Advanced Strategic Planning That Actually Works

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Steven has held numerous senior executive and CEO positions with some of the USA and Australia’s most prestigious organisations. He has authored and co-authored over fourteen books on nonprofit governance, strategy, risk and executive leadership. Among his clients are: The CEO Institute, Craigs List Foundation, CPA Australia, Aged and Community Services, Mental Health Association, Australian Sports Commission and Make a Wish.

He currently consults with over one thousand non-profit and corporate organisations each year in the USA, Australia, New Zealand, and Asia. He is a Fellow of the Australian Institute of Company Directors, and a Fellow of the Corporate Law and Accountability Research Group, Monash University.

Steven is a warm and engaging conference keynote speaker and dynamic workshop / seminar facilitator. He brings over thirty years of hands-on experience and delivers it in a down-to-earth style that speaks to everyone throughout an organisation. He leaves his audiences inspired, with practical tools and tips that they can apply at work, at home, and in their communities.

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Introduction

This Learning Module has been formulated to provide leading edge perspectives and techniques on strategic planning that have been tested in the real world of board rooms and senior leadership teams, and has been designed to provide a different point of view on key areas of strategic planning responsibilities.

Strategic planning is the process you undertake in order to have a strategic plan. The planning process we find works best with organisations has been honed over 30 years of experience, and working with some of the most respected strategic planners in the corporate sector. We have termed this Advanced Strategic Planning, as most of the strategic plans we have seen have been basic, missing key elements, not strategic in nature, and certainly not embedded throughout the organisation from the Board, to the senior executive team to every staff member.

This Learning Module is about a strategic planning process that is efficient and practical which will develop achievable strategies and ensure they get completed!

In this Learning Module, you will explore:

• What strategic planning is (and is not)
• Who should be involved in strategic planning
• The key steps to ensure your strategic plan doesn’t gather dust in someone’s drawer.
What Is A Strategic Plan, Really?

“A strategic plan is the top five or six things that the Board has agreed the organisation has to get right in the next two or three years.”

We have conducted many workshops and facilitated hundreds of strategic plans over the past few years, and have found that many leaders and CEOs have very similar views on strategic planning. The most common view is that strategic planning is a complex process that yields very little tangible result. We also review hundreds of strategic plans every year, and find most of these plans are essentially wish lists that are wordy and full of good intention, but hardly results orientated strategy.

So, what is a strategic plan? We have developed a definition that we have found works best for Chief Executives and Boards:

“A Strategic Plan is the top five or six things that the Board has agreed the organisation has to get right in the next two or three years”.

Let’s look at each of these elements:

• “Top five or six things”: A strategic plan usually has around five or six “top things” (we’ll call them strategies from now on) that have been identified as key for the organisation. There may be three, or there may be seven, but it is unlikely to be one or ten.

• “That the Board has agreed”: The main role of any Board is to make the decisions that create the future for the communities they serve (communities can be shareholders, staff, customers etc). The strategic plan is one of the key accountability documents of the Board that assist it to make the choices that create their desire and future. The Board “owns” the strategic plan. They have input into its development (but they don’t write it!), they approve it, they monitor it, and they amend it when it is required. The strategic plan is the Board’s document, not the staff, including the CEO. This means that any amendments to the plan need to be approved by the Board.

• “Has to get right”: These five or six key strategies will enable the organisation to thrive in the next few years, and will be the cornerstones for future development and creating their future. The organisation has to get these five or six strategies “right” in order to strategically position itself for the future, now.

• “In the next two to three years”: Most strategic plans should have a life of between two and three years. The process of change continues to increase dramatically, and as a result the need for strategic decisions has also increased. Any changes to the strategic environment should be regularly monitored through Board reports and discussion, future scanning, and formal annual reviews of the strategic plan assumptions.
Four Key Components

Advanced strategic planning needs to encapsulate the four key components of a successful strategic plan:

1. **Well Informed:** The strategy process is continuously updated through a deliberate search for new, alternative and early information (weak signals of change). Various foresight and scenario planning tools should be considered and employed continuously, not just every three years when the planning cycle is renewed.

2. **Well Considered:** The strategy has considered a myriad of potential options and outcomes likely to emanate from those outcomes, including risks, ethical implications and unexpected events. The people involved in the strategic planning process need to be varied to ensure that the identification of potential strategies is not hampered by in-built biases.

3. **Well Constructed:** The strategies are written in such a way that ensures clear directions are set, operational prerogatives are defined, responsibility areas assigned and flexibility is catered for. Timelines and success measures are robust and are directly related to the Vision and the key strategies of the organisation.

4. **Well Implemented:** The strategy is implemented to the best of the organisation’s ability, barriers to implementation are removed and the organisation actively seeks to learn from its results to improve further next time around. All facets of the organisation are involved in the implementation and monitoring of the strategic plan, including the Board, senior leadership, staff and key stakeholders.

It would be worthwhile for you to consider which of these four elements need to be redeveloped in your organisation.
Four Types Of Strategic Focus

There are four types of strategic focus typically found in organisations:

1. ‘No focus’: Where the prevailing mode is ‘steady as she goes, it’s always been done this way, things will work out’. This is where the leadership team believe they are so busy they have no time for something like a strategic plan, or the Board show absolutely no interest. Typically what was done last year is replicated this year unless a crisis looms, then chaos takes over.

2. ‘The Boss’s focus’: Where the prevailing mode is “pet” projects, “do it my way, I’m the boss and know best”, “I will leave my mark on the organisation” and so on. This organisation runs the risk of conducting projects that fit in with the CEO’s or Chairman’s idea of what should be done, the easiest projects for the staff to implement, or the development of a procession of ‘pet’ projects based on personal interests. There is also the risk that individuals who have very outspoken views can ‘hijack’ the organisation by imposing a direction fitting that individual’s goals, rather than those of the organisation. This may be a Chairman, or even an aggressive, vocal Board member.

3. ‘Historical focus’: Where the strategic planning looks at what has happened in the past, and projects into the future, and does a bit more than last year. This is one of the most dangerous types of strategic plans, as there are many possible futures, all unknowable, and putting resources and effort into only one possible future is akin to gambling with high risk.

4. ‘Strategic Focus’: Where the strategic plan is well informed, well considered, well constructed and well implemented.
Framework For Strategic Planning

Strategic planning follows a logical framework that guides the participants through a filtering procedure that enables the development of strategies and action plans with the minimum of fuss. We have developed this framework and tested it with many organisations globally, with the feedback that it makes strategic planning more logical, easier to develop and fundamentally more robust in the implementation.

This framework involves eight stages:

**Stage 1** - Establishing the strategic foresight to inform the planning team

**Stage 2** - Creating the planning team

**Stage 3** - Developing or reaffirming the Vision of the organisation

**Stage 4** - Conducting a SWOR analysis

**Stage 5** - Developing strategies and checking strategies against the SWOR analysis

**Stage 6** - Developing action plans

**Stage 7** - Implementation

**Stage 8** - Measuring the implementation
Stage 1: Establishing The Strategic Foresight

The purpose of this Learning Module is not to provide the “how to” of strategic foresight, but rather to provide you with information to inform of the possibilities of strategic foresight.

Three examples of strategic foresight techniques are Environmental Scanning, Causal Layered Analysis and Scenarios. There are many more (Backcasting, Wildcards, Cascading Discontinuity Sets, Value Systems etc). For more detailed information about strategic foresight, go to the website of our colleague and one of Australia’s pre-eminent futurists, Marcus Barber.

Environmental Scanning

Environmental Scanning (ES) is the process of assessing your operational environment in an attempt to uncover emerging signals that indicate a change in the way your business may be required to operate. ES signals are typically:

- 5 to 10 years from being fully developed
- Lie on the periphery of your business environment (or may be completely unrelated to it)
- Might be something important, might be nothing

ES provides your organisation with the one resource that can NEVER be replaced once it has been expended – time! By improving your awareness of changes on the horizon you are giving your organisation the opportunity to create and prepare a better strategy.

Key Questions Regarding Environmental Scanning

- What sources does your organisation rely upon to garner information about its operating environment?
- How critically are those sources of information assessed with regard to relevance and usefulness, given possible alternatives?
- Are the sources of information you rely upon well established or newly developed?

There are a number of ways to conduct environmental scanning.

The Internal / Collective method is where you task staff to collect information they think is interesting, contribute this to an electronic scanning folder each month together with a paragraph on how this might affect the sector or services, and then review this on a regular basis.

The External / Assigned method is where you assign this to a person, they subscribe to a variety of websites, blogs, journals etc, identify information of interest, analyse the information and file according agreed criteria, and provide a monthly report on emerging signals and possible implications.
Causal Layered Analysis (CLA) was developed by Futurist Sohail Inayatullah and is a method by which you can assess the quality of information being generated in a discussion and identify the assumptions or biases that exist within that discussion.

In doing so CLA builds the capacity for your organisation to assess what type of information it draws upon to inform its decision making. It allows you to ascertain whether that information is open to question or alternative perspectives. It facilitates awareness of whether the information provided brings with it an ‘agenda’ of the provider of the information that may impact on those who hold alternative positions in a discussion.

In its simplest format, CLA asks the following:

- Who are the potential winners if this point of view prevails?
- Who are potential losers if this point of view prevails?
- Who is ‘doing the saying’ and what are their inherent biases or filters?

In seeking to uncover the answers to those questions, your organisation is better placed to identify whether other information would be useful when determining a course of action.

**Key Questions Regarding CLA**

- When assessing the usual information your business uses to inform its thinking, are there any views which are considered ‘relevant’ or of ‘equal value’?

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Scenarios are ‘stories of potential futures’ and can take many forms. In taking a strategic foresight approach to the area of strategic planning, scenarios can be used to enable your organisation to ‘wind tunnel’ your strategies BEFORE you implement them. Put another way, the best (and safest) time to learn how to brake and steer a car is BEFORE you get on a freeway, not once you are up to your eyeballs in traffic!

The use of scenarios has evolved through a number of iterations from high end, high quality methods emerging out of RAND in the post second world war and Shell’s use of scenarios prior to the first oil crisis in the 1970’s through to the quick and dirty ‘coffee cup’ methods of the late 1980’s and early 1990’s. The latest approaches to scenarios combine high depth and high quality assessments with the speed and agility required to make them more operationally useful.

Scenarios are arguably the best known of the various futures tools and they are just one of the futures tools available.

They also have limitations that render them less valuable and knowing what type of scenario process to use is critical.
Structurally scenarios exist for one purpose – to improve the quality of a strategic plan – the capture of your strategic choices, capabilities and desired outcomes. Tying your scenarios to your strategic plan is the often overlooked element of strategic foresight which can be overcome through the Backcasting process. Using scenarios as a foresight tool to help build your understanding of the potential future environment in which your strategy will play out can be incredibly liberating and enlightening for your organisation.

**Key Questions To Ask About Scenarios**

- When considering your organisation’s desired future, have you critically considered alternative future developments and how you may prepare for them?

- Consider the potential future of your organisation ten years from now. What are some of the ways you believe the future could unfold over time? Consider the following:
  - How will we communicate with our stakeholders?
  - What will be the top 3 products or services we would provide?
  - If tomorrow it was discovered that our current way of doing business was unviable, what changes would we need to make immediately to stay in existence?
  - What might the impact of water be on our business 10 years from now?
  - What will the face of our employees look like in 10 years time?
  - What issue or development might emerge from ‘nowhere’ and fundamentally change the way we do business?
  - What are people doing more of?
  - What are people doing less of?
Stage 2: Create The Planning Team

Identifying who should be involved

The most effective strategic planning process involves those people who can add value to that process. It is a mistake to use only the staff, or only the Board, of the organisation in the planning process. Planning teams made up of only organisational staff or the Board may not be functional, as there is a tendency for CEOs or Chairs to attempt to create something distinctive during their term, and often ‘pet’ projects or purely operational issues get emphasised.

These planning team individuals should be chosen for their knowledge and skills, not just for their position in the hierarchy. Included should be a mix of Board members, senior staff, suppliers and some outside people who are not as familiar with the operations of the organisation. The key criteria should be that they have a point of view about the organisation or the sector that matters.

There is no ideal number of participants for the planning team, but it should encompass individuals who represent different skill levels in knowledge, expertise and thinking styles, and more importantly, in group dynamics. The group could be anything from five people up to seventy, although a team of between fifteen to twenty people works very well. The facilitation of these groups will differ depending on size, but the outcome will be very similar.

The roles of the various groups in the strategic planning process can be summarised as:

- **The Board - monitoring role:** The Board ultimately approves the strategic plan, but does not necessarily formulate the strategic plan. Board members may participate in the planning process, but they do so as individuals, not as a formally constituted meeting of the Board. The Board then monitors the achievement of the strategic plan, and undertakes corrective action where required.

- **The CEO - implementing and controlling role:** The CEO sets the climate and tone of the strategic planning process, establishes the planning group, and ensures the action plans are completed on time and have appropriate control and measurement systems in place.

- **Senior staff - implementing role:** Senior staff duplicate the CEO’s role within their respective departments, maintain communications between the Board / CEO and other staff, provide functional guidance to other staff, and report on progress of the action plans.

- **Stakeholders - expert advice or representative role:** Stakeholders could represent a current or potential consumer base, key suppliers and indirect competitors.

- **Committees - support role:** Committees can be formed to support the achievement of the various action plans of the organisation. These committees would be formed to support staff in their implementing role.
Stage 3: Develop Or Reaffirm The Vision

Vision

Vision enables you to identify and codify the impact you want to have on the communities you serve. It provides the context where you, your staff, constituents and the public all share a common expectation of the organisation. This common expectation can be one of your most powerful management tools, as well as a powerful marketing message and a strategic filter to stimulate innovation.

Creating a Vision statement is quite simple and easy. It is usually done as part of the strategic planning process, as one of the first exercises of the strategic plan facilitation.

The planning group (consisting of various people who have points of view about the organisation that truly matter to the organisation) are asked the question:

• “What is the future we would wish for our community (not for this organisation!)”

• “What lasting legacy would we desire for our community?”

• “Who is the community we are servicing? Will they change? Do we need a broad or narrow description of our community?”

These questions will assist to get at the core essence of what makes your organisation different. This should take no more than about an hour. The days of Vision fatigue are over (you’ve heard about this, when large groups of people meet over lengthy periods of time to debate wordsmithing of something that no-one will ever use?).

Here are some examples of Vision statements that create strategic awareness and future possibility:

“We value a community where there is confidence in aged care, where cultural diversity is truly celebrated and family and community remain connected.”
World class regional Aged Care facility specialising in multicultural care

“Our vision is for an ethical environment where training and employment services lead future requirements, career pathways are valued equally, safety and security is paramount and people and teams are motivated to excel.”
Large and innovative training and employment organisation

These Vision statements have “oomph”, they get at what the organisation strives to create, it represents the impact that organisation can have, and why staff, Board members and clients wish to be associated with that company.

The next discussion at the strategic planning meeting then should be about how well the existing programs are mapped against the key elements of the Vision statement, and how people “walk the talk”. This discussion should focus on the strategic issues that are raised, and the awareness that is required to drive the organisation towards creating the future and the possibilities that the Vision articulates.
Using Your Vision Statement Strategically

One of the major issues we find with Vision statements is that organisations do not know how to use them. The Vision statement often sits in the annual report, and is not used as the strategic tool it truly is. There are at least three key strategies for ensuring the Vision statement adds strategic value to the organisation.

1. Use a Key Intent Filter for every major activity or program you conduct, or new activities / programs you are designing. Identify each of the major intents behind the Vision statement, and use these to analyse your activities and to ensure there is a direct link between your vision and the activity.

2. Ensure the Vision statement is more than just words, is to have the Vision statement printed on every Board and staff meeting agenda, and encourage Board members and staff to refer to the Vision statement in discussions and during questioning of a project or report. This ensures that discussions and decisions are always Vision focused.

3. Allocate at least one page of the annual report to the Vision, and how the organisation has been achieving the Vision. This is a great way of focusing the organisation and Board, and a strategic way of informing key stakeholders of the Vision-driven nature of the organisation.
Stage 4: Apply The Swor Analysis Filter

Most people are aware of the well-used SWOT analysis (Strengths, Weaknesses, Opportunities and Threats). We have found that a slight variation on this creates added value for the organisation. If we change the Threats component to one of Risks (which then becomes a SWOR analysis), then these identified risks can be directly added to the risk register of your risk management plan.

The SWOR Analysis acts as a filter that enables you to measure the potential impact of your strategies.

Almost every organisation displays at least two or three exceptional advantages (strengths) and disadvantages (weaknesses). The purpose of this step is to identify those elements that are so influential that they will affect the destiny of the organisation for many years, or have played a major role in the success or failure of the organisation over the past few years, or an element that the organisation does significantly better or worse than a comparative organisation. These need to be strategic elements, not programme specific, and usually will have a significant impact on the profitability of the organisation.

Identifying the opportunities and risks is a similar process to that of strengths and weaknesses, except that the elements are not internal, as with strengths and weaknesses, but external. This analysis identifies the trends and events that are likely to have significant impacts on the organisation. In particular, the risks section can feed into your risk identification and ranking process for risk management.

How To Conduct A SWOR Analysis

Use a whiteboard or butchers’ paper, and establish a SWOR quadrant. Start with the strengths, but be flexible enough to put participants’ comments in any of the four quadrants representing Strengths, Weaknesses, Opportunities and Risks. Weaknesses are usually the easiest, and often are more numerous than any other segment.

Once the strengths, weaknesses, opportunities and risks have been identified, it is useful to rank them.

Strengths and Weaknesses can be ranked according to A, B or C, with A being a huge strength or weakness, C being low. It is not as important to determine whether they are As or Bs, Bs or Cs, but it is important to discern the As from the Cs. You should rank these according to consensus from your participants, and if you found some saying A and others C, then compromise with a B, and so on. It is the relativity of the ranking, not the absolute correctness.

Opportunities and risks can be ranked in order of probability of occurrence and potential impact on the organisation. The classification could be in terms of High, Medium and Low, in the areas of probability and impact. Thus a threat of potential shortage of committee members and lack of succession planning might be ranked as Medium in probability, but High in impact. You will be most interested in the HHs, MHs or HMs.

The Theory Of Filtering And Its Effect On Setting Strategies

The visioning exercise and the SWOR analysis are both effective filters that force the planning team
Stage 5: Set Strategies And Reality Checks Against SWOR

to focus their attention on the key issues facing the organisation. The potential strategies then become more obvious than if these strategies were to be set in a vacuum.

Based on all the data obtained through the SWOR Analysis, a list of relevant strategies then needs to be developed. This is the opportunity to show creativity, flair, innovation and ‘blue-skying’, whilst remaining true to the vision.

The key question to ask here is:

“Based on everything we have done so far, what are the five or six key things that we just have to get right in the next two to three years?”

At this stage, it is not helpful to get into definitions of what is strategy, what is tactic, what is objective. It is more efficient to just keep asking the question:

“What are the five or six key things that we just have to get right in the next two to three years?”

Selecting Strategies

The key criteria for selecting the relevant strategies from a range of potential strategies must be that they give your organisation the best chance of achieving the Vision of the organisation, make full use of the major strengths, neutralise weaknesses, exploit opportunities, reduce risks, and address the main features highlighted in any scenario or foresight analysis. Each strategy chosen should be checked against these criteria.
Stage 6: Developing Action Plans

**Action Plans guaranteed to create action**

To ensure a strategic plan is effective, there need to be specific action plans for each of the strategies. This is the step where practical details are added to the strategies adopted. Strategies should be allocated to members of the planning group or possibly the Chief Executive to take away and develop into action plans. These action plans should be developed under the following headings:

**Action Plan A.1**

The title of the action plan to achieve a Strategy or KRA. The first action plan under Strategy 1 should be Action Plan 1.1, 1.2 and so on.

**Scope**

This is the logical, step by step approach to implementing the action plan description. How do we start? What do we need to do? Brainstorm at the start, to work out what you need to do, and then work out a logical order. This will change and be defined better once you have gone through the rest of the action plan.

**Resources**

These will include dollars, materials, external staff, or reallocation of existing resources. It is important at this stage not to get distracted by whether you can afford the resource required. That is up to the Board to decide, not the planning group.

**Start Date**

Estimate when the best start date might be. This should be by month, rather than week or day. This will be reviewed later when all action plans have been completed, and analysis of time lines can occur.

**Complete Date**

When is the finish date, how long will this project take? Do not put down “ongoing”, as it needs to have a date to measure that we have completed the scope and all steps are now put into place. Then it can be ongoing. Remember that this is a two to three year plan, so set dates accordingly.
Project Manager

Who will be held accountable within the organisation to ensure that this happens? Allocate a person to this responsibility, not a committee. There needs to be an identifiable individual who will be held accountable for the delivery of the action plan.

Success Measures

This is the most critical component of the action plan. Identify what the Board would consider a suitable outcome. Each action plan must have a success measure that is identifiable and measurable. Success measures are the most commonly ignored items of a strategic plan, yet are the lynchpin behind accountability. The key questions to ask are:

- How do we know that we have done a great job?
- What would it look like?
- What level of achievement would we be happy with?

Remember, everything is measurable, even changes in opinion and perception!

Ethics

This section identifies if there are any issues of rights, obligations, fairness or integrity. Once these have been identified, the results need to be iteratively fed back to the Scope section and this Scope section rewritten to take into account the identified ethical issues.

Risks

What are the risks of this plan, and the opportunities that they suggest? This can then be fed into the risk library, and the Scope updated so that it recognises these risks.
Stage 7: How To Successfully Implement Your Strategic Plan

Once these action plans have been developed, they need to be pulled together into one document together with the Vision statement and the strategies, which then forms the strategic plan. This plan can be disseminated to staff and leadership, and ideally should be provided in some form to all stakeholders of the organisation. This is an excellent opportunity for some valuable, and often neglected, public relations to stakeholders. The issue of commercial confidentiality needs to be determined. There will be instances where the dissemination of the strategic plan will be limited because of potential negative impact on the business of the organisation. It would be useful, however, to promote the fact that a strategic plan has been developed.

Many strategic plans have failed to deliver because the planning team has not established a monitoring process. This could be as simple as having each major action plan as a standing item on the agenda of all Board meetings, or as complex as a specific review committee established to meet every three months with the mandate to review the progress and re-evaluate the strategic direction taken by the organisation. Some organisations have every second Board meeting dedicated to strategic issues, and every other Board meeting dedicated to agreed operational issues.

Strategic Plan As The Board Agenda

The most important component of ensuring your strategic plan doesn’t languish at the bottom of a dust filled drawer, is to establish the strategic plan as the basis for your Board’s agenda. This ensures the Board is focused on those key things that they have already agreed have to occur in the next two to three years.
**Example Board Meeting Agenda** (notes are in the shaded sections)

| BOARD MEETING  
25TH JUNE, 2010 AT 2.15PM TO 4.30 PM  
MACQUARIE ROOM, 60 MARTIN PLACE SYDNEY |
| --- |

Note: A ** next to an agenda item means this is for noting only, and may be voted as accepted as a block item. Board members may request that the Chair take an item off the Block Agenda item and insert into the main agenda for discussion.

<table>
<thead>
<tr>
<th>Responsible</th>
<th>Status / Action</th>
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| **1.00 ATTENDANCE**  
1.1 Present  
1.2 Apologies  
1.3 Conflict of Interest | There are three types of reports, those for decision, those for discussion, and those for noting only |
| **2.00 CONFIRMATION OF MINUTES OF MEETING**  
2.1 Meeting held on 16th February 2008  
2.2 Noting of ** Block Agenda items  
2.3 Matters arising not dealt with separately on agenda | Minutes for approval |
| **3.00 CORRESPONDENCE** | Always ask if any Board member would like to take any item off the Block agenda and insert it into the main agenda for discussion |
| **4.00 BOARD OPERATIONS**  
4.1 Finance/Audit C’tee  
4.2 Nominations/Appraisal C’tee  
4.3 Compliance C’tee  
Occupational Health and Safety  
Legal Responsibilities  
Insurance Process Report | This should only have correspondence addressed to the Chair or the Board, or which has significant strategic importance |
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<th>5.00 STRATEGIC PLAN: 2008-2011</th>
<th>Responsible</th>
<th>Status / Action</th>
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<tbody>
<tr>
<td><strong>Action Plan 1.1:</strong> Develop membership eligibility criteria, change name and promote to sector</td>
<td>Paper for decision</td>
<td>The action plans due to start or in progress prior to this Board meeting</td>
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<tr>
<td><strong>Action Plan 1.4:</strong> Develop membership services to attract and retain members and reduce reliance on membership fees. <strong>Action Plan 1.6</strong> Implement Membership database system that is responsive to member needs and organization’s requirements <strong>Action Plan 1.8:</strong> Develop Information Resource Centre <strong>Action Plan 2.1:</strong> Introduce new base level Affiliate professional award <strong>Action Plan 2.2</strong> Develop policy for award recognition of wider range of tertiary degrees <strong>Action Plan 2.3</strong> Identify and incorporate non-finance degrees for accreditation as Associate</td>
<td>Paper for noting</td>
<td>Action Plans 1.2 and 1.3 do not appear as they are not due to start until later in the year. Do not take completed Action Plans out of the agenda. Mark them in such a way that the Board knows they are completed (eg strikethrough). This reminds the Board of progress, and when enough have been marked as completed, it is time to start the planning process again</td>
</tr>
<tr>
<td>6.00 PROFESSIONAL BOARD DEVELOPMENT</td>
<td>Papers for noting</td>
<td></td>
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<tr>
<td>7.00 STAFF PRESENTATION</td>
<td>Verbal report</td>
<td>Staff to present for 15 minutes on key issues, 25 minutes for Board questions/discussion</td>
</tr>
<tr>
<td>8.00 OTHER BUSINESS 9.1**Public relations 9.2 Letter of commendation</td>
<td>Paper for noting</td>
<td>Paper for decision</td>
</tr>
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### Board Evaluation

Annual Board evaluations are becoming more common, and in fact expected of Boards. Some of the key questions in the Board evaluation should be around how well the Board feels it has monitored strategy, how well it discusses strategy, how willing it is to change elements of strategy if something changes or is not working.

### Structuring Committees And Staff For Implementation

Once the strategic plan has been completed, the infrastructure of the organisation should then be reviewed to support the direction and resources necessary to complete the various action plans. This means a review of the Board structure and operations, the committee structure, the staff structure and the budget, to ensure that the infrastructure is in place to support the strategic plan.

### Align Staff Job Descriptions And Key Performance Indicators

Ensure that staff job descriptions are revised to include the impacts and responsibilities of the strategic plan on each individual within the organisation. Start at the senior leadership team level, and make this public to staff. At least two key performance indicators per staff member should be directly related to the strategic plan.

We often get queried on this issue. “How can all staff have an impact on the strategic plan, we need them to just do the job they are doing”. Our view is that all staff need to look at their current job through the filter and lens of the strategic plan, and the question asked “What can I change about my job that would make it more focused on achieving these key strategies”. This is a powerful question that should be asked by all line managers to their staff.
Stage 8: Measuring The Implementation Of Your Strategic Plan

Performance Measurement

Making the strategic plan the main agenda item for the Board means that the CEO is constantly being measured for performance against the strategic plan. This should also mean that there will be few, if any, surprises when it comes to performance appraisal time.

The key to the success of your Strategic Plan is in the ‘success measures’ component of the action plan, and in the way the Board agenda is structured so as to focus the Board’s attention on the achievement of the strategic plan. The achievement of the action plans, as identified by the success measures, should form a significant part of the Chief Executive Officer’s performance measurement.

Formal Annual Strategic Review

Each year it is recommended that a formal review of the strategic plan be conducted. This is a process where four questions are posed:

- What has worked?
- What has not worked?
- What needs to change?
- What have we missed?

The Board needs to continually question the assumptions behind the strategic plan to test their continuing validity, and be willing to change components of the plan if other variables change. This is best done through embedding into the Board agenda a section where this is overtly discussed.
Sample Strategic Planning Facilitation Table

This section provides details on the timelines and detailed steps involved in facilitating a strategic plan. If you propose to conduct your own strategic plan, this process will provide the game-plan for the facilitation. Whilst this process has been proven in many organisations, there are many ways of facilitating a strategic plan, and this should be taken as an example only.

The facilitation occurs over a two day retreat.

<table>
<thead>
<tr>
<th>Step</th>
<th>Week(s)</th>
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<tbody>
<tr>
<td>Preliminary kick-off meeting by teleconference (involving the CEO and nominated specific Board member)</td>
<td>Week 1</td>
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<tr>
<td>Collection and analysis of key documents by facilitator (constitution, annual report, financials, strategic documents as agreed)</td>
<td>Week 1</td>
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<tr>
<td>Agree who should be on the planning team</td>
<td>Week 2</td>
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<tr>
<td>Develop and circulate Board and planning team survey, collect survey returns and summarise relevant issues</td>
<td>Week 3</td>
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<tr>
<td>Commence planning retreat (Day 1)</td>
<td>Week 4</td>
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<tr>
<td>• 9.00 am Confirming or reaffirming the Vision/Mission</td>
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<tr>
<td>• 10.00 am Using your Vision/Mission statement as a strategic filter</td>
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<tr>
<td>• 10.30am Backcasting for possible scenarios</td>
<td></td>
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<tr>
<td>• 11.30 am A Strengths, Weaknesses, Opportunities and Risks (SWOR) environmental filter analysis.</td>
<td></td>
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<tr>
<td>• The impact of identified risks on your risk management plan</td>
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<tr>
<td>• 12.30 pm Agreeing and prioritising key strategies</td>
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<tr>
<td>• Impact analysis between the SWOR, Core Vision, Core Purpose and Strategies.</td>
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<tr>
<td>• 1.30 pm Lunch</td>
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<tr>
<td>• 2.00 pm Establishing the Strategic Action plans for all agreed strategies.</td>
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<tr>
<td>• 4.30pm Finish</td>
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<tr>
<td>Continue planning retreat (Day 2). Smaller operational group to finish action plans</td>
<td></td>
</tr>
<tr>
<td>• 9.00 am Establishing the strategic action plans for all agreed strategies.</td>
<td></td>
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<tr>
<td>Strategies for ensuring that the strategic plan is carried out at the various levels, including structuring of the Board agenda, structuring committees, reviewing the strategic plan regularly, and strategic thinking processes.</td>
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<tr>
<td>• 12.00 pm Finish Embedding the strategic plan into CEO and staff performance measures and job descriptions</td>
<td></td>
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<tr>
<td>Board approval together with follow-up support and ensure Strategic plan is properly written up and made public</td>
<td>Weeks 5,6,7</td>
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</table>
Conclusion

Strategic planning provides the organisation with the five or six key areas they have to get right in the next few years.

The Board is responsible for approving the strategic plan, and for monitoring progress against agreed success measures.

The staff role is to implement the Action Plans, and alert the Board to any changes that may need to be made to the strategic plan.

The planning cycle should be shaped by the achievement of the action plans, so that if the majority of the action plans have been completed within two years of a three year plan, a new planning cycle is automatically triggered rather than some artificially generated date.
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