



## Strategic Planning

**Source: Charles Schaul, Applied Transition Strategy**

If you don't know where you want your business to go, it will probably go nowhere. Therefore we do what we describe as Strategic Planning. A good strategic plan provides a roadmap for future actions and decisions, always pointing toward a specific objective.

Abraham Lincoln summed up the concept of planning when he said, "If we could first know where we are, and whither we are tending, we could then better judge what to do, and how to do it."

Modern planners apply Lincoln's wisdom by asking three questions:

- Where are we now?
- Where do we want to be?
- How are we going to get there?

"Where are we now?" Answering this question, in detail, establishes a base of information describing every aspect of your current situation. The table below shows the most important pieces of a myriad of information required.

History of the firm	Market segments	Government regulation
Organization	Market trends	Stakeholders issues
Management	Products	
Financial history	Product trends	
Systems	Competition	
Technology	New competitors	
Technology trend		

For many small businesses the above list obviously is overkill. The important point remains: before planning it is vital to know where you are now.

"Where do we want to be?" is the question that creates a picture, a *Vision* of where you want to be in some specific period of time. It is the guide – all strategies and actions point toward the vision. Time is an important part of the definition of Vision or objectives. Without time frames objectives become dreams.

"How are we going to get there" Planners who make plans but take no action are DREAMERS. Planning is a systematic process, and implementing a plan is equally systematic. Strategies are created to show how to reach the vision. A corporate strategic plan may have two, three or four key *strategies*. Successfully implementing the strategies through a series of *action plans* will enable the organization to achieve its objective.

Action plans, sometimes referred to as tactical plans, provide the framework for the implementation of strategic plans. Each strategy determined in the planning process must be supported by one or more action plans. A well written action plan has specific and measurable goal, a date for overall completion, and an overall responsible person. Each plan may have many steps, again with specific goals, a date for reaching them, and a person responsible for the step.

If the owner/CEO of the company believes in the plan, and has involved others in creating it, moving through the steps of the action plans allows the company to reach its vision. If the owner doesn't believe in the plan, or doesn't make the resources available for implementing it, the company will not reach its vision.

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