



## Strategic Planning – Creating the Strategic Framework

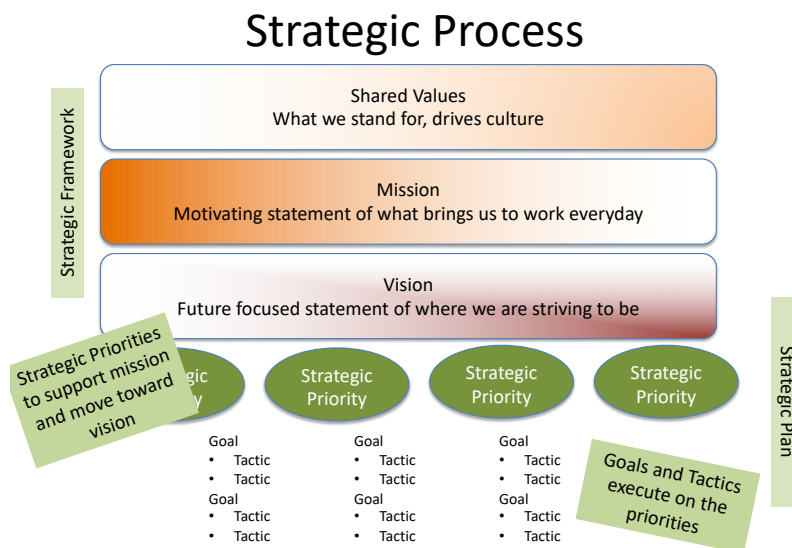
### Introduction

Strategic planning is not an event. It is a multi-phased process that results in a highly actionable plan at all levels of the organization.

The strategic planning process involves five, not entirely consecutive, nor mutually exclusive, phases:

1. Design or review of the strategic framework
2. Identification of key strategic objectives
3. Translation of these objectives into shorter term corporate goals
4. Cascade of strategic framework and determination of departmental, team, etc. goals
5. Execution and monitoring of progress.

The objective of strategic planning is to position the organization to take advantage of market opportunities, overcome identified internal weaknesses, fulfill its mission and balanced scorecard attributes, and, most importantly, move the organization toward its vision.





## Strategic Framework Overview

The strategic framework serves as the underpinning of the strategic and operational planning of the organization. It is made up of: Values, Mission, Vision and Strategic Values or Attributes derived from the four perspectives from the Balanced Scorecard. Once established, the elements of this strategic framework are revisited annually, but change rarely.

*“Having unified vision and mission statements for your organization allows you to have a benchmark and touchstone for when you have to make decisions for the future. This will help when there are no clear answers, or for critical decisions that will fundamentally impact your products and services.”* Albert Lai, a 19 year-old entrepreneur who sold his start-up business for over \$1million after 2 years.<sup>i</sup>

### **Values**

Values are the underpinning of the strategic framework. They, along with the mission of the organization, should define who the organization is. The CEO of Johnson & Johnson, Ralph Larsen, describes values well in this quote: *“The core values embodied in our credo might be a competitive advantage, but that is not why we have them. We have them because they define for us what we stand for, and we would hold them even if they became a competitive disadvantage in certain situations”*<sup>ii</sup>

Values define how work gets done in the organization. They also describe the personality of the organization. While writing them down is useful for communication purposes, what is much more important are the actions and behaviours that are demonstrated in the organization that support these values. Organizations and the individuals in the organization should assess themselves against these actions and behaviours.

### **Mission**

The mission is the core purpose of the organization; why it exists. In a 1960 speech to the employees of Hewlett Packard, David Packard described: *“A group of people get together and exist as an institution that we call a company so they are able to accomplish something collectively that they could not accomplish separately – they make a contribution to society...do something that is of value.”*<sup>iii</sup> This is what the mission is trying to capture. It should keep the employees focused on excellence at what they do and capture the essence of why they come to work.

### **Vision**

The vision is a word picture of “wonderful new tomorrow”. Where the mission brings people to work everyday, the vision should keep them looking forward. It also *“acts as a conduit between your reason for being as reflected in the mission, the values*



*representative of your culture, and the strategy you will put into execution to reach your desired future state.”<sup>iv</sup>*

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<sup>i</sup> Carly Foster, “Business Communications: “Envision Your Business, Realize Your Goals,” *Canadaone.com e-zine*, October 1999

<sup>ii</sup> Collins and Porras, *Built to Last* (New York: Harper Business, 1997)

<sup>iii</sup> Collins and Porras, “Building Your Company’s Vision,” *Harvard Business Review*, September – October 1996, 65-77

<sup>iv</sup> Paul R. Niven, *Balanced Scorecard Step-by-Step* (New York: John Wiley & Sons, Inc. 2002)