Conceptual Framework and Process for Strategic Planning

Defining Essentials and Aspirations, Evaluating Resources and Tradeoffs, Decisioning, and Developing an Actionable Approach for Achievement

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Introduction

This paper presents a “notional framework” for strategic planning for “enterprise mission cost-effectiveness” (EMC), where organizations are able to meet their essential goals at an affordable, sustainable cost, and potentially deliver additional outcomes using available resources. Snowflake LLC developed this framework based on our philosophy that all organizations should strive to achieve a state of EMC as a core business requirement, and our experience with different approaches to strategic planning interpreted in this context.

This is a working document that will be edited periodically. Version changes are noted at the conclusion of this paper. Reader comments are encouraged for consideration in incremental refinements of the notional framework. Send feedback to info@snowflakellc.com.

Concepts in this document should be broadly applicable to the public, private, and non-profit sectors. They are intended for organizational executives, and may also be beneficial to senior managers guiding strategic planning for major units (e.g., Offices, Departments, Divisions). For the latter audience, care should be taken to ensure that, in particular, resource evaluations and strategies are considered in the broader context of the parent organization.
Framework Overview

This approach to strategic planning is designed to help organizational leaders to define and achieve essential outcomes, while thinking more broadly toward expanded impacts on their markets. While the inputs and discussion points will obviously vary, there is no evident reason that the overarching framework (Figure 1, below) cannot apply across different sectors, industries, and client conditions. The vision is that the information required to inform this Strategic Planning Framework would be prepared from primary and secondary research augmented by management analysis, and evaluation and decisioning would occur through facilitated leadership sessions.

Figure 1. Notional Strategic Planning Framework

The following is a brief description of the key phases in an associated general Strategic Planning process, represented in Figure 2. Note that for multiple phases can be considered during one facilitated session, depending on the size of the participant group, complexity of the issues discussed, and length of the event. However, some elements of the process are better suited for completion outside of group “visioning” work.

Figure 2. Basic, Multi-phase Process for Strategic Plan Development and Actualization
Phase One—Demand Exploration
Understand the conditions you need to address.

This phase is an assessment of the vision and mission in the context of current and anticipate “market” demands. The market can be broadly considered as the organization’s key stakeholders, which may include customers, shareholders, constituents, oversight authorities, members, donors, etc., as well as other elements that affect (e.g., economy) or are affected by (e.g., environment) products and services. Assessment of the market involves two key components:

- **Stakeholder Analysis**—Typically accomplished by interviews, focus groups, surveys, etc. that allow the organization to “take the pulse” of stakeholders’ needs and concerns from their perspectives.
- **Conditions Assessment**—May involve primary and secondary research and analysis on the health of and risks to the population served, as well as surrounding economic, political, social, and other considerations.

The result of these evaluations can be as simple as a “demand matrix” reflecting overall, contextual market demand, or what the market is concerned with and what may affect it in the future. This is subsequently compared to the vision and mission.

Phase Two—Goals and Measures
Define the outcomes that define the organization’s success.

The second phase, often the first discussion point of a facilitated leadership session, is an articulation of organizational goals and how they will be measured, and the associated targets that are the threshold for success. There are two key components of this discussion, both of which are informed by the outcomes of the earlier Demand Exploration phase. Leaders need to consider how to characterize their:

- **Essential Goals and Metrics**—The goals the organization must achieve to be considered successful in fulfilling on its purpose, the indicators use to measure its effectiveness, and the minimum threshold for “sufficient results”.
- **Aspirations**—“Stretch” targets for essential goals, as well as additional goals that are non-essential but, if achieved by meeting established indicator targets, would deliver further beneficial results in line with the mission.

As shown in Figure 1, above, leaders will exit this discussion with a set of essential goals and associated minimum and stretch result targets, and a set of aspirational goals with corresponding delivery metrics. These should be reconciled against the Demand Exploration outputs to ensure that they are aligned with market wants and needs, such that key stakeholder and surrounding requirements are adequately met.

Phase Three—Outcome Strategies
Identify the major “steps” needed to accomplish the goals.

Following goal-setting, discussion turns to outcome strategies, or objectives, which essentially represent the first-level “plan of attack” for achieving the organization’s strategic goals and targets. Objectives established during this discussion are the initial step to answering “how will we get there”, outlining the key programs, initiatives, etc. that, if executed successfully, will lead to accomplishment of their associated goals. Objectives should still be viewed as strategic (vs. tactical), and should be:

- **Feasible, with Realistic Expectations**—Executable in full, likely to deliver outcomes that the organization anticipates (e.g., a program will attract a certain number of participants who act in desired ways), acceptable risk.
- **Tied to Contributions**—Clear articulation of the objective’s contributions to achievement of the related goal, either directly or by enabling or supporting pursuit of another objective. Implications of failure should also be discussed.

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1 Some objectives will contribute directly to attainment of the desired outcomes and fulfillment of the strategic goals. Others may impact the “bottom line” indirectly, affecting the ability of front-line programs, initiatives, etc. by enabling them to be more efficient and/or effective in achieving results. In some instances, certain objectives that comprise the strategy for achieving a goal may be considered “essential”, while others associated with the same goal will assist in meeting aspirational performance targets.
Phase Four—Resource Analysis
Determine what resources are required, and identify gaps.

All objectives will require resources (e.g., financial, people, capital assets) to execute properly. These requirements need to be estimated and compared against existing resources so that the organization can understand current capacity and gaps, determine how to address them, and prioritize based on the importance of the goals and objectives vs. the ability to deliver on them. This is critical to ensuring that, ultimately, the strategic plan is feasible for its intended outcomes.

- **Requirements**—Enough detail to roughly indicate the resource types, sizes (e.g., number of staff, square footage of facilities), and specific key attributes (e.g., permanent vs. volunteer resources, major skills) for an objective.

- **Gap Analysis**—Comparison against existing and high-confidence anticipated resources, on aggregate, to identify where the organization lacks capacity to deliver on its comprehensive objectives.

Included in this discussion is an examination of how existing resources should be deployed, covering essential goals and objectives first, and noting (a) deficiencies inhibiting critical delivery, and (b) shortcomings in resources needed for aspirational efforts. Phase Four can occur within a facilitated session, or an initial cut can be made by management in between multiple sessions and discussed in a subsequent meeting if leadership can accommodate multiple events.

Phase Five—Resource Strategies
Identify approaches to close resource gaps.

The next segment is focused on identifying ways to access the required resources. The focus needs to be on essential goals and objectives first and foremost, since they absolutely must be achieved for the organization to be considered successful. Subsequent discussion then centers on additional resource requirements, with a particular emphasis on finding low risk, low burden opportunities to meet the needs. There are two key ways to make additional resources available:

- **Generate Income**—Raise funds to pay for additional staff, new facilities, etc. There are many ways to generate new revenue, such as monetizing products, raising prices, expanding membership, obtaining grants, etc.2

- **Increase Efficiency**—Make organizational improvements to free up existing resources. Examples include process changes that reduce workload requirements, efficiencies that lower facilities operating costs.

There may be other opportunities, such as use of volunteers for specific objectives identified in Phase Four, and these are considered as well. During this discussion, participants are encouraged to consider the timing associated with different strategies, as well as investment, potential return, and risk, to help select approaches and refine sequencing of objectives outlined earlier. Also, depending on magnitude and impact, some strategies may become goals themselves.

Phase Six—Prioritization and Consolidation
Determine where to focus, and create the plan.

Once resource strategies have been discussed and evaluated, the planning process turns toward prioritizing objectives. This activity considers the relative values of the goals and objectives in the context of resourcing feasibility. The

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2 Some initiatives will require further analysis to determine the best course of action (e.g., a coordinated donor campaign vs. pursuit of grants) when execution resources are limited. In these cases, it is not necessary at this point to make the decision, only to note that analysis needs to happen and a course of action selected early on during strategic plan implementation. A high confidence expectation of additional income from one option or another (whichever is found to be best for the organization) is sufficient here.
objectives necessary to achieve essential goals and targets, or to enable other objectives to directly impact outcomes, are marked as “mandatory”. The rest of the discussion is about “greatest benefits”, considering, for example:

- **Returns**—What is the overall impact of each of the outstanding programs or initiatives on the “bottom line”, directly (e.g., delivering on a metric) or indirectly (e.g., enabling greater returns from another objective)?
- **Tradeoffs**—If accessible resources are applied to one objective, what other objectives cannot be pursued, and what is the aggregate value of those objectives to the organization’s mission?

The end game is to deploy resources to goals and objectives that contribute the most to fulfilling the mission, and then expanding on those results. Objectives are then prioritized to determine which efforts will be resourced first, as funds and/or time become available. When consolidated, the organization will have a “road map” describing needs and wants to achieve, what it will do to accomplish its goals and when, and how it will get the resources to do it.

**Phase Seven—Action Planning**

Lay out actions to accomplish the objectives, and assign ownership.

If not properly executed, even the most well-constructed plan will fail to produce the desired results. This much is obvious, yet strategic planning efforts most frequently falter at implementation. While objectives provide some detail into how goals are to be achieved, those who are responsible for completing them often struggle to figure out exactly what they have to do and, while they may be best for the overall objective, they may not be the best resources for to take on specific actions. Action planning provides:

- **Specific Objective Execution Plans**—Essentially a project plan for every objective, with discrete activities, timelines, and milestones laid out clearly and concisely, and dependencies identified.
- **Allocation of Responsibilities**—Ownership of the overall task, assigned resources, and responsibility for each activity. The last element may be left to the task owner, though coordination may be required across objectives.

This phase is usually executed by the organization’s management after facilitated sessions are completed, and discussed at a later leadership session (e.g., regular Board meeting) before action plans are finalized. Task owners are frequently involved in action planning as well, both for their expertise and to develop a greater understanding of what is required. It is also helpful to identify key risks associated with tasks.

**Phase Eight—Management and Infrastructure**

Configure governance and resources to ensure proper execution.

The last element prior to implementing the strategic plan is establishing management and accountability mechanisms and, if necessary, realigning the organization’s structure and key roles to effectively execute. Absent adequate oversight, there is a strong likelihood that plan execution will get “off track” or, in the worst cases, will cease entirely. Additionally, if the organization is not aligned to deliver the plan’s expectations, results will be sub-optimal. Addressing these risks requires:

- **Program Management**—An overall Program Manager, a measurement “dashboard”, protocols for reporting results that promote accountability, and a schedule for regular, periodic reviews of plan outcomes, appropriateness, etc.
- **Organizational Infrastructure**—Re-orientation of the structure, new roles and responsibilities, etc. to support the strategic plan’s overall direction, as well as its various programs and initiatives.

Organizations should assign the Program Manager role to a staff member with sufficient influence to provide direction and encourage owners of the objectives to be responsive to assignments, requests, etc. Both Program Management

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1 Applications that permit collaboration are particularly useful here. While Snowflake LLC does not endorse any particular product at present, one example of a tool commonly used is SharePoint, which we have seen across the government in particular.
and Organizational Infrastructure recommendations can be developed by management, and discussed with leadership in regularly scheduled meetings or special sessions for acceptance.

**Process Output**

**Actionable Strategic Plan**

Final outputs from the Strategic Planning process typically include elements such as:

- Mission and Vision Statements (updated as appropriate)
- Strategic Goals, Measures, Targets, and Objectives
  - Essential Performance ("Threshold Success") Sub-set
  - Prioritized Aspirational Outcomes (Expanded Impact) Element
  - Sequenced "Journey Map" of Intended Multi-year Progress
- Action Plans and Assignments for Completion of Objectives
- Strategic Plan Program Management Charter
- Management and Monitoring Mechanisms
  - Objective Owner Accountability Strategy
  - Measurement Dashboard and Data Compilation Rules
  - Progress Reporting Templates for Objective Owners
- Strategic Plan Collaboration Site (e.g., SharePoint)

We also suggest that organizations develop an outreach strategy to share the plan with stakeholders, which may even include a step for socializing the plan with certain stakeholder groups prior to finalizing and implementing.

May or may not be applicable depending on the size of the organization, magnitude of the effort, available resources, etc. Some mechanism supporting file management, collaboration, etc. is helpful, however, regardless of whether it is on-line or "manual".
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