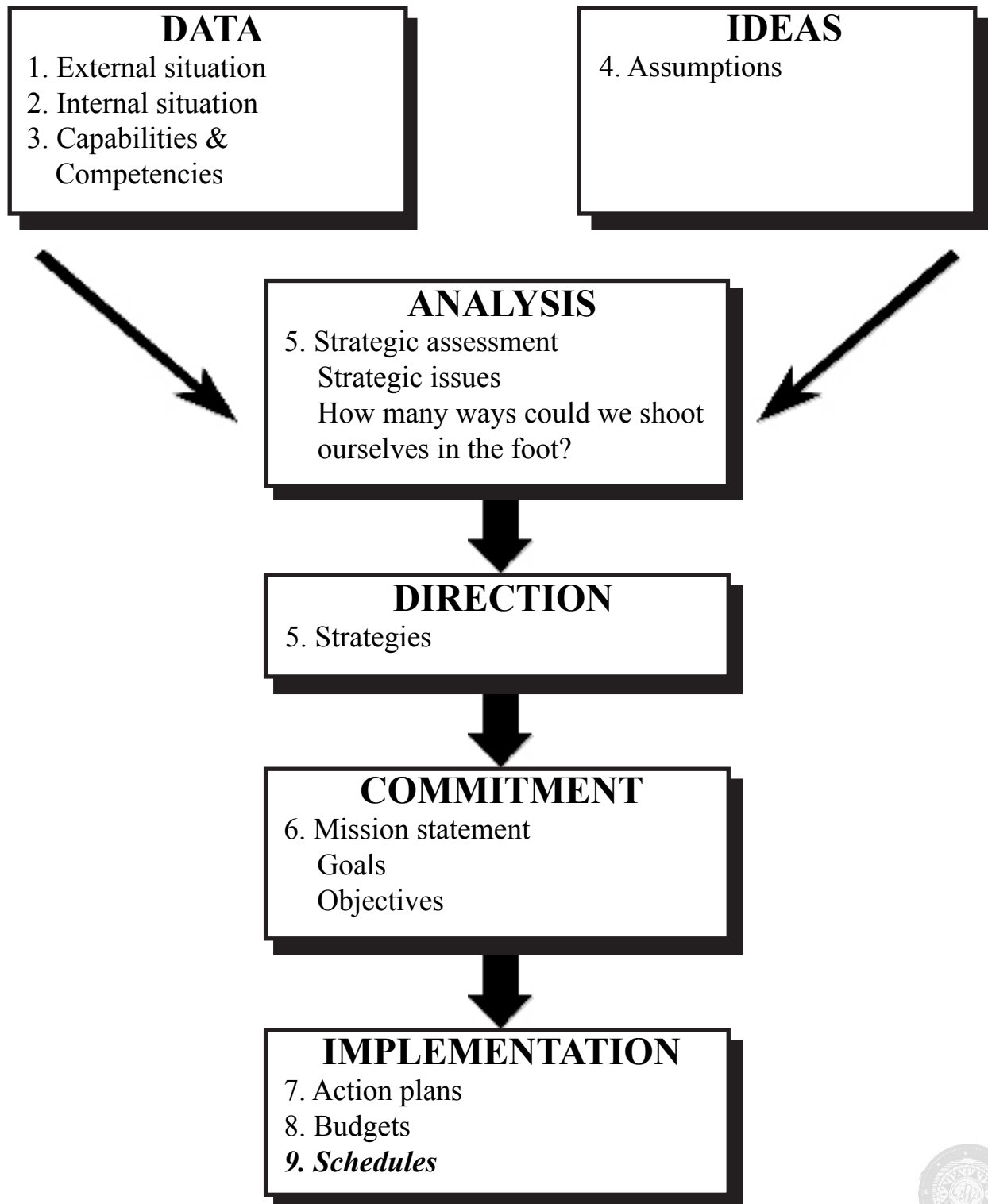


SIMPLIFIED STRATEGIC PLANNING PROCESS FLOW



SCHEDULES have to do with the planned usage of time, which is the most critical resource constraint with respect to the implementation of Action Plans. The process outlined here is a time planning exercise that allows managers to assess the time they have available for Action Plans against the time required for Action Plans. This allows each manager to make thoughtful commitments to start and complete dates for Action Plans and avoid the common problems of over optimism or pessimism that lead to unrealistic expectations and failed implementation.

Time Worksheet

Page 9.1

The purpose of this worksheet is to assist individuals in planning their time. To avoid comparisons between individuals (which is not usually a productive activity), this worksheet need not be duplicated and distributed.

To complete this worksheet each manager should list down the left most column the minimum set of routine (regular and repeating) activities that they must do in order to satisfy their job description. Then, working across the columns to the right, identify if the task is done daily, weekly, monthly, quarterly, or annually, and fill in the amount of time required in the appropriate column. In the annual and quarterly columns, indicate the months in which the activities occur with first letter of the months (e.g., JAJQ is for quarterly activities in Jan., Apr., Jul., and Oct.). It is often helpful to track your actual time usage against this table for several weeks to verify that it is reasonably accurate.

Sum each column and indicate the total number of DAYS at the bottom of the column. Most senior managers work about 10 hours per day. Making this assumption allows you to make the easy conversion that one hour equals one tenth of a day. Do not make the mistake of assuming a shorter work day than you actually work. If you do, you will short yourself a great deal of time. On the other hand, be cautious of estimating an excessively long work day, or you will find yourself overestimating the time you have available. The average work week for American managers is 55-60 hours a week. Developing a time plan based on 50 hours a week leaves a little time buffer in the system for coping with the unexpected. Round off the total to the nearest tenth of a day (i.e., 3-1/2 hours in the daily column rounds out to .4 days, and 5 hours in the weekly column is .5 days).

These totals will then be used on the PERSONAL ANNUAL SCHEDULE (9.2). The completion of this worksheet will reveal regular time allocations on a daily, weekly, monthly, quarterly, and annual basis.

The bottom half of the page is to be completed after all Action Plans have been reviewed and approved by the team (usually at the third meeting). On the bottom section, list the Action Plans in which **you** are involved in order of priority. Show the priority of the Action Plan and the total amount of your time involvement in that plan.

Personal Annual Schedule

Page 9.2

The purpose of this worksheet is to estimate the time you have available for special projects such as completing Action Plans, and to allocate that time to projects on a prioritized basis. Keeping that simple purpose in mind will help you accommodate any special cases that might arise in you personal situation.

In order to develop this estimate, follow the procedure listed below. This work should be done in preparation for the final planning meeting.

1. At the top of the worksheet, fill in the number of working days each month under **Gross Days Available**.
2. Map the Annual Activities (measured in days) from the TIME WORKSHEET (9.1)

- to the appropriate months in the **Regular Annual Days** line.
3. Map the Quarterly Activities from the TIME WORKSHEET to the appropriate months in the **Regular Quarterly Days** line.
 4. Copy the Total Monthly Days at the bottom of the TIME WORKSHEET to the **Regular Monthly Days** line for each month.
 5. To determine the Regular Weekly Days, multiply the Weekly Total Days from the TIME WORKSHEET by the number of weeks in each month that the business is open and you are in the office to do the activities. Insert this number in the **Regular Weekly Days** line (i.e., in May there are 2.0 Regular Weekly Days: 0.5 days/wk x 4 weeks). In weeks when you are away from the office, there will generally be no regular weekly activity since you will not attend meetings or will delegate activities to others (i.e., in June there are .5 Regular Weekly Days: 0.5 days/wk x 1 week – due to 3 weeks vacation).
 6. To determine the Regular Daily Days, multiply the Daily Total Days from the TIME WORKSHEET by the number of days in each month that the business is open and you are in the office to do the activities. Insert this number in the **Regular Daily Days** line (i.e., in May there are 8.8 Regular Daily Days: 0.4 x 22). On days where you are away from the office, there will generally be no regular daily activity since you will delegate it to others or not do it (i.e., in June there are 2.4 Regular Daily Days: 0.4 x 6 - due to 3 weeks vacation). Subtract the **Regular Time** lines from the **Gross Days Available** and enter the remainder in the **Net Days Available** line.

**Scheduling
Action Plans**

After completing page 9.1 and the top half of 9.2, the final step is to allocate time to the actions in the ACTION PLANS. This is a group activity which is accomplished at the final strategic planning session.

1. Arrange the ACTION PLANS (7.n) in priority sequence.
2. Each Planning Team member reports his or her **Total Time Required** from the bottom half of the TIME WORKSHEET (9.1) and total **Net Days Available** over the next twelve months from the PERSONAL ANNUAL SCHEDULE (9.2).
3. While there is no rule that says all Action Plans must be completed within one year, we certainly want our **Strategic Objectives** accomplished as soon as possible. Therefore, where an individual has a significant shortfall, immediate action is required to either make more time available or reduce the required time. The amount of time available will vary from person to person and from month to month. Top level managers should have from 20% to 50% availability. This is your most important time in terms of propelling your organization forward, and you **must** make enough available. This can be accomplished through delegation, elimination, reduction of either regular functional activities or Action Plan activities. Do not proceed beyond this step without completing it. If time required cannot be balanced with time available, then you will be unable to accomplish all of the Action Plans and some must be postponed.
4. Next, schedule the actions from the Action Plans in the time available. Begin with the highest priority Action Plan and ask individuals to commit to when they will start and complete each step. Monthly increments are usually sufficient precision. Scheduled time is written into the bottom half of each individual's PERSONAL ANNUAL SCHEDULE (9.2) and starting and completion dates are entered in the ACTION PLANS (7.n). Do not schedule more time than is available. Be conservative. Experience shows a tendency to over-commit leading to an invariable

performance shortfall.

Planning Schedule

Page 9.3

The strategic planning process should be conducted in a series of three meetings held over a 3-4 month period. The examples show the schedules for the first strategic planning cycle (9.3a) and subsequent cycles (9.3b). We recommend the time between planning sessions be about 6-8 weeks. Shorter intervals tend to overload participants. Longer intervals risk loss of continuity and enthusiasm. It is appropriate to have your planning cycle completed one or two months before the end of your business year – though this is not absolutely necessary. Be sure to develop a communication plan at the end of the third meeting to spread the word so that everyone in the company understands what you are trying to accomplish.

Monitoring Schedule

Page 9.4

The monitoring schedule should be completed by the meeting coordinator immediately following the last planning meeting and circulated to the team prior to the first monthly Action Plan review meeting.

Communication

Communication enhances organizational alignment at all levels of your firm and your board of directors. It is good practice to communicate the strategy to the board of directors. It is important to communicate to employees so that they can achieve results that are aligned with the strategy, mission, goals and objectives.

TIME WORKSHEET FOR BKS (plant manager)

REGULAR TIME PLAN Functional Activity	Daily Activity	Weekly Activity	Monthly Activity	Quarterly Activity	Annual Activity
A.M. staff meeting	0.5 hr				
plant tour	1.0 hr				
interruptions & problems	2.0 hrs				
dept. meetings		1.0 hr			
management meetings		1.0 hr	1 day		
weekly planning		2 hrs			
performance reviews			1 hr		
wage reviews				1 day FMAN	
bonus communications				.5 day JAJO	
education				2 days MJSD	
coaching		1 hr			
evaluations				2 days JAJO	
board meetings				2 days FMAN	
strategic planning					4 days JFA
vacation					15 days Jun
Total Days	.4 days	.5 days	1.1 days	7.5 days	19 days

TIME REQUIRED FOR ACTION PLANS IN PRIORITY SEQUENCE

Action Plan No.	Brief Description of Objective	Priority	Days Required
1	New CRM system	1	2.5
2	Tek-Pak	1	5
3	Employee motivation	2	20
4	Plant and office improvements	3	6.5
5	Sales	3	0
6	New machines	4	22
7	Cost reduction	5	10
8	Acquisition	6	1
9	First line training	7	5
Total Days Required:			72



PLANNING SCHEDULE

<u>Date</u>	<u>Session Content</u>	
Jun 1-2	<u>ORIENTATION AND SITUATION ANALYSIS</u>	2 days
Day 1 AM	Orientation Identify Market Segments Served Identify Competitors	
Day 1 PM	Make assignments (see list below) Examples of selected assignments (1.1, 1.2, 4.1, 4.2)	
Day 2 AM	Identify current STRATEGIC COMPETENCIES (3.2) Identify and evaluate PERCEIVED OPPORTUNITIES (4.4) Assign OPPORTUNITY SCREENING WORKSHEETS (4.5-x)	
Day 2 PM	Assess CAPABILITIES (3.1)	
<u>ASSIGNMENTS FOR NEXT SESSION</u>		
MARKET SEGMENT ANALYSIS (1.1-1 through 1.1-n)		
COMPETITIVE EVALUATIONS (1.2-1 through 1.2-n)		
ASSUMPTIONS FOR MARKET SEGMENTS (4.1-1 through 4.1-n)		
COMPETITION ASSUMPTIONS (4.2-1 through 4.2-n)		
TECHNOLOGY ASSESSMENT (1.3)		
SUPPLIER MARKET ASSESSMENT (1.4)		
CURRENT ECONOMIC SITUATION (1.5)		
SIGNIFICANT REGULATIONS (1.6)		
OTHER IMPORTANT ASSUMPTIONS (4.3)		
BALANCE SHEET (2.1)		
FIVE YEAR OPERATING STATEMENT (2.2)		
MEASURES OF SUCCESS (2.3)		
PROFITABILITY ANALYSIS (2.4)		
OPPORTUNITY SCREENING WORKSHEETS (4.5-1 through 4.5-n)		
Jul 18-20	<u>STRATEGY FORMULATION</u>	3 days
Day 1 AM/PM	Review assignments and issued worksheets Identify and evaluate PERCEIVED THREATS (4.6) Develop INDUSTRY SCENARIO (4.7) Develop WINNER'S PROFILE (4.8)	
Day 2 AM	Complete STRATEGIC ASSESSMENTS (5.1)	
Day 2 AM/PM	Identify and evaluate STRATEGIC ISSUES (5.2)	
Day 3 AM	Identify and analyze HOW MANY WAYS CAN WE COULD SHOOT OURSELVES IN THE FOOT (5.3) Formulate STRATEGIES (5.4)	

(over)



PLANNING SCHEDULE

Date **Session Content**

Jul 18-20 (continued)

Day 3 PM Write MISSION STATEMENT (6.1)
Establish GOALS (6.2)
Develop OBJECTIVES (6.3)
Assign ACTION PLANS, BUDGETS, TIME WORKSHEETS (see below)
Review ACTION PLAN WRITING PROCESS (7.n)
Review TIME PLANNING PROCESS (9.1 and 9.2)

ASSIGNMENTS FOR NEXT SESSION

ACTION PLAN Drafts (7.1 through 7.n)
Preliminary OPERATING BUDGET (8.1)
Preliminary INVESTMENT BUDGET (8.2)
Preliminary CASH FLOW BUDGET (8.3)
FIVE YEAR OPERATING BUDGET (8.4)
TIME WORKSHEETS (9.1)
Net Days Available on PERSONAL ANNUAL SCHEDULE (9.2)

Aug 25-26 **IMPLEMENTATION PLANNING** **2 days**

Day 1 AM Review STRATEGIES (5.4)
Day 1 AM/PM Review and revise ACTION PLAN Drafts (7.1 through 7.n)
Review PERSONAL ANNUAL SCHEDULES (9.1 and 9.2)
Day 2 AM Review OPERATING BUDGET (8.1)
Review INVESTMENT BUDGET (8.2)
Review CASH FLOW BUDGET (8.3)
Review FIVE YEAR OPERATING BUDGET (8.4)
Day 2 AM/PM Schedule ACTION PLAN start and completion dates
Day 2 PM Review and revise OBJECTIVES, BUDGETS and SCHEDULES
Develop MONITORING SCHEDULE (9.4) for monitoring ACTION PLAN
progress
Discuss COMMUNICATION PLAN



PLANNING SCHEDULE

<u>Date</u>	<u>Session Content</u>	
Jun 11	<u>ORIENTATION AND SITUATION ANALYSIS</u>	1 days
	Review STRATEGIES (5.4) Review ACTION PLAN Progress Review appropriateness of MARKET SEGMENTATION Review CAPABILITIES ASSESSMENT (3.1) Review STRATEGIC COMPETENCIES (3.2) Identify and evaluate PERCEIVED OPPORTUNITIES (4.4)	
	<u>ASSIGNMENTS FOR NEXT SESSION</u>	
	MARKET SEGMENT ANALYSIS (1.1-1 through 1.1-n) COMPETITIVE EVALUATIONS (1.2-1 through 1.2-n) ASSUMPTIONS FOR MARKET SEGMENTS (4.1-1 through 4.1-n) COMPETITION ASSUMPTIONS (4.2-1 through 4.2-n) TECHNOLOGY ASSESSMENT (1.3) SUPPLIER MARKET ASSESSMENT (1.4) CURRENT ECONOMIC SITUATION (1.5) SIGNIFICANT REGULATIONS (1.6) OTHER IMPORTANT ASSUMPTIONS (4.3) BALANCE SHEET (2.1) FIVE YEAR OPERATING STATEMENT (2.2) MEASURES OF SUCCESS (2.3) PROFITABILITY ANALYSIS (2.4) OPPORTUNITY SCREENING WORKSHEETS (4.5-1 through 4.5-n)	
Jul 22-23	<u>SITUATION ANALYSIS, ASSUMPTIONS, INTENTIONS</u>	2 days
Day 1 AM/PM	Review assignments and issued worksheets Identify and evaluate PERCEIVED THREATS (4.6) Review and revise INDUSTRY SCENARIO (4.7) Review and revise WINNER'S PROFILE (4.8) Review and revise STRATEGIC ASSESSMENTS (5.1)	
Day 2 AM/PM	Identify and evaluate STRATEGIC ISSUES (5.2) HOW MANY WAYS CAN WE SHOOT OURSELVES IN THE FOOT? (5.3) Re-formulate STRATEGIES (5.4) Review MISSION STATEMENT (6.1) Review GOALS (6.2) Develop OBJECTIVES (6.3)	

(over)



Jul 22-23 (continued)

ASSIGNMENTS FOR NEXT SESSION

ACTION PLAN Drafts (7.1 through 7.n)
Preliminary OPERATING BUDGET (8.1)
Preliminary INVESTMENT BUDGET (8.2)
Preliminary CASH FLOW BUDGET (8.3)
FIVE YEAR OPERATING BUDGET (8.4)
TIME WORKSHEETS (9.1)
Net Days Available on PERSONAL ANNUAL SCHEDULE (9.2)

Sep 10

IMPLEMENTATION PLANNING

1 day

Review STRATEGIES (5.4)
Review and revise ACTION PLAN Drafts (7.1 through 7.n)
Review PERSONAL ANNUAL SCHEDULES (9.1 and 9.2)
Review OPERATING BUDGET (8.1)
Review INVESTMENT BUDGET (8.2)
Review CASH FLOW BUDGET (8.3)
Review FIVE YEAR OPERATING BUDGET (8.4)
Schedule ACTION PLAN start and completion dates
Develop MONITORING SCHEDULE (9.4) for monitoring ACTION PLAN progress
Discuss COMMUNICATION PLAN



MONITORING PROCESS

MONTHLY

<u>Action Plan Leaders/Back-Ups</u>	15-30 min.
<ul style="list-style-type: none">• Drive the plan; keep actions, people and dates on track	
<u>Action Plan Teams</u>	15-60 min.
<ul style="list-style-type: none">• Resolve any short fall in action plans• Modify AP as needed based on new information• Plan specific dates for meetings next month	
<u>Strategic Planning Team</u>	30-60 min.
<ul style="list-style-type: none">• Review AP for completion of steps	

QUARTERLY

<u>Strategic Planning Team</u>	2-6 hrs.
<ul style="list-style-type: none">• Review Assumptions (section 4)• Review and revise Strategy (section 5)• Review and revise Objectives and resulting AP's (sections 6 & 7)• Re-schedule all AP's to get on track	

ANNUALLY

<u>Strategic Planning Team</u>	4 days
<ul style="list-style-type: none">• Re-assess and update entire strategic plan. Review and revise all sections as needed• Revise plan for new developments in the environment• Set new objectives to drive strategy implementation over next 12-18 months	



MONITORING SCHEDULE

Monitoring Meeting Coordinator: BKS
Monitoring Meeting Leader: GFM
Standard Monitoring Meeting: Second Friday of every month, 10:00 am, conference room
Special Arrangements: If you need to join the meeting by telephone, you must make arrangements through BKS no later than one business day before the meeting. NO EXCUSES!
Handouts: Any handouts you want to circulate need to be given to BKS no less than two business days before the meeting (email submissions are OK)

CURRENT MEETING SCHEDULE

DATE	TIME	LOCATION	AGENDA
Friday, 10/9/2009	10:00 am - 11:00 am	Conference room	Monthly meeting
Friday, 11/13/2009	10:00 am - 11:00 am	Conference room	Monthly meeting
Friday, 12/11/2009	8:00 am - 12:00 noon	Conference room	Quarterly meeting
Friday, 1/8/2010	8:00 am - 9:00 am	Conference room	Monthly meeting
Friday, 2/12/2010	10:00 am - 11:00 am	Conference room	Monthly meeting
Monday, 3/12/2010	1:00 pm - 5:00 pm	Hilton - Buffalo Grove, IL (before the sales meeting)	Quarterly meeting
Thursday, 4/9/2010	10:00 am - 11:00 am	Conference room	Monthly meeting
Friday, 5/14/2010	10:00 am - 11:00 am	Conference room	Monthly meeting
Friday, 6/11/2010	8:00 am - 5:00 pm	Johnson Conference Center	Annual meeting 1
Monday, 7/12/2010	10:00 am - 11:00 am	Conference room	Monthly meeting
Thursday, 7/22/2010 & Friday 7/23/2010	8:00 am - 5:00 pm (both days)	Hyatt, Lake Tahoe	Annual meeting 2
Friday, 8/13/2010	10:00 am - 11:00 am	Conference call	Monthly meeting
Friday, 9/10/2010	8:00 am - 5:00 pm	Johnson Conference Center	Annual meeting 3



Potential Pitfalls in Strategic Planning

- Failure to get started
- Lack of commitment and involvement of management
- Inadequate understanding of the process
- Lack of conceptual ability, objectivity, and perspective
- Complexity
- Failure to establish and adhere to a schedule
- Inadequate attention to environment and capabilities
- Exclusive concentration on threats and weaknesses
- Mechanistic application of planning theory
- Allowing planning to become mere budgeting and forecasting
- Poorly developed action plans
- Inadequate understanding of resource requirements and availability
- Failure to integrate strategic planning into regular management process
- Uncorrected assumption or presumption errors
- An autocratic CEO who overrides the process
- Failure to monitor developments and progress



What is Necessary for Successful Strategic Planning

- Sound Approach
- Commitment of Top Management
- Integration into the Management Process
- Enthusiasm
- Good Planning Leadership



BOOKS

- Bradford, Robert W. & Duncan, J. Peter, Simplified Strategic Planning. Boston: Chandler House Press, 2000.
- Bossidy, Larry and Charan, Ram, Execution, New York, Crown Business, 2002.
- Collins, James C., Good to Great. New York: HarperCollins Publishers, Inc., 2001
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- Tregoe, Benjamin B. & Zimmerman, John W., Top Management Strategy. New York: Simon & Schuster, 1980.
- Womack, James P. & Jones, Daniel T., Lean Thinking. New York: Simon & Schuster, 1996.
- Zook, Chris, Unstoppable. Bain & Company, Inc., 2007

PERIODICALS

Annual Statement Studies. Philadelphia, Pennsylvania: The Risk Management Association. www.rmahq.org/RMA/RMAUniverse/ProductsandServices/RMABookstore/StatementStudies

INFORMATION DIRECTORIES, SOURCES AND SERVICES

CENTER FOR SIMPLIFIED STRATEGIC PLANNING, INC., www.cssp.com

DUN & BRADSTREET, www.dnb.com

FULD & COMPANY, 126 Charles Street, Cambridge, MA 02141, 617-492-5900, www.fuld.com.

HOOVERS, INC. (D&B), www.hoovers.com

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PUBLIC SEMINARS

Michigan State University two-day seminar: Simplified Strategic Planning for Small to Mid-Sized Companies, www.cssp.com/seminars

ONE-DAY IN-HOUSE WORKSHOPS

Getting Started with Strategic Planning, www.cssp.com/GettingStartedWorkshop

Strategic Planning Staying Power, www.cssp.com/Strategic-Staying-Power

Strategic Plan Interim Assessment, www.cssp.com/InterimAssessmentWorkshop

Alignment for Strategy Implementation, www.cssp.com/ImplementationWorkshop

TWO-DAY IN-HOUSE WORKSHOPS

Simplified Strategic Planning for Small to Mid-Sized Companies, www.cssp.com/SSPWorkshop

“Simplified Strategic Planning provides a framework for creating direction in a manner that moves away from guesswork and toward intelligent selection. The end result: a destination of choice, not chance.”

Jack Lowe, Jr., Chief Executive Officer, TD Industries
#2 of Fortune 100 Best Companies to Work for in America

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