

Eight Key Attributes for Successful Strategic Planning

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There are a number of characteristics that define success as it relates to strategic planning.

In their book, "In Search of Excellence", Peters and Waterman identified the following eight attributes of successful companies:

1. **A bias for action.** Successful companies live by a motto that might be characterized as "do it, try it, fix it".
2. **Remain close to the customer.** Focus on issues important to the customer such as quality, service, and reliability.
3. **Autonomy and entrepreneurship.** Encourage leadership and risk-taking at all levels, and foster a reasonable tolerance for risk.
4. **Investment in people.** Avoid bureaucracy and look for ways to develop and nurture your people.
5. **Hands on, value-driven leadership.** Senior management should be directly involved in the operations of the business.
6. **Stick to the knitting.** Successful organizations remain focused on strategic strengths.
7. **Simple organizational form, lean staff.** Eliminate the cost and inefficiency of excessive staff people, along with the burden their analyses place on line employees.
8. **Simultaneous "loose-tight" properties.** Highly centralized core values, but highly decentralized decision-making.

Strategic planning has been defined as, "A disciplined effort to produce fundamental decisions and actions that shape and guide what an organization (or other entity) is, what it does, and why it does it." Strategies are different from tactics. Tactics are reactive to internal or external events, and are short term in nature. Strategies help an organization ensure that the tactics slowly move the organization in the correct direction. Good strategies always clarify both the definition of the business, and the areas that are excluded from the business.

There are many barriers to successful strategic planning:

1. **Mom and apple pie.** To meet some real or perceived "requirement" to do strategic planning, the organization develops a plan that is general and filled with platitudes. It sounds fine, but does not provide a framework for action.
2. **Lack of high-level commitment.** Many aspects of strategic planning, especially in the areas of mission statement and vision, must be defined with the active participation of senior management. All aspects must have senior management support.
3. **Failure to execute the resultant plan.** Plans that exist as paper documents only are worse than useless, because they poison the effectiveness of future planning efforts as people remember previous work that was a waste of time.
4. **Poor contingency planning.** Strategic planning involves developing strategies to be effective in an uncertain world. Contingency planning is needed to define approaches to handling those eventualities that can be reasonably anticipated and are reasonably likely.
5. **Lack of a feedback process.** Planners should be responsible for improving the planning cycle and measuring the effectiveness of strategies, but this requires a feedback process and appropriate metrics.

Let's look at what some leaders in the area of strategic planning tell us about how to be successful.

- "Each organization succeeded because it had leaders willing to act as process sponsors to endorse and legitimate the effort." -- Bryson, "Strategic Planning for Public and Non-Profit Organizations"
- "The support and commitment of key decision makers are vital." -- Olsen and Eadie, "The Game Plan: Governance with Foresight"
- "Key decision makers and leaders who championed the process" -- Kotler, "Marketing Management"
- "Courageous and committed key decision makers" -- Maidique, "Entrepreneurs, Champions and Technology Innovation", Sloan Management Review
- "Key decision makers that believed in the process and were committed to it." -- Kanter, "Commitment and Community."

If you've noticed a common theme here, then you get my point. Commitment by the leaders of the organization is the single most important factor in the success of any strategic planning initiative.

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