

# Strategic Planning and Implementation Process

Wendy Cook, PhD

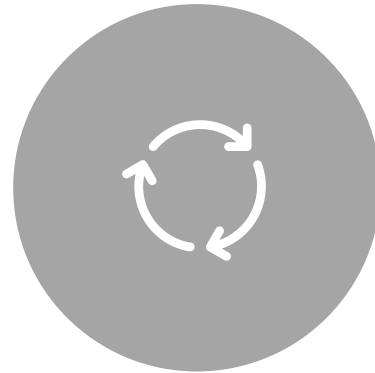
Wendy@coachwendycook.com



# Strategic Planning Process



FORMULATION



IMPLEMENTATION



EVALUATION

# Formulate

## Mission

- What business are we in?
- One paragraph
- Emotional
- Specific yet broad

## Vision

- Where do we want to go? Who do we want to be?
- One sentence
- Emotional
- Inspires employees

May also have values statements, statement of purpose, charters, etc.

# Formulation



External Audit



Internal Audit

# SWOT

## Internal

- Strengths
- Weaknesses

## External

- Opportunities
- Threats

# Internal Audit

<b>Strengths</b>	<b>Weight = Adds to 1.00</b>	<b>Rating = 3 or 4</b>	<b>Weighted Score = W X R</b>
1			
2			
3			
4...20			
<b>Weaknesses</b>		<b>Rating = 1 or 2</b>	
1			
2			
3			
4...20			
Total:	1.00		>2.5 is good

# External Audit

<b>Opportunities</b>	<b>Weight = Adds to 1.00</b>	<b>Rating = 1, 2, 3, or 4</b>	<b>Weighted Score = W X R</b>
1			
2			
3			
4...20			
<b>Threats</b>			
1			
2			
3			
4...20			
Total:	1.00		> 2.5 is good



# Five Forces



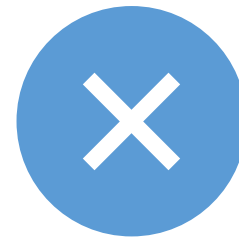
COMPETITORS



SUPPLIERS



CUSTOMERS



NEW  
COMPETITORS



SUBSTITUTE  
PRODUCTS



# SWOT Matrix

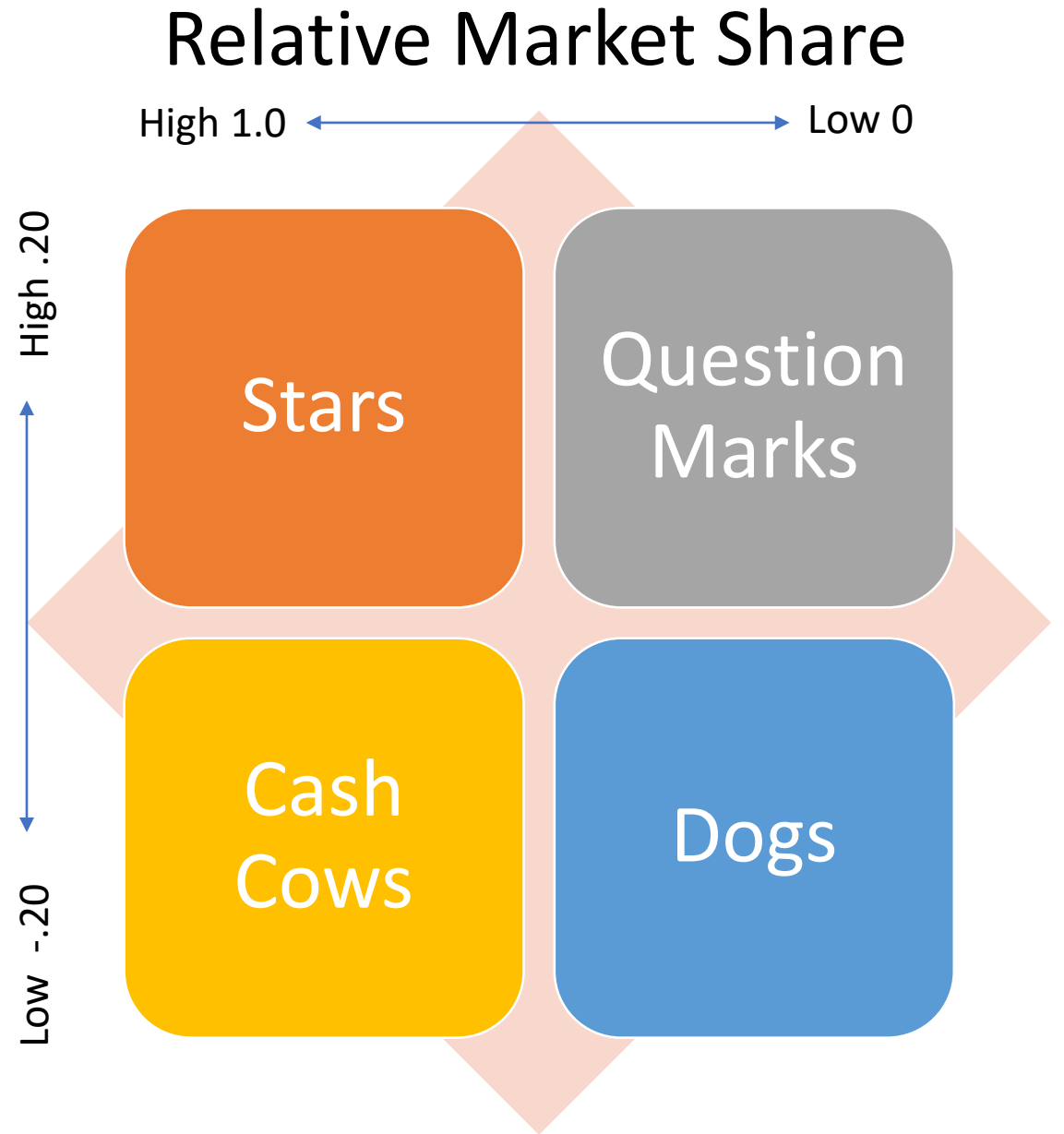
	<b>Strengths</b>	<b>Weaknesses</b>
	1. Slack production at 20%	1.
	2. New social media manager	2.
	3...20	3...20
<b>Opportunities</b>	<b>SO</b>	<b>WO</b>
1. University Place discretionary income up by 5%.	1. Increase marketing in the University Place Neighborhood (S1, O1)	
2.	2. Focus social media marketing in UP neighborhood (S1, S2, O1)	
3...20		
<b>Threats</b>	<b>ST</b>	<b>WT</b>
1.		
2.		
3...20		



# BCG Matrix

RMS: Your Firm's Division Revenues/Top Firm's Division Revenues  
ISGR: Market Growth Rate for the Division

Industry Sales Growth Rate



# Quantitative Strategic Planning Matrix

		<b>Alternative 1</b>		<b>Alt 2</b>		<b>Alt 3</b>	
	Weight	Rating	Weighted Score	Rating	Weighted Score	Rating	Weighted Score
<b>Strengths</b>							
1...20							
<b>Weaknesses</b>							
1...20							
Total:	1.00						
<b>Opportunities</b>							
1...20							
<b>Threats</b>							
1...20							
<b>Total:</b>	<b>1.00</b>		<b>Highest Wins</b>				

# Implementation



Strategy



Leadership



Change

# Top Management Team



Trust



Challenge



On the same page

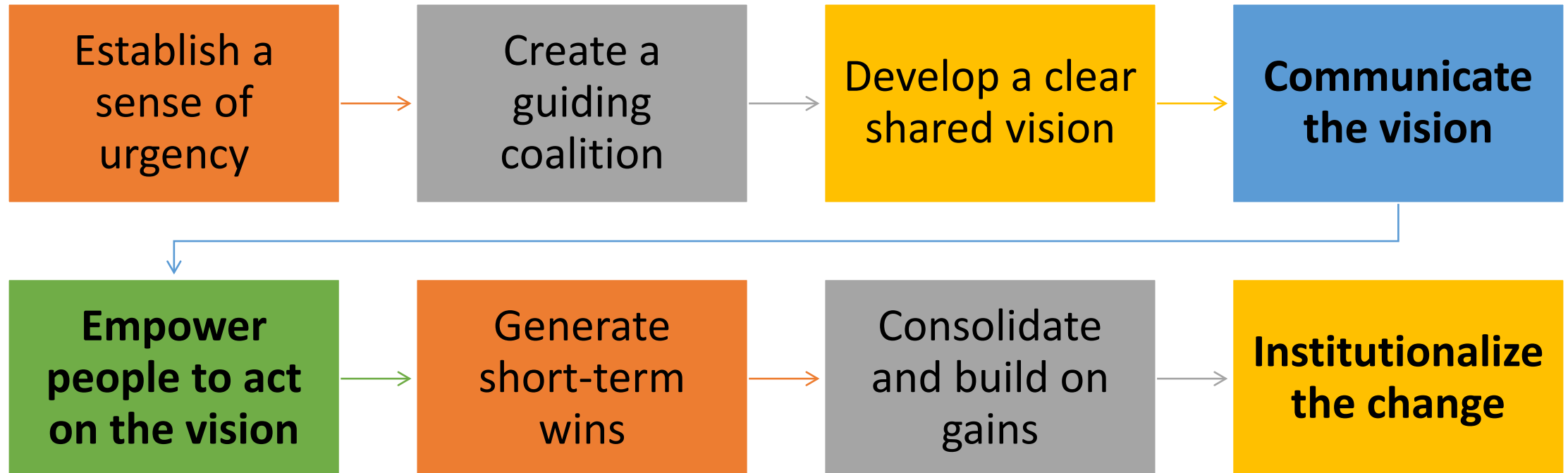


See the TMT as the primary team



Work for the good of the firm

# Change - Kotter



# Communicate the Vision

**TMT needs to communicate the new vision at every meeting.**

**Communicate to the satisfaction of the other.**

**Listen to people's concerns.**

**Address people's actual concerns - not what you want to address.**

**Be honest.**

# Empower People to Act on the Vision



**Provide resources that support the vision.**



**Remove barriers.**



**Change reporting structures, if necessary.**



**Reward those who act in accordance with the vision.**

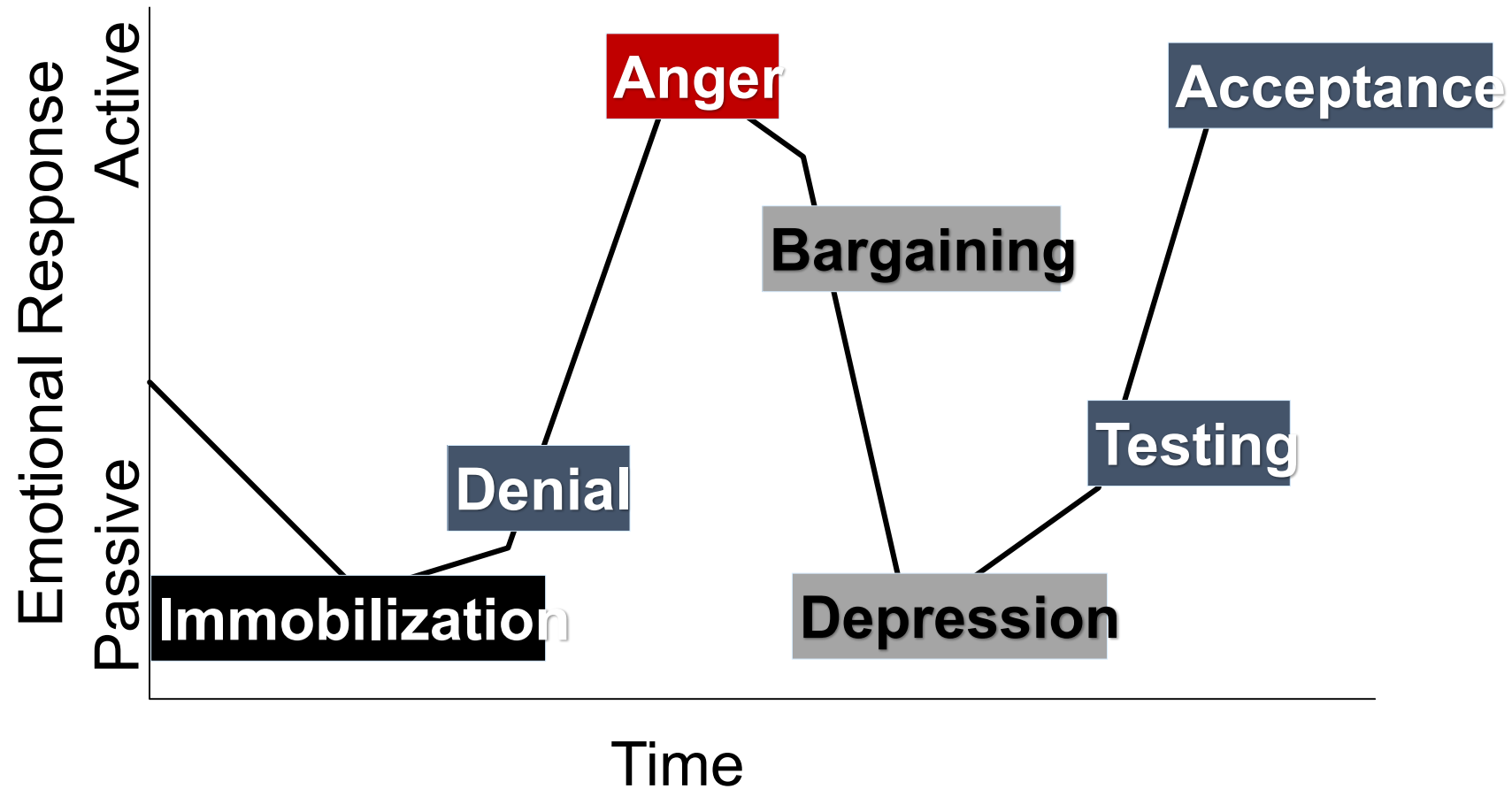




# Institutionalize the Change

- All policies support the new way of doing things.
- All managers must hire, promote, and fire based on the new way of doing things.
- Employees need to be trained and informed of the new culture.
- Encourage and support change:
  - Compassion
  - Boundaries
  - Accountability
- Those who refuse to change need to leave the firm.

# Psychological Responses to Negatively Perceived Change



# Evaluation

Where are we now, and where did we expect to be?

Change in SWOT.

Change in financial ratios.

Change in employee satisfaction.

# Support



**In every meeting, think about implementation.**



**There needs to be a reason why the change is happening. Can management respond effectively to, “Why?” What is the urgency?**



**When change happens, the TMT are far ahead of everyone else. Help people understand the beginning.**



**Keep handy the names of mediators, consultants, and executive coaches. They will be needed.**

# Strategic Management



Formulation



Implementation



Evaluation

# References

- **HBR's 10 Must Reads on Strategy (including featured article "What Is Strategy?" by Michael E. Porter)** <https://store.hbr.org/product/hbr-s-10-must-reads-on-strategy-including-featured-article-what-is-strategy-by-michael-e-porter/12601>
- David, F., & David, F. *Strategic Management: A Competitive Advantage Approach*. ISBN-13: **9780133444797**
- Kotter, J. P. (2012). *Leading Change*.