Successful companies grow with control and certainty because they are built on a solid foundation. This foundation comprises two fundamental building blocks:

- **Strategy**: Only with a coherent business strategy can you reach your destination with certainty.
- **Leadership**: Only with great leadership can you keep on the course mapped out by your strategy plan and stay in control.

**Strategy Building Block—The Strategic Planning Framework**

With this framework in place you will be able to create and implement a coherent strategy plan which sits at the heart of your business and guides it towards your vision.

Strategic planning framework is a system that comprises four key phases:

- **Think**: Strategic Thinking is vital for setting the right goals that will drive your company to where you want it to go. The outcome of the Think phase is a set of goals that should drive your company towards your vision.
- **Plan**: Strategy Plans detail how your goals are to be achieved.
- **Deliver**: Strategic Delivery is key in order for you and your people to implement only according to the plan with certainty and control.
- **Review**: Strategy Reviews are essential for staying on course and to learn for the next strategic planning cycle.

**The Strategic Planning Cycle**

Establish this Strategic Planning system in your company and repeat each year. As you see here, the phases are NOT sequential as the above flow implies.

Allow enough time to complete the **Think** and **Plan** phases (during Q4) before you wish to commence the **Deliver** phase at the start of your year.

Begin the **Review** phase as soon as milestones are due to be hit or early feedback indicates a potential problem. This way you can adapt the plan and stay on course.

As you enter the final quarter of your year, pass what you have learned to the next **Think** phase.
**Plan Phase - How to Achieve Your Goals**

You now have a set of goals, how do you plan to achieve them? Break the goals into objectives with measurable milestones and set the means for achieving them. Involve those who will be responsible for achieving these objectives in this planning phase. Here are the key elements of the Plan phase.

- **Processes**: Achieving the goals will involve the processes you identified in the Think phase. By knowing which processes relate to which goals is key when setting the objectives and means for achieving them.
- **Resource and capability**: Make sure these are in place to meet the objectives.
- **Impact**: It’s important that the impact of objectives and means on people and processes is well understood.
- **Alignment**: Check that the objectives are aligned so they work together and pull the company in the same direction.

**Outcome—Objectives and means**

Create an action plan that details the objectives and the means for achieving them. What is the criteria for success of the task and what is the target that needs to be achieved? Add these measures and targets to the action plan. Finally, include who is responsible for achieving the task.

You now have a hierarchy of planning tables detailing what needs to be done and who is responsible for the task.

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**Think Phase - Set the right goals**

To know where you are going and how to get there you must know your business thoroughly. This means looking inward at all aspects of your company and looking outward at the markets you play in. Here are the key elements of the Think phase.

**Know yourself—Look Inward**

- **Vision**: What does your future business look like in ten or more years?
- **Mission**: What do you need to do to achieve your vision?
- **Unique Selling Points**: What makes your company different from your competitors?
- **Resource and Assets**: In addition to your people, resources includes your partners and suppliers. As well as cash and material, your assets include your brand, market position and customer relationships.
- **Capability**: Do you have the capabilities in-house to meet your customer needs or do you need to form strategic partnerships?
- **Processes**: Which processes exist in your company?

**Know Your Place—Look Outward**

- **Markets**: How strong is your market position? What are the key markets drivers of the sectors you play in or plan to target? Who are the key players?
- **Customers**: Do you meet their needs? Is there more you can do? Do you capture all available customer value?
- **Competitors**: Do you know them well enough to be able to compete?
- **External factors**: What other factors could affect your business?

**Evaluate your findings**

- **Risk analysis**: Identify all the risks to your business and make sure you have mitigating plans for them.
- **SWOT analysis**: You should now have a complete picture of your business today and be able to identify your Strengths and Weaknesses (inward) and Opportunities and Threats (outward).

**Outcome—Set the right goals**

Set the 1 and 3 year goals that will propel your company forward, strengthen weaknesses and build on strengths.

You now have a balanced set of challenging goals...how do you ensure they are achieved?


**Review Phase - Adapt and Learn**

The **Review** phase does not start at the end of the **Deliver** phase but as soon as milestones are due. To make sure you are on course to hit your milestones, regularly monitor and report progress. If there is a management hierarchy in your company then make sure there is a clear reporting path back up the management structure.

Your company needs to be able to adapt quickly to feedback and change direction if necessary. Regular review meetings should be held at the appropriate frequency for your business. These may comprise weekly departmental meetings and a monthly meeting where the manager of each department reports to the CEO. These meetings need to be productive and focused so your people can get on with the delivery.

Strong leadership is vital so your people know they can feedback bad news and that appropriate action will be taken, even if that means changing key aspects of the strategy plan.

As head of your business, make sure you have an up-to-date dashboard of the key metrics of your business.

If you are a very small business, even of one person, take time out to review your progress. This takes discipline but something you must do to make sure you stay on course.

**Outcome – Analysis and findings**

Towards the end of the year carry out an assessment of the strategy plan, from the goals you set to how well you were able to keep your company on course.

Analyse all your results, not just what did not work but also what did. Improve that which did not and build on that which did. **Learn from your findings and pass them to the Think phase of the new strategic planning cycle.**
Leadership Building Block—Getting it right

The following can make the difference between a strategy plan that lives at the heart of your business and guides your company to success and a document that sits on the shelf contributing little.

- **Communication**: All in the company and contributing partners need to buy into and support the strategy plan and understand their contribution to its success. Do not simply present facts, inspire.
- **Clear**: Vision and mission statements and the goals linked to them must be clearly understood and embraced.
- **Aligned**: Align all goals and objectives to ensure they work together and drive your company forward in the same direction.
- **Integrated**: Your goals and strategy plan need to cover all areas of your company to ensure balance.
- **Applicable**: If a task or project is being implemented that is not directly linked to the goals in the plan then stop it or change the plan. Link performance rewards to the plan.
- **Flexible**: Make sure progress is monitored and reviewed regularly and be prepared to change the plan if the company is heading off course.
- **Ownership**: Everyone needs to feel responsible for the success of the plan. Make sure there is clear ownership of objectives and tasks.
- **Involvement**: Involve your people in deciding how objectives will be met. Even if an idea is not adopted, they will appreciate the chance to have a voice and have a stronger desire to see them succeed.
- **Empowerment**: Empower your people with the authority and responsibility to achieve their part of the plan. Bring out the leader in all your people.

Leadership Building Block—Skills and attributes

Great leadership is vital to the success of a strategic plan. Even if you’re a one-person business, your leadership skills and attributes will help forge strong relationships with partners and customers.

Some essential leadership skills include:

- **Strong communication**: An essential part of strong communication is listening. In addition to communicating your vision and the reasons behind the goals you have set, you also need to be able to listen to and if necessary, take onboard the views of others.
- **Creative thinking**: Thinking is a critical and usually undervalued part of growing a successful business. Allocate time for you and your people to think about your business.
- **Open and engaging**: Your people need to be able to speak with you about ideas or issues they may have. By engaging with others, especially your people, you build trust. Your people will feel valued and needed and their loyalty will increase. Your door should always be open.
- **Relationship building**: Strong relationships with all stakeholders is extremely important to a business. Your plan is far less likely to succeed without them.
- **Decisive**: Great CEOs take input from all relevant quarters. However, they know that the final decision lies with them and they will make that decision as quickly as possible to ensure nothing is left hanging.

Some essential leadership attributes include:

- **Attitude**: Your strategy plan should be challenging and include hurdles to climb. A positive attitude is key to overcoming these hurdles in your business. As leader you will set the tone for others to emulate.
- **Confidence**: The more self-confident you are the better you build relationships. A combination of self-liking and self-respect, the more self-confident you are the more you will like and respect others and the more this will be reciprocated.
- **Persistence and drive**: Regardless of your education or talent, it is persistence and drive that will help ensure success. Status quo equals mediocrity. To stay ahead of your competitors and keep your people motivated you need to keep finding ways to grow your business.
- **Fallibility**: You recognise that you and your people are not infallible. You see mistakes as part of the learning curve and don’t react negatively when made in good faith.