

Strategic Planning Tool

Challenge: Strategic plans often do not succinctly clarify where a company is, where it is going, and the plan for strategic execution. Ill-defined strategy can be too vague, non-committal, and unwieldy for members of the executive team to understand and work together to refine it - much less cascade it to implementation teams.

Tool Purpose: Equip management teams with a high-level tool to develop a strategic plan. The resulting plan fits on one sheet of paper and is meant to be a living document.

The Strategic Planning Tool is organized into seven sections:

Section 1: Who We Are

This section begins the strategy formulation process by getting everyone on the same page regarding why the company exists and what it stands for.

Section 2: Measuring Our Performance - Documenting the Current State

This section advances the process by gaining consensus around the current state of the organization, the characterization of current strategy, and performance levels.

Section 3: Where We Want to Go - Defining the Future or Goal State

This section provides companies with a framework to formulate a future strategic statement and set stretch targets against which to monitor strategic execution.

Section 4: How We Will Get There - Key Initiatives

This section guides companies through the identification of a few key strategic initiatives, the major projects or plans that your company must undertake in order to achieve goal.

Section 5: Identifying Resources

This section will help identify the resources required to successfully perform the key initiatives.

Section 6: What Will Affect Results - Assumptions

This section guides companies in how to identify critical underlying assumptions that reflect why the core elements of the chosen strategy are better than next-best alternatives.

Section 7: Objectives for Next Quarter

Though metrics and initiatives have already been identified, this section will help team members hold each other accountable by developing actionable short term goals.

This tool will auto-populate different tabs to create three documents

1. Statement of the company's Values, Mission, and Vision
2. One page Strategic Plan
3. Individual goals for next quarter

Fill in the cells shaded gray in the tabs colored blue. After completing all seven tabs, the output can be viewed on the three final tabs, colored green.

Recommended Reading:

[What is Strategy? by Michael Porter](#)

[Building Your Company's Vision by James C. Collins & Jerry I. Porras](#)

[Decoding the DNA of the Toyota Production System by Steven Spear and H. Kent Bowen](#)

Section 1: Who We Are

This section begins the strategy formulation process by getting everyone on the same page regarding why the company exists and what it stands for.

Date created: One Quarter Date: One year date:

Examples: [Coca-Cola](#) [Northrop Grumman](#) [Kellogg](#) [Whole Foods Markets](#)

There are five components that will help answer this question:

- a Values - What are the company's principles or standards of behavior. What does the company feel is important in the manner in which it does business with others?

Enter the company's values here:

1	
2	
3	
4	(If needed)
5	(If needed)
6	(If needed)
7	(If needed)

- b Mission - Why does the company exist?

Enter the company's mission here:

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- c Vision - If the company achieves all of its goals, what will it look like in 5 years? 10 years? This ideally will be inspirational and aspirational.

Enter the company's vision here:

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- d Core Knowledge & Expertise - What is the business good at? What skills do the employees possess? Are these consistent with the mission?

Enter the company's core knowledge and areas of expertise here:

1	
2	
3	
4	(If needed)
5	(If needed)
6	(If needed)
7	(If needed)

- e Key Differentiators - What activities does the company choose to perform differently than similar companies? What activities does the company perform that similar companies do not?

Enter the company's key differentiators here:

1	
2	
3	
4	(If needed)
5	(If needed)
6	(If needed)
7	(If needed)

Section 2: Measuring Our Performance - Documenting the Current State

This section advances the process by gaining consensus around the current state of the organization, the characterization of current strategy, and performance levels.

How are we doing? This is a description of the **Current State**. To answer this:

- a Develop a concise statement that reflects the current state or strategy of the company.
 - Strive for a single, aspirational sentence, but sacrifice concision for clarity. Focus on getting the elements right, than on finding the perfect turn of phrase.
 - If you find yourself caught in endless debate over wordsmithing, you have likely gone too far.
 - Example: As a full-service brokerage firm and private partnership, we serve nearly 7 million investors with a convenient, personalized approach through more than 12,000 financial advisors in the United

Enter the company's Current State here:

- b Choose 4-7 metrics that best measure company performance against strategic objectives, both current and future.
 - Rather than exhaustively documenting measures of performance, the top 4-5 metrics should be able to capture 80% of the strategic focus of the organization. Adding more will make it more difficult to
 - Attempt to pick metrics that adequately describe current performance but also provide guidance as to where we want the company to go.
 - It is expected that the metrics chosen here may need revisiting as you gain a clearer picture of company direction.
- c Record the value of each metric.

#	Metric	Current Value
1		
2		
3		
4	N/A	
5	N/A	

Section 3: Where We Want to Go - Defining the Future or Goal State

This section provides companies with a framework to formulate a future strategic statement and set stretch targets against which to monitor strategic execution.

Where do we want to go? This is a description of the Future State. To answer this:

- a Develop a concise statement that captures the essence of the company's new strategy.
 - Strive for a single, aspirational sentence, but sacrifice concision for clarity. Focus on getting the elements right, than on finding the perfect turn of phrase.
 - If you find yourself caught in endless debate over wordsmithing, you have likely gone too far.
 - Example: We aim to grow to 17,000 financial advisers by offering trusted and convenient face-to-face financial advice to conservative individual investors who delegate their financial decisions,

Enter the company's Future State here:

- b Set targets for each metric by which to measure performance against the new strategic plan during different periods. Choose goals for: the next quarter, one year from now, two years from now.

#	Metric	Goal value in:		
		One Qtr.	One Yr	Two Yrs
1	Enter a metric on the Current State tab.			
2	Enter a metric on the Current State tab.			
3	Enter a metric on the Current State tab.			
4				
5				

Section 4: How We Will Get There - Key Initiatives

This section guides companies through the identification of a few key strategic initiatives, the major projects or plans that your company must undertake in order to achieve goal.

How will we get there? Develop 4-5 **Key Initiatives** that, if performed successfully, will increase the likelihood of achieving the Future State.

- Do not include initiatives intended to run the business, such as "keep serving our customers" or "maintain employee engagement," because they simply perpetuate the current trajectory.
- Strive to achieve a level of granularity among the initiatives you choose by grouping smaller projects as necessary.
- Consider using the SMART methodology to write the goals.
- Expect those responsible for implementing initiatives to want more time and budget to complete them; expect yourself to want more slack related to underlying assumptions; expect managers to want

Enter the initiatives here:

1	
2	
3	
4	N/A
5	N/A

Section 5: Identifying Resources

This section will help identify the resources required to successfully perform the key initiatives.

What resources will we need? In order to perform our key initiatives, what resources will be required?

Think about this in terms of:

- People
- Capital
- Equipment
- Facilities
- Raw materials
- IT
- Partnerships

Each resource identified needs to be directly linked to a key initiative.

Key Initiatives:

Enter resources required:

1	Enter an initiative on the previous tab.	
2	Enter an initiative on the previous tab.	
3	Enter an initiative on the previous tab.	
4		
5		

Section 6: What Will Affect Results - Assumptions

This section guides companies in how to identify critical underlying assumptions that reflect why the core elements of the chosen strategy are better than next-best alternatives.

What will affect the results? List all assumptions that underlie our plans:

- Most important assumptions will likely include: the macroeconomy, customer behavior, competitors, or technology - value drivers of your company or industry.
- Monitor your assumptions as frequently as necessary to provide advanced warning of an imminent breach. Planning for an effective course-correction can take time.
- The best assumptions should reflect why the core elements of the chosen strategy are better than their next best alternatives.
- Assumptions may appear as highly reliable “truths,” others will seem like highly uncertain dynamics that are difficult to control.
- As assumptions are the primary responsibility of management to monitor, they are not communicated in the strategic plan, but should be revalidated regularly.

Enter the assumptions here:

1	
2	
3	
4	
5	
6	N/A
7	N/A
8	N/A
9	N/A
10	N/A

Section 7: Objectives for Next Quarter

Though metrics and initiatives have already been identified, this section will help team members hold each other accountable by developing actionable short term goals.

What can be done this quarter? Based on the key initiatives developed and the future state goals for the next quarter, develop a list of actions that can be taken or projects that can be started and assign a person responsible for each.

- Consider using the SMART methodology to write the goals.
- Associate each Action/Activity/Project to a Key Initiative or Metri identified in one of the preceding steps.
- Person responsible is the individual that will carry out the actions and activities or assign those tasks. If it is not completed satisfactorily, this person is responsible for remedying.
- Each person that is responsible for a action or activity should be held accountable by a fellow member of the management team or by the entire group. If the person responsible is facing obstacles or challenges, he/she should seek out the person holding him/her accountable for support.

	Action/Activity/Project	Person Responsible	He/she is Accountable to	Initiative this item is Associated with:
1				
2				
3				
4				
5				
6	N/A			
7	N/A			
8	N/A			