

For Your Business...

Strategic planning is a must — make it a habit



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The discipline of strategic planning is a lot like flossing your teeth. You know you should do it, the effects are enhanced by doing it regularly and the long-term consequences of not doing it can actually be quite serious. So why are both so hard to make a regular habit?

For most people, strategic planning conjures up images of big notebooks full of information and plans that no one uses or follows. This kind of strategic process is a one-time or annual event, an extraordinary and sometimes painful exercise. It is not a process that easily becomes a habit.

Yet most every company needs to think and act strategically. The world, your customers,

technology and many other factors in your environment change at a rapid pace. The only way to keep up with the change is to incorporate strategic thinking into the everyday work of your entire team.

How to do this? The best way to make something a habit is to create a process that is easily repeatable. To avoid having an inflexible, monolithic process and, instead, develop a strategic habit within your company, try these best practices:

Develop your strategy based on facts.

We feel that a fact-based strategy is the only way to go. What do we mean by that? Even for cutting edge products, there is a logic underlying the market opportunity. It is common for companies to base decisions on management's intuitive understanding of their market. This makes the company vulnerable to blind spots.

We recommend using hard information to understand and confirm market trends. Gather the information from a variety of sources including hard data, open conversations with key customers and employees and reading about your industry. Your opportunity may come from a combination of trends — verify and confirm each one.

Have a hit list of key data that you want to track going forward.

If the strategy you have developed is based on facts, then it is easy to track the key data points that will confirm that your understanding of your market is on track. Alternatively, changes in this data will be a call to reconsider your course.

Reach out at all levels of the organization.

Everyone in your organization needs to understand your company's strategic direction as well as the critical assumptions of the plan. They also need to understand the connection between that direction

and their jobs. This understanding can come from participation in the strategy-development process or in the launch of a new strategic direction. Understanding the why, how, and when of your strategy will help promote better belief and support from your employees.

Create channels for capturing fresh information.

On an on-going basis, generate a continuous flow of new information about your market, your customers and your own business model. This information should come through monitoring outside sources as well as from within your organization. If your employees are in tune with your strategic assumptions and direction, they will be better prepared to gather and highlight critical information.

Good information can come from employees at all levels: managers, help desk personnel, customer service representatives, shipping clerks, and sales people. Employees should be educated on what information that they should gather and how to share it.

There needs to be a person or a department that serves as a clearinghouse for the information that is generated. A marketing or planning department is a good home for this function; the important thing is to have a clear contact point for everyone.

Have a process in place to analyze and adapt.

Finally, changes in the environment or the business need to be factored into the company's strategy and operations. The people in the clearinghouse need to track information and map it against your current operating assumptions. When there is a change, it needs to be communicated to your planning team so they can react.

Even without a significant change, you should have a process in place for periodic follow up. If your team decides to change or adjust your course, make sure that new action plans and a new data hit list are generated. The frequency of the follow up should be a function of the pace of change in your industry and your company.

A habit is something you do without thinking about it. Like flossing, the best way to make strategic planning a habit is to turn it into an everyday process — in this case as a continuous part of everyone's job.

Gather strategic information continuously from multiple sources. Use it as a reality check versus your current operating assumptions. Have a clearinghouse for new information and a process for adjusting your plans to new realities. You will enjoy increased business success and health for the long term.

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