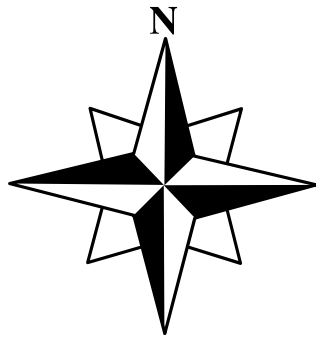


**THE STRATEGIC PLANNING  
WORKBOOK**



**Prepared by**

**Ray Sleeman MBA**

## Contents

1.	Introduction.....	3
2.	What is Strategic Planning?.....	4
3.	How Does Fit into the Business Environment?.....	5
4.	The Strategic Planning Model.....	6
5.	What are the Benefits?.....	7
6.	Reviewing the Organisation's Performance.....	8-10
7.	Reviewing the Business Environment.....	11-14
8.	The Critical Success Factors.....	15
9.	Key Issues.....	16
10.	Core Values and Mission Statement.....	17
11.	Statement of Goals.....	18
12.	Statement of Objectives.....	19-20
13.	Strategies.....	21-24
14.	Action Plans.....	25-26
15.	Monitoring the Plan.....	27-28
16.	Strategic Plan Structure.....	29

## Introduction

The Strategic Planning Workbook has been prepared to assist people who have a responsibility within an organisation for the development of its future direction, but have had limited experience in the preparation of strategic plans.

It will have particular relevance to smaller businesses and non profit organisations where the General Manager or owner does not have the support of specialist staff to undertake the process of strategic planning. In addition to assisting staff, it is also aimed at the Board and its members who are often given the responsibility of developing the strategic direction of the organisation.

The purpose of the Strategic Planning Workbook is to:

- ✓ encourage key people within the organisation to assume the responsibility for developing the future direction of the organisation
- ✓ encourage a longer term view of an organisation's position within its business environment
- ✓ provide a simple but comprehensive structure for developing a strategic plan

The Strategic Planning Workbook has been designed so that at the completion of the exercises, the key features of a strategic plan for an organisation have been completed and can be implemented.

The contents of the Workbook should be reviewed at least annually and if used effectively will be a working document for many people in the organisation

## What is Strategic Planning?

*It is a process which organisations use to:*

- ✓ Develop a new product or service
- ✓ Launch a new product or service
- ✓ Change the direction of the company
- ✓ Identify barriers and constraints to the effective operation of a business
- ✓ Set up a new company
- ✓ Improve their performance

Add any other reasons

---

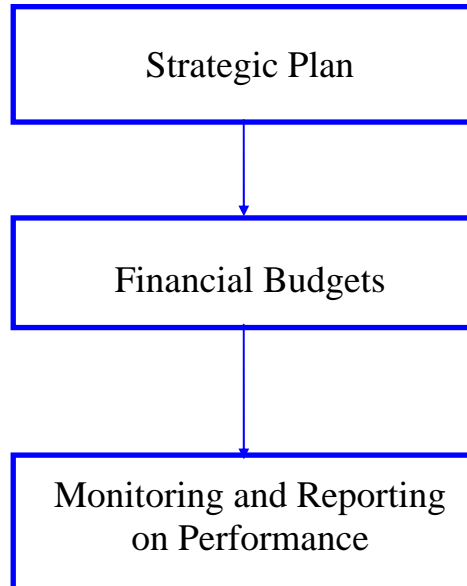
---

---

*Strategic planning enables organisations to answer four questions:*

- ✓ Where are we now?
- ✓ Where do we want to be?
- ✓ How are we going to get there?
- ✓ How do we know when we have got there?

## How Does Strategic Planning Fit into the Business Environment?



What are the differences between strategic planning and business planning?

1. Strategic planning is about the future direction of the organisation

---

2. Strategic planning is focused on the long term (3-5 years)

---

3. Business planning is more implementation oriented

---

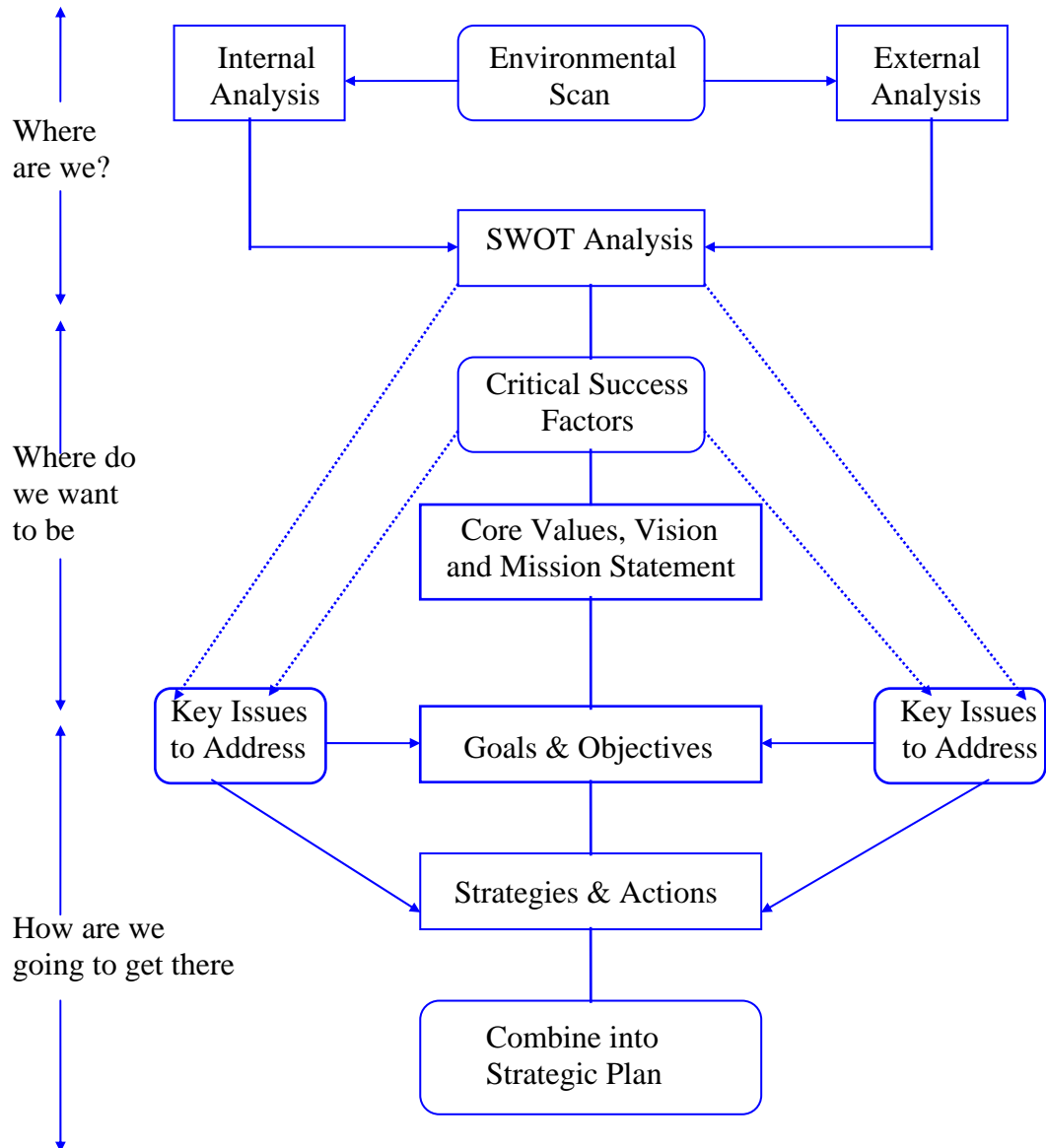
4. Business planning has a short term planning horizon (1 year)

---

5. Business planning is functional and focused on current issues

---

# The Strategic Planning Model



## What Are the Benefits of Strategic Planning?

*What are the benefits an organisation could achieve through strategic planning?*

1. An agreed understanding between staff, management and board of the organisation's purpose and business, creating an increased level of commitment to the organisation and its goals.

---
2. A blue print for action. The plan is a framework that guides and supports management and governance of the organisation

---
3. Details milestones with which to monitor achievements and assess results

---
4. Fosters successful communication and teamwork

---
5. Brings everyone together to pursue opportunities for better meeting the needs of clients

---

## Internal Analysis

List up to six things that your organisation does well

- |          |          |
|----------|----------|
| 1. _____ | 4. _____ |
| 2. _____ | 5. _____ |
| 3. _____ | 6. _____ |

List up to six things that your organisation does not do well

- |          |          |
|----------|----------|
| 1. _____ | 4. _____ |
| 2. _____ | 5. _____ |
| 3. _____ | 6. _____ |

Give a score of 1 (high) to 5 (low) for your organisation's performance regarding the following elements

- |                             |                                  |
|-----------------------------|----------------------------------|
| 1. Strategic Planning ( )   | 7. Maximising Revenue ( )        |
| 2. Business Planning ( )    | 8. Customer Service ( )          |
| 3. Financial Management ( ) | 9. Use of Technology ( )         |
| 4. Marketing ( )            | 10. Monitoring Performance ( )   |
| 5. Controlling Costs ( )    | 11. Maximising Profitability ( ) |
| 6. Staff Training ( )       |                                  |

***A score of 4 or 5 for each element indicates that action is required to improve the performance***

Who are the major purchasers of your services and what proportion of your sales/business do they make up?

1. \_\_\_\_\_ ( %) 4. \_\_\_\_\_ ( %)

2. \_\_\_\_\_ ( %) 5. \_\_\_\_\_ ( %)

3. \_\_\_\_\_ ( %) 6. \_\_\_\_\_ ( %)

*If one or two categories make up more than two thirds of your revenue, this could be a major threat to your business if these sources declined significantly*

How do you determine whether your organisation has been successful at the end of the year?

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

4. \_\_\_\_\_

5. \_\_\_\_\_

6. \_\_\_\_\_

What are the financial performance trends for your organisation over the last three years? (tick the appropriate box)

Improving  Why? \_\_\_\_\_

Staying the same  Why? \_\_\_\_\_

Declining  Why? \_\_\_\_\_

If you had to tell a potential investor, sponsor, banker of the main attributes of your organisation, what would they be?

1.

---

2.

---

3.

---

4.

---

5.

---

***These strengths should be included in the SWOT analysis on page 12 and should be taken into account when considering objectives and strategies to build on your strengths***

## External Analysis

What are the external factors which impact on your organisation today?  
(eg competitors, economic environment, labour markets, government policies)

- |    |        |     |
|----|--------|-----|
| 1. | ( ) 4. | ( ) |
| 2. | ( ) 5. | ( ) |
| 3. | ( ) 6. | ( ) |

List the degree of impact - High (h), Medium (m) or Low (l) - which each of the above have on your organisation

Which competing organisations, if any, do you aspire to be like?

---

What do you consider those organisations do well?

- |    |  |
|----|--|
| 1. |  |
| 2. |  |
| 3. |  |

## SWOT ANALYSIS

What is a SWOT Analysis?

An analysis of the organisation to identify the **internal** strengths and weaknesses and the **external** opportunities and threats that will influence its performance and position over the next 3-5 years

---

List the key strengths of your organisation

- |          |        |     |
|----------|--------|-----|
| 1. _____ | ( ) 5. | ( ) |
| 2. _____ | ( ) 6. | ( ) |
| 3. _____ | ( ) 7. | ( ) |
| 4. _____ | ( ) 8. | ( ) |

Now rank each of the strengths with the highest given a score of 1, the next 2 and so on

List the major weaknesses of your organisation

- |          |        |     |
|----------|--------|-----|
| 1. _____ | ( ) 5. | ( ) |
| 2. _____ | ( ) 6. | ( ) |
| 3. _____ | ( ) 7. | ( ) |
| 4. _____ | ( ) 8. | ( ) |

Now rank each of the weaknesses with the greatest given a score of 1, the next 2 and so on

List the major opportunities for your organisation

- |       |        |     |
|-------|--------|-----|
| 1.    | ( ) 5. | ( ) |
| <hr/> |        |     |
| 2.    | ( ) 6. | ( ) |
| <hr/> |        |     |
| 3.    | ( ) 7. | ( ) |
| <hr/> |        |     |
| 4.    | ( ) 8. | ( ) |
| <hr/> |        |     |

Now rank each of the opportunities with the greatest given a score of 1, the next 2 and so on

**The highest ranking strengths, weaknesses and opportunities will need to be considered in the development of objectives and strategies for your plan.**

List the major threats for your organisation

- |       |        |     |
|-------|--------|-----|
| 1.    | ( ) 5. | ( ) |
| <hr/> |        |     |
| 2.    | ( ) 6. | ( ) |
| <hr/> |        |     |
| 3.    | ( ) 7. | ( ) |
| <hr/> |        |     |
| 4.    | ( ) 8. | ( ) |
| <hr/> |        |     |

Using the diagram now assess the potential impact of each threat and its likelihood of occurrence

I M P A C T	H i g h			
	M e d			
	L o w			
		Low	Med	High
		LIKELIHOOD OF OCCURRENCE		

Put each threat in one of the boxes to identify whether it is likely to occur and the impact on your organisation if it does.

***If it has a high likelihood of occurring and will have a major negative impact on your organisation, it will need to be addressed in the objectives and strategies you develop.***

**CRITICAL SUCCESS FACTORS**

What must you excel at if your organisation is to be successful?

<b>Factors</b>	<b>Requirements</b>

## KEY ISSUES

From the SWOT analysis and the critical success factors, list the key issues which will need to be addressed in the goals, objectives, strategies and actions if the organisation is to be successful.

1.

---

2.

---

3.

---

4.

---

5.

---

6.

---

## CORE VALUES AND MISSION STATEMENT

### *Statement of Core values*

✓ What is important to your organisation?

---

---

✓ How does it want to be judged?

---

---

✓ Manner in which your organisation relates to external organisations and between people in the organisation

---

---

### *Mission Statement*

---

---

What components should be included?

1. A description of the end result an organisation seeks to accomplish

---

---

2. A description of the primary means used to accomplish the purpose

---

---

3. A list of values and beliefs or guiding principles shared by members of an organisation

---

---

## GOALS

- ✓ Are general aspirations and direction for the future of the organisation
- ✓ Are usually not expressed in measurable terms, nor are they time related
- ✓ Should encompass all major operational areas of the organisation that are essential to its successful operation
- ✓ Should remain stable for 3 - 5 years
- ✓ Provide the overall outcomes for focusing strategies and actions

Identify the major operational areas of the organisation and list the goals for each of them

<b>Major Operational Areas</b>	<b>Goals</b>

## OBJECTIVES

Objectives are built on:

- ✓ The data gathered during the internal/external analysis
- ✓ The SWOT analysis
- ✓ The key issues
- ✓ The critical success factors
- ✓ The goals

Objectives establish what is to be achieved over the next 3 - 5 years

To be useful objectives must be:

- ✓ *Achievable* - consider people and other resources available
- ✓ *Specific* - the end results are clear
- ✓ *Quantifiable* - progress is able to be measured
- ✓ *Relevant* - to the overall objectives of the organisation
- ✓ *Acceptable* - to those responsible for implementation
- ✓ *Time related* - when to be achieved by over the next 3 - 5 years
- ✓ *Prioritised* - in order of importance to the performance of the organisation

List the objectives for each goal

<b>Goals</b>	<b>Objectives</b>
1.	1.1 1.2 1.3
2.	2.1 2.2 2.3
3.	3.1 3.2 3.3
4.	4.1 4.2 4.3
5.	5.1 5.2 5.3
6.	6.1 6.2 6.3

## STRATEGIES

They are the alternative courses of action available to attain the objectives

They are concerned with how to achieve the objectives

Evaluate each strategy by considering if it meets the criteria detailed below

- ✓ Offers a good opportunity to achieve the stated objective, but has little potential to lower performance below existing levels
- ✓ Capitalises on the most important strengths and/or eliminates some of the major weaknesses
- ✓ Exploits opportunities and lowers the impact of threats
- ✓ Can be implemented with the existing resources and skills available
- ✓ Minimises risks to the organisation if it is unsuccessful

List the strategies required to meet each objective and evaluate their potential on a scale of 1 to 5 to meet the criteria

1= high, 3= average, 5= low

Objectives	Strategies	Evaluation Score
1.1	1.1.1  1.1.2  1.1.3	
1.2	1.2.1  1.2.2  1.2.3	

1.3	1.3.1 1.3.2 1.3.3	
2.1	2.1.1 2.1.2 2.1.3	
2.2	2.2.1 2.2.2 2.2.3	
2.3	2.3.1 2.3.2 2.3.3	
3.1	3.1.1 3.1.2 3.1.3	

3.2	3.2.1 3.2.2 3.2.3	
3.3	3.3.1 3.3.2 3.3.3	
4.1	4.1.1 4.1.2 4.1.3	
4.2	4.2.1 4.2.2 4.2.3	
4.3	4.3.1 4.3.2 4.3.3	

5.1	5.1.1 5.1.2 5.1.3	
5.2	5.2.1 5.2.2 5.2.3	
5.3	5.3.1 5.3.2 5.3.3	
6.1	6.1.1 6.1.2 6.1.3	
6.2	6.2.1 6.2.2 6.2.3	
6.3	6.3.1 6.3.2 6.3.3	

## ACTION PLANS

The preferred strategies will need to be fleshed out into *action plans* to meet the objectives and to address key issues

The action plan should include:

- ✓ Resources required - both the time commitment of personnel and the financial budget
- ✓ Timetable for implementation - including final completion and key stages
- ✓ Responsibility for implementation
- ✓ Performance criteria - to measure the degree and success of the implementation

## Action Plan

Strategy:

Resources:

*Personnel*

*Budget*

Timetable:

*Commencement Date* \_\_\_\_\_ *Completion Date* \_\_\_\_\_

*Tasks*

1.

2.

3.

4.

5.

6.

Responsibility:

*Name*

*Position*

*Reports to (name)*

*Position*

Performance Criteria:

1.

2.

3.

# MONITORING THE STRATEGIC PLAN

Review to be completed after six months and one year

- ✓ Review your strategic plan, noting achievements and non completion of specific parts of the plan
- ✓ Assess any changes in the environment since the plan was developed
- ✓ If necessary make changes in the strategies and priorities

1. Overall accomplishments and status of implementation of strategies

---

---

---

---

2. Overall accomplishments and status of implementation of priorities

---

---

---

---

3. Reasons for non accomplishments

---

---

---

Recommended Changes in:

<b>Priorities</b>	<b>Action</b>
1.	
2.	
3.	
4.	
5.	
6.	

# Strategic Plan Structure

## **1. Executive Summary**

- Mission and vision
- Goals

## **2. Introduction**

- Background to organisation
- Purpose of plan
- Timeframe for plan

## **3. Review of Current Performance**

- Internal analysis
- External analysis
- SWOT analysis
- Key issues

## **4. Future Requirements**

- Critical success factors
- Core values
- Vision
- Mission statement

## **5. Strategic Plan**

- Goals
- Objectives
- Strategies and actions
- Monitoring performance