

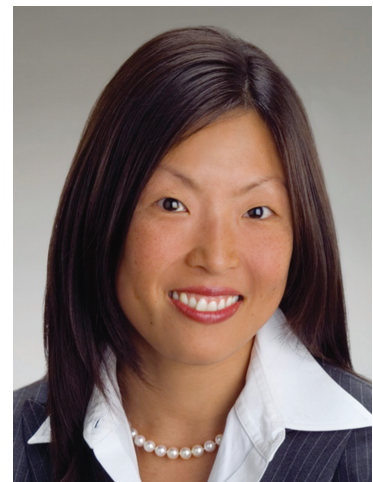
How “Strategic” is your Strategic Plan?

By Julia Okinaka, Senior Manager, Accuity LLP

Most strategic planning goes awry or loses its intended purpose because the plan quickly transforms from being strategic to focusing on more day-to-day activities and reacting to short-term business pressures.

As you fine-tune your strategic plan for next year, take a moment to review your current plan and assess if it truly helped you chart the future course of your organization. Strategic planning is often an end-of-the-year, formal business activity that results in a high-level document outlining various goals, objectives, timelines and stakeholders. It usually serves its purpose and charts out a 3 to 5-year roadmap to get your organization from point A to point B after a certain period of time.

If your organization has struggled with making strategic planning a valuable engine to move the whole organization forward, take a moment and perform this exercise. Take each of your strategic plan goals and place them in one of three categories:



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CATEGORY

Day-to-Day Management:

Goals and initiatives that focus on expanding current operations

Reactive and Problem-Solving:

Goals and initiatives that focus on process improvement, risk management and compliance

Innovative and Forward-Thinking:

Goals and initiatives that focus on longer-term creative and innovative ideas

QUESTIONS ANSWERED

- In what products and market areas will we be placing the greatest effort?
- How are we taking advantage of our organization's strengths?
- What short-term investments should we be making? Are we gaining or losing market share?
- What are our weaknesses? What could we do to improve?
- What areas of the business should we stop doing?
- Are there any government regulations or changes coming our way that we need to prepare for?
- Where is our industry heading?
- What would our customers say our competitors do better than us?
- What are our customers going to expect and want 5 – 10 years from now?
- What trends are we seeing in how our customers live and work?
- What changes are happening in social patterns, lifestyles, economic factors, technology, international trends, demographic and population profiles?

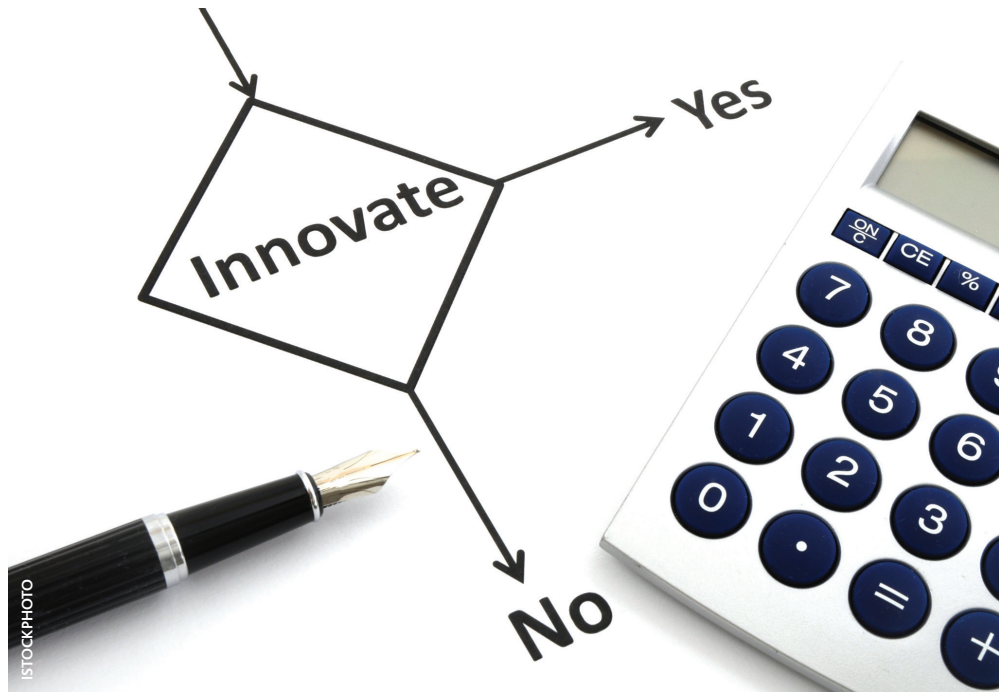
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Executive Management should strive to strike the right balance to continue to provide the best products and services to existing clients while strategizing and planning for the future. If all of your goals fall into the first two categories, then you may not be investing or focusing enough on innovation.

Focus more on Innovation and Forward-Thinking Ideas

Executive management is under short-term pressure to increase revenues, improve performance and satisfy customers. Furthermore, business unit managers are well versed and more comfortable in handling daily processes. As a result, it is easier to focus on current operations. Here are some ways to also help generate more innovation and fresh ideas:

- **Implement the 20/20 vision test:** Solicit input from your younger employees and customers. 20% of your idea generation should be from participants in their 20s. They have their pulse on the newest technology and lifestyle trends.
- **Create a fun, safe environment for idea generation:** During the idea creation stage, avoid perfecting ideas, passing judgment or discussing feasibility or cost. Often times, radical ideas can inspire more reasonable ideas later that would not have been otherwise thinkable.
- **Engage employees from different parts of the business:** Empower employees from different areas of your organization such as sales, marketing, customer service, engineering, information technology, etc. to tackle problems and come up with ways to enhance your customers' experiences.



- **Involve and learn from your customers:** Expose your customers to your ideas early on and ask for their feedback before investing too much time or resources on solutions. Through this process, your organization will gain more insight into your customers' needs and understand the potential relevance of your ideas in their lives. The result will be better solutions that more accurately address what your customers want.

Better prepare your strategic planning team

Strategic planning often happens very quickly over one or two meetings around a conference table. Give your senior management team the opportunity and time for them to review company data while engaging in true dialogue with all levels of the organization and their customers before the formal strategic planning process begins. Here are just some ways to help your strategic planning team to be prepared to contribute to a more meaningful strategic planning process.

- **Gather information early:** Rather than begin your strategy sessions with a blank piece of paper, gather data that could provide insight into your organization's current state. This data could come from internal surveys, customer surveys, internal brainstorming sessions, company data and external benchmarks. This is too much data to digest and synthesize during the actual strategic planning session, so disseminate the information early.
- **Get some help:** If you don't have internal resources to gather information such as surveys, customer data and industry trends, in an objective and detailed manner, consider getting some external assistance. External providers can help with the time-consuming legwork and bring a fresh and unexpected perspective to your data.
- **Encourage dialogue:** Encourage your strategic planning team to engage in

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meaningful dialogue with their direct reports, customers and other stakeholders to gain insights into the organization. The more you engage your employees and ask for their input in the planning process, the more vested they will be in aligning their business activities with the organization's goals.

- **Share the information:** A month before your strategy session, ask senior management to summarize what they learned from the information and conversations

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and share it with the entire planning team. The purpose of this meeting isn't to debate or decide, but rather to learn and stimulate additional idea generation before the actual strategic planning session.

- **Come prepared with an open mind:** Ask your planning team to come to the meeting with possible ideas written down. This will help ensure that a couple of people don't dominate the entire strategic planning process. Before sharing and capturing everyone's ideas, set ground rules that prevent passing judgment or discouraging participation. Instead, try to encourage participants to listen to each other and ask probing questions to inject deeper thinking and uncover more meaningful goals and activities for your strategic plan.

Julia Okinaka is a senior manager at Accuity LLP, a Hawaii-based, full service accounting firm that is an independent member of Baker Tilly International, a global network of accounting and business service firms. Julia oversees the firm's consulting practice whose clients include individuals, small and large corporations, and government and non-profit organizations. Recent services provided by the consulting practice include: documentation and streamlining of processes; program evaluations; development of policy and procedure guides; and designing business analytics and other tools for performance improvement and management.

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