

What is a Strategic Plan?

It's Organization Specific

All organizations have slightly different structures, focus, geographic scopes, programs and services and levels of management skill, etc. As such, it becomes very dangerous to use the same strategic planning template for every organization. It's akin to a doctor treating every patient with the same prescription.

The optimal breadth and depth of a strategic plan for one organization is rarely optimal for another. So all strategic plans don't look alike and they shouldn't look alike. That is not to say that there are no common areas or processes; there are. The difference in the strategic plans lies in which areas to include, which to omit and which to focus on. These decisions are organization specific.

- Is the organization in crises?
- What is the organization's stage of development?
- What levels of resources are available?
- How much competency does the Board have in the area of strategic management?
- How diverse are the stakeholders?
- How many stakeholders are there?
- What's the organization's culture?

Some of the areas that are commonly seen in strategic plans include:

- Vision statement
- Mission statement
- Mandate
- Strategic drivers
- Value statement
- Corporate Goals
- Objectives
- Performance metrics
- Competitive analysis
- Stakeholder analysis
- Internal resources
- Organizational competencies
- Customer assessment
- Value proposition

What's The Process For Developing A Strategic Plan?

While the depth and breadth of each organization's plan is specific, the basic aspects of the process in developing a strategic plan generally include:

- Understanding the need for a strategic plan.
- Determining if assistance is needed in developing a strategic plan.
- Conducting a stakeholder analysis.
- Determining the scope of the strategic plan.

- Deciding upon the level of resources.
- Deciding on the information needs.
- Gathering and analyzing the necessary information.
- Formulating the process.
- Facilitating the meetings.
- Documenting outcomes of meetings and obtaining participant commitment.
- Drafting the strategic plan.
- Approving the strategic plan.
- Communicating the strategic plan.

This process will vary from organization to organization, and for some it may take several months to complete while for others it will only take a few days. However, all organizations generally follow many of these steps. The key difference between organizations is the amount of time and effort spent gaining stakeholder input and commitment to the plan. It is generally far more worthwhile to spend the time upfront during development of the plan to obtain your key stakeholders input and commitment than it is to try and get their buy-in after the fact.

So, What Is a Strategic Plan?

A strategic plan is a management tool used to improve the performance of the organization. It's a tool that is demonstrated in a document that outlines the organization's direction and priorities. It is a guideline to be used by management in making decisions regarding the allocation of resources. It is also a process that an organization undertakes to build commitment and consensus among its key shareholders regarding company direction and priorities. This is critical as it influences company policy, focus and the allocation of resources.