

APEGGA
Annual Conference
April 22, 2004

Workshop on
Strategic Planning
by
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Agenda

- **Introduction**
- **Definitions and rationale**
- **Strategic Analysis**
 - ... **Breaks (2)** ...
- **Link to Business Plans**
- **Mechanism for Corporate Culture Change**
- **Public Sector Case Study: Strathcona County**
- **Summary**

AIM

- **To explore some ideas about Strategic Planning not to pretend to have all of the answers or prescribe definitive solutions (every circumstance is different)**

What is Strategic Planning

- **Military origin**

- **Strategy ...**

“Generalship, the art of war; management of an army or armies in a campaign, art of moving or disposing troops, ships or aircraft as to impose upon the enemy the place, time and conditions for fighting preferred by oneself; instance of or plan formed according to this”.

- Oxford English Dictionary

What is Strategic Planning

- **Strategic ...**

“Of, dictated by, serving the ends of strategy.”

- **Tactics ...**

“The art of disposing military, naval or air forces especially in actual combat with enemy; procedure calculated to gain some end.”

What is Strategic Planning

- **Plan ...**

“Formulated or organized method by which a thing is to be done”.

What is Strategic Planning

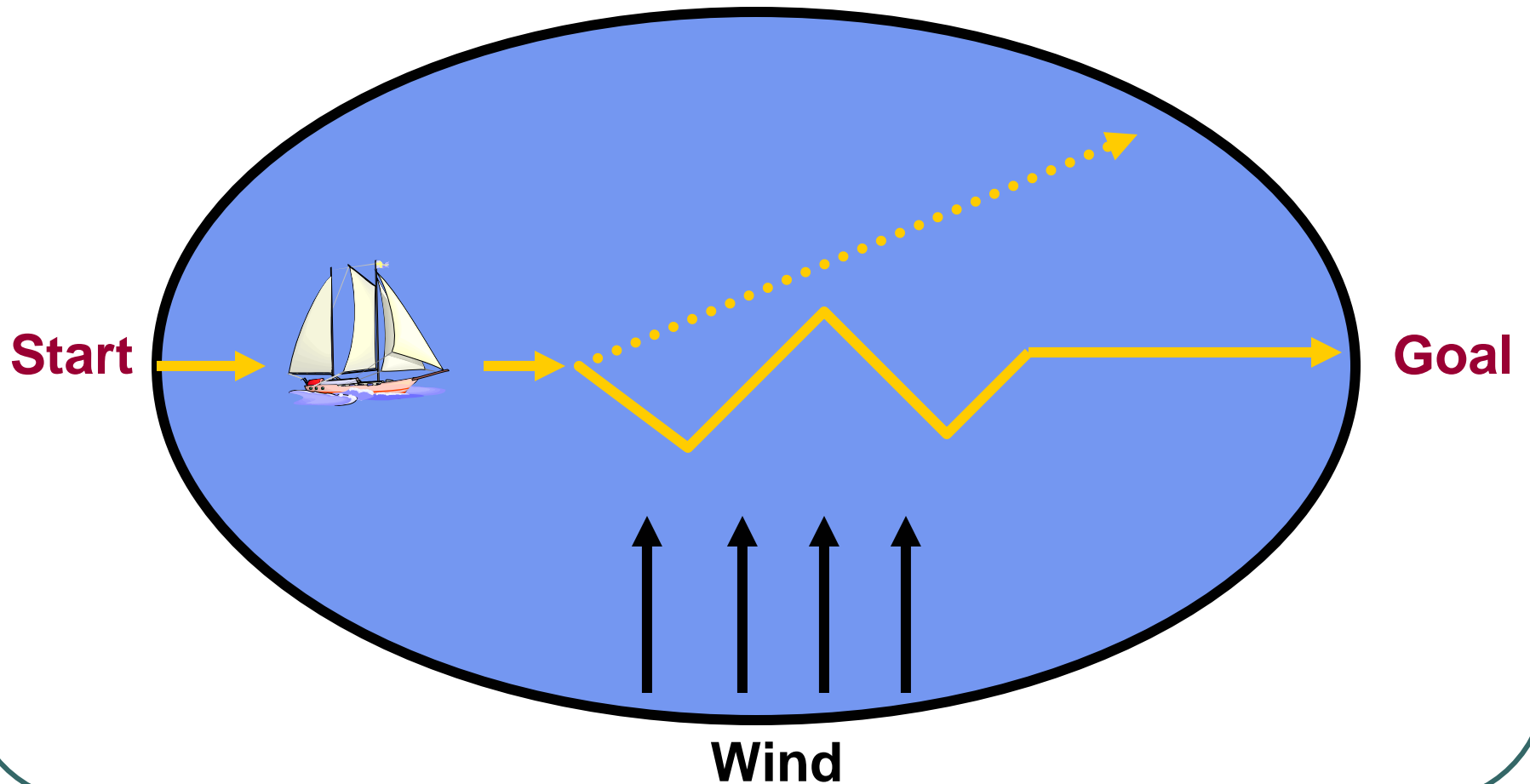
One possible working definition ...

“An organized method of aligning resources and actions to achieve a long range, encompassing goal(s) or objective(s)”.

Implies ...

- **a long range timeframe**
- **over-arching goal(s) / objective(s)**
- **alignment of resources and actions**

Why do Strategic Planning



Why do Strategic Planning

Public sector ...

- **Responsible to use tax dollars wisely in achieving something of benefit to the taxpayers as a whole**
- **Provide politicians with a focus**
- **Reduce adverse impact of the short-term political cycle**

Why do Strategic Planning

Public sector ...

- **Provide focus for public servant efforts**
- **Demystify government and engender greater confidence in government by citizens**

Why do Strategic Planning

Private sector ...

- **Establish a long-range perspective**
- **Optimize dollars, resources and actions**

Why do Strategic Planning

Private sector ...

- **Potentially reduces overhead by better aligning day-to-day, short-term actions with overall goal of growing the business or consolidating on its strengths**
- **Creates transparency of intent for shareholders to see**

Why do Strategic Planning

Common to both public & private sectors ...

- **Provides a filter against which to test resource allocation and action**
- **Contributes to creating a flexible, agile and resilient organization**
- **Captures the initiative**

Developing the Strategic Plan

Step One...

- **Define your strategic end state (Vision)**
- **Define your strategic time frame (10/20/30 years)**

Developing the Strategic Plan

Step Two...

- **Identify key strategic objectives**
- **Test:**
Do they contribute to end state? How?

Developing the Strategic Plan

Step Three...

Strategic Analysis

- **Different than a SWOT or similar analysis**
- **Can apply to the strategic end state and/or strategic objectives**
- **Leads to a plan**

Developing the Strategic Plan

Step Four...

- **Select a preferred course of action**

Developing the Strategic Plan

Step Five...

- **Identify the actions and sequence necessary to implement your preferred course of action**
- **Develop contingencies**

Developing the Strategic Plan

Step Six...

- **Identify resources required**
- **Allocate resources or develop alternatives**

Developing the Strategic Plan

Step Seven...

- **Evaluate**
- **Recalibrate if necessary**

Steps in Developing the Strategic Plan

Step 1	<ul style="list-style-type: none">•Define your strategic end state (vision)•Define your strategic time frame (10/20/30 yrs)
Step 2	<ul style="list-style-type: none">•Identify key strategic objectives•Test objectives
Step 3	<ul style="list-style-type: none">•Undertake strategic analysis
Step 4	<ul style="list-style-type: none">•Select a preferred course of action
Step 5	<ul style="list-style-type: none">•Identify actions and sequences•Develop contingencies
Step 6	<ul style="list-style-type: none">•Identify required resources and allocate
Step 7	<ul style="list-style-type: none">•Evaluate and recalibrate, if necessary

Strategic Analysis

Developing a Template

Should be ...

- **simple to use**
 - **comprehensive**
 - **adaptable**
 - **lead to useful conclusions**

Strategic Analysis

- **Can be done individually but often most successful when done as a group... board, executive management, work teams, etc. (or any combination)**
- **Milk ideas for deductions... keep going until you have something useful**

Strategic Analysis

- **Work backward from your strategic objective... you want to develop a plan that allows you to achieve what you want to achieve, not be reactive**
- **It is an active process; not a passive one**
- **Does however recognize that there will always be factors that will potentially impact your ability to act**

Key Categories

- **External factors**
- **Internal factors**
 - **Time**
 - **Courses open to me**
 - **Courses open to my competitor**
 - **“Wargame”**
 - **Preferred course of action**
 - **Plan**

External Factors

- **Competition (strengths/weaknesses)**
- **Legislative/legal considerations**
- **Demographics**
- **Economy**
- **Technology**

External Factors (continued)

- **Politics**
- **Market place**
- **Society**
- **Emerging trends**
- **Others**

Internal Factors

- **Resources**

- **People**

- **Money**

- **Expertise**

Internal Factors (continued)

- **Capacity for action**
 - **Organization**
 - **Policy & procedures**
 - **Necessary knowledge**
 - **Information/communications**

Internal Factors (continued)

- **Facilities**
- **Vehicles & Equipment**
- **Technology**
- **Others**

Time

- **Critical timings**
- **Important events**
- **Timeline**
- **Others**

Strategic Analysis Sample Worksheet

Strategic Objective: Capture 25% of the public sector market by 2008

Category	Factor	Deduction
<p>External</p>	<p>Emerging Trends</p> <p>Federal, Provincial and municipal orders of government are incorporating sustainable planning objectives in future plans</p>	<ul style="list-style-type: none"> • Develop in-house expertise <ul style="list-style-type: none"> ➤ hire immediate capability ➤ look for partnerships ➤ education & training for current employees • Make our new capability known to potential customers

- Hints:**
- a) highlight key deductions
 - b) summarize key deductions at end of factor analysis
 - c) summary will help define potential courses of action

Potential Courses of Action

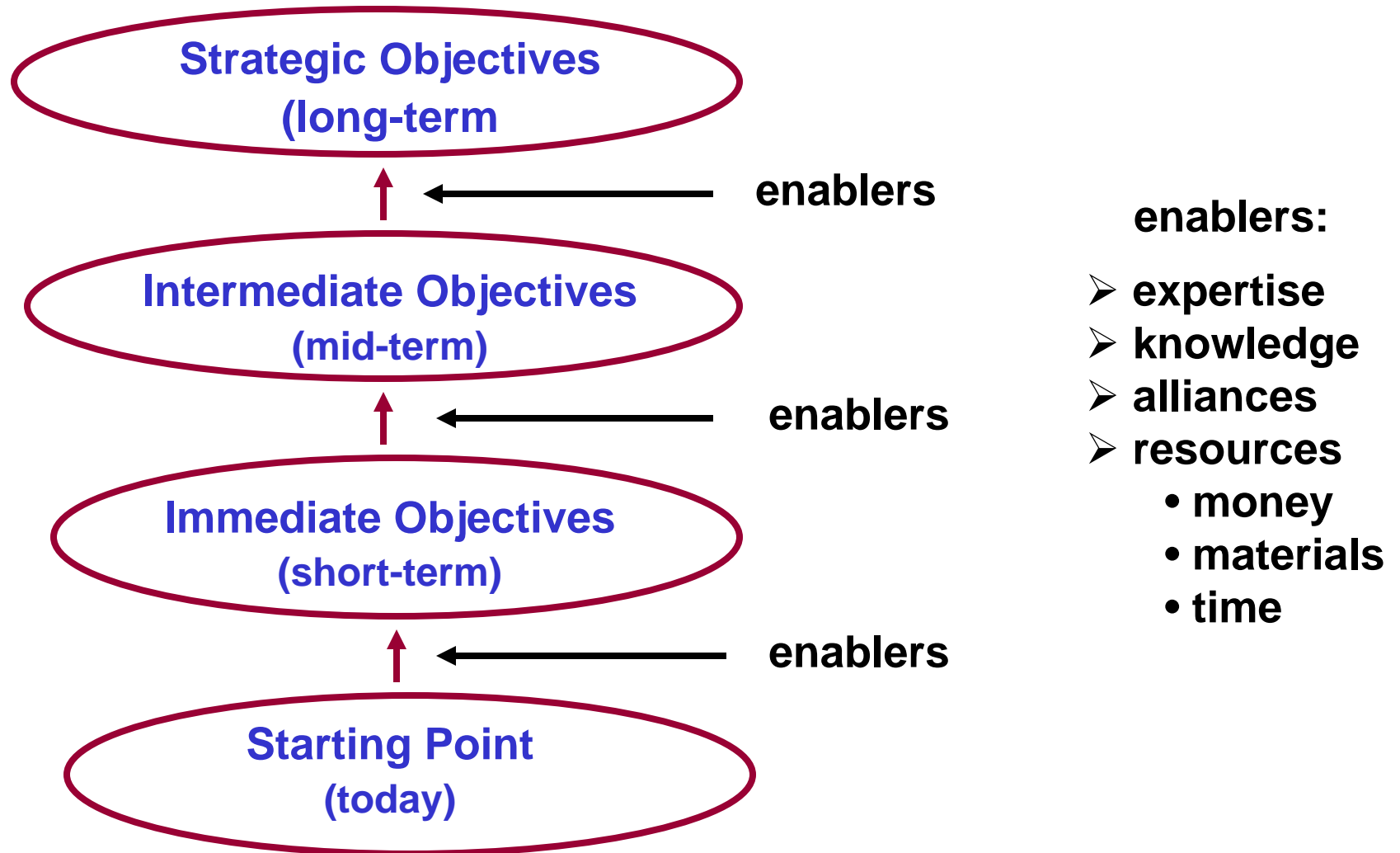
- **Can be one or many**
- **If many, evaluate against each other**
- **Pick a preferred course of action that optimizes chance of success**

Courses open to the competition

Wargame

	Competition “A”	Competition “B”	Competition “C”
My preferred course of action	What if ... Test preferred course of action contingencies	What if ... Test preferred course of action contingencies	What if ... Test preferred course of action contingencies

Develop Strategic Plan



Strategic Planning as a mechanism for corporate culture change

- **impact of constant change**
- **takes time**
- **leadership**
- **value of strategic Planning in changing corporate culture**
- **maintaining the momentum**

Public Sector
Case Study
Strathcona County

What is the Strategic Plan?

The Strategic Plan is a document that addresses two important questions:

What kind of community do we want in the next 10-20 years?

How are we going to achieve it?



How Was the Strategic Plan Built?

County Council developed the plan based on input from:

- **Residents**
- **Businesses**
- **Other Stakeholders**
- **Elected officials**
- **County Staff**

In addition information was gathered through research and studies

Give us your ideas!

The Community Consultation 2002 questionnaire is your opportunity to provide your ideas about Strathcona's future.

Look for your questionnaire in the newspaper — or go online!

Questionnaires are being distributed to every household in the newspaper *Strathcona County This Week* June 7.

Questionnaires are also being mailed to businesses in the County.

You can return your questionnaire in the postage-paid envelope, or go online June 7 or later to complete it.

www.strathcona.ab.ca

Strathcona County

If you miss the questionnaire, copies are available starting June 10 at:

- County Hall, 2001 Sherwood Drive, Sherwood Park
- North Strathcona Contact Office at Hearland Hall
- Bookmobile and the Strathcona County Library, Sherwood Park Mall
- Information and Volunteer Centre and Sherwood Park and District Chamber of Commerce, 100 Ordie Avenue

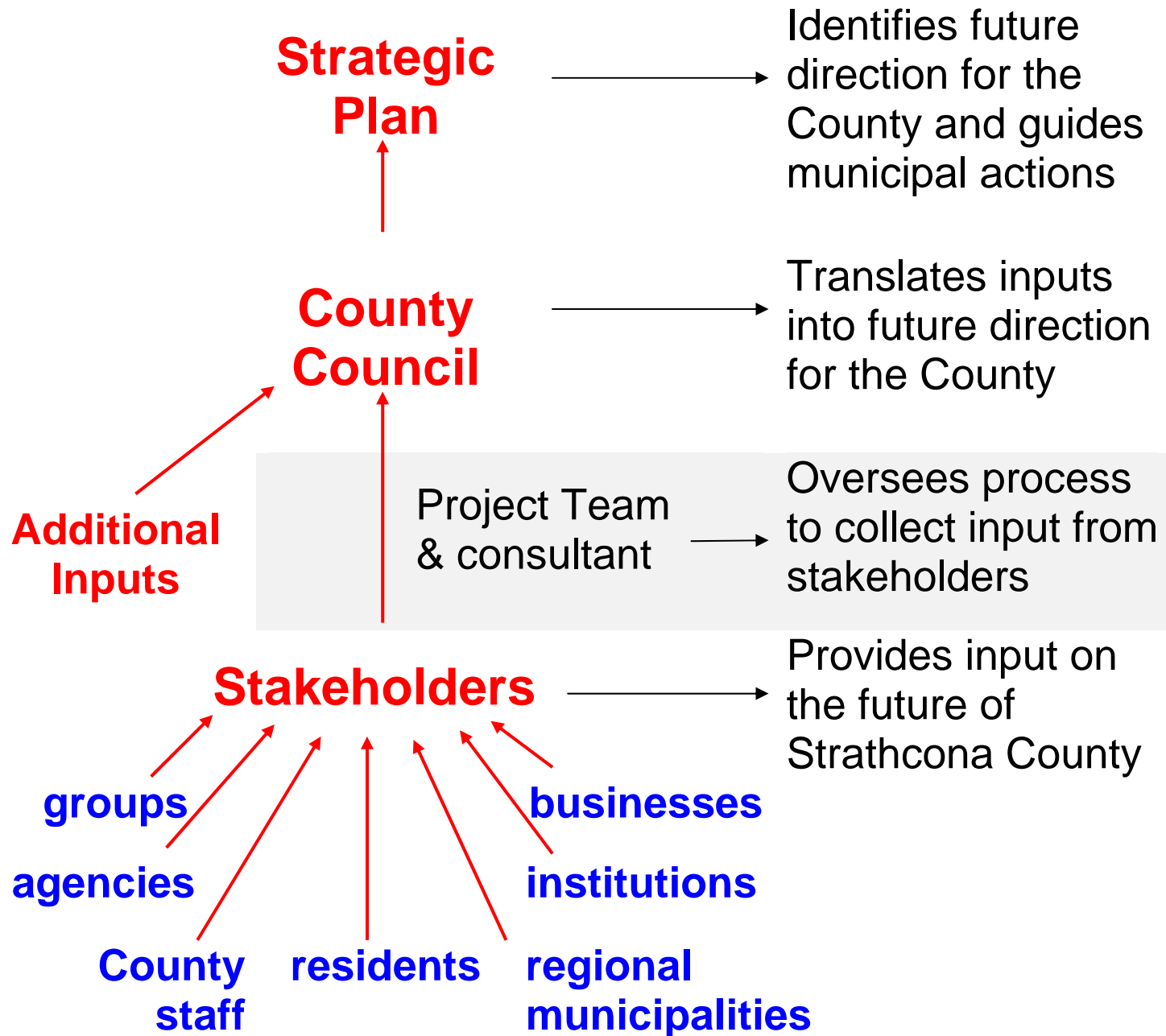
...or call 464-8895, leave your name and address, and we will mail you a copy.

We need your response by June 28!

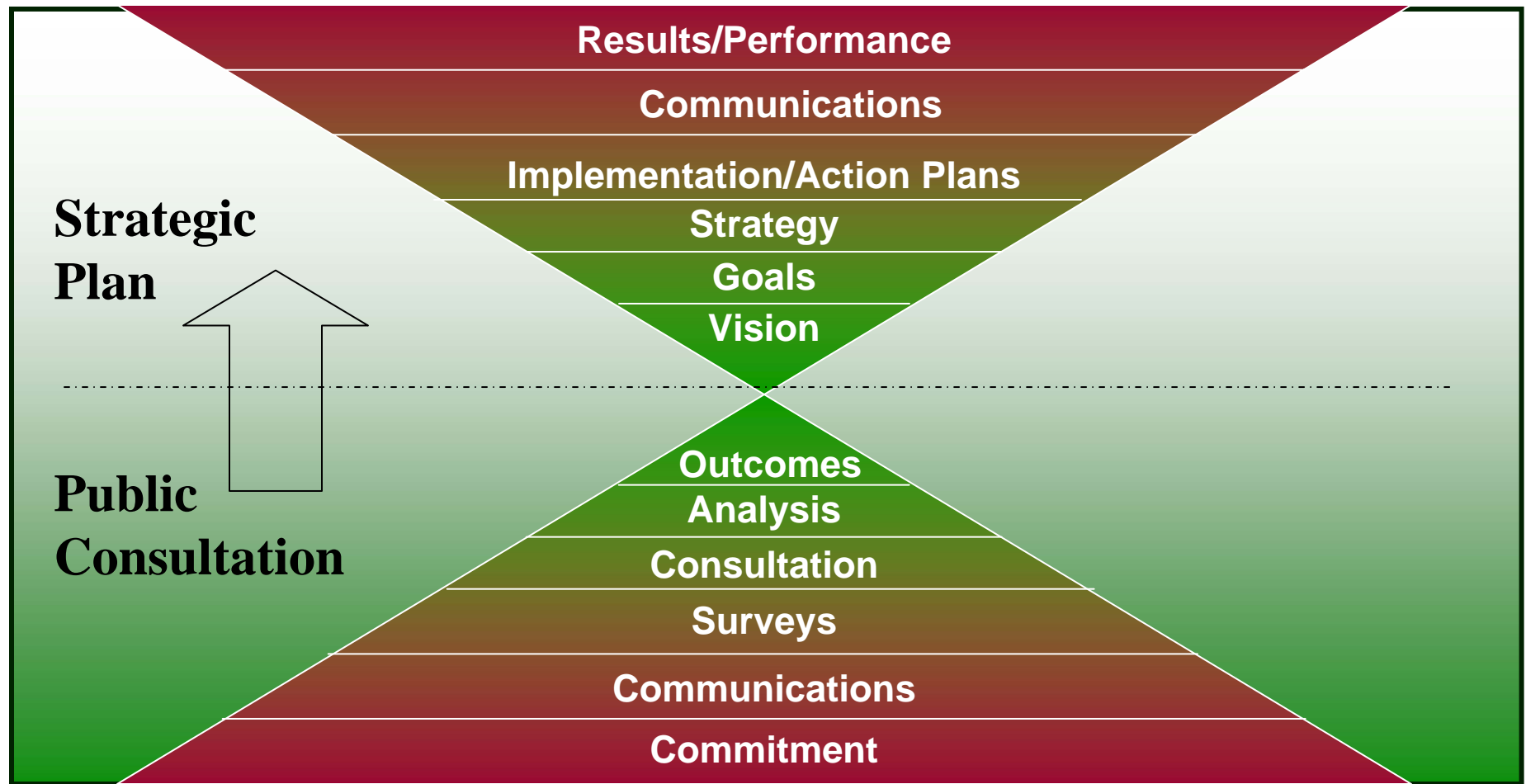
The Macdonald Family | Strathcona County Residents

Building a better future together

Development of the Strategic Plan



Strategic Planning Process



Vision Statement

Strathcona County is a safe, caring and autonomous community that treasures its unique blend of urban and rural lifestyles while balancing the natural environment with economic prosperity; and through strong, effective leadership is a vibrant community of choice.

Strathcona County Strategic Plan Framework

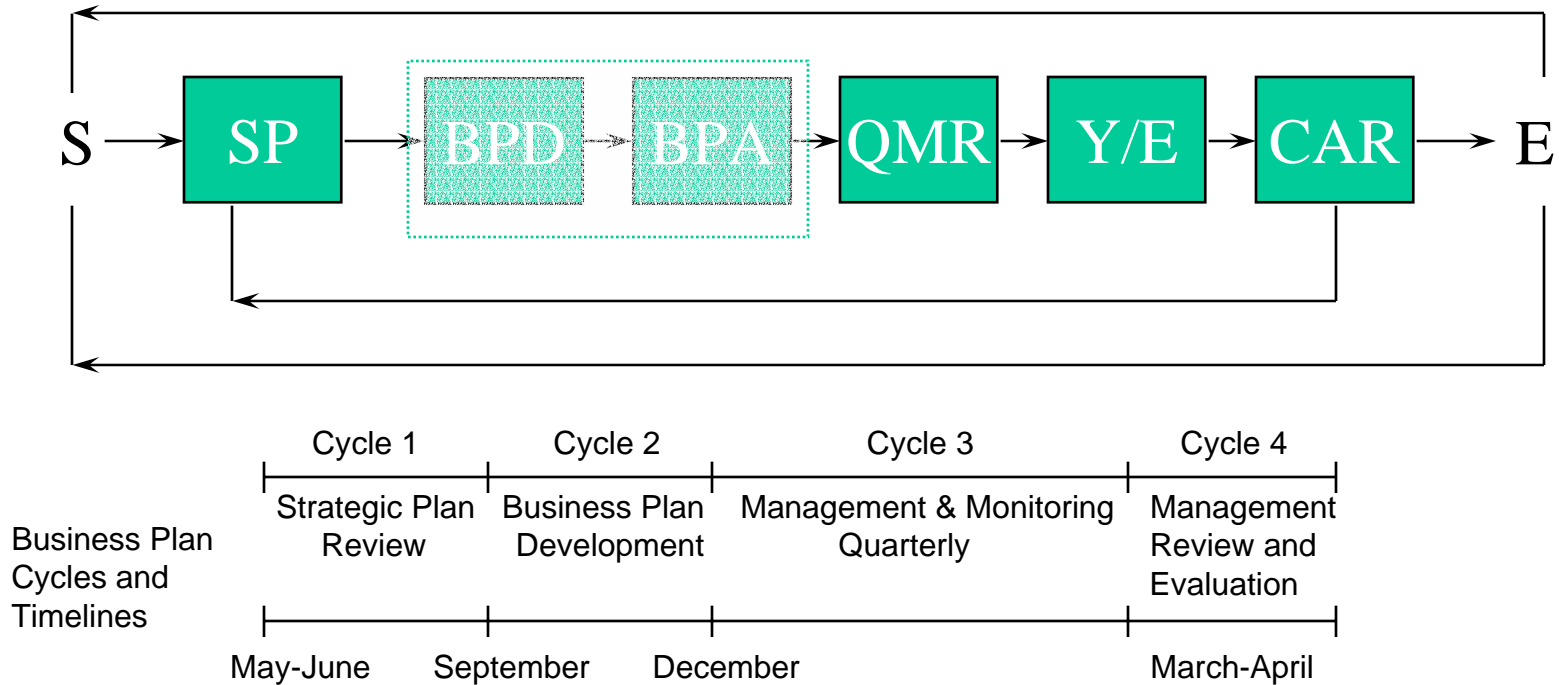


Strathcona County Strategic Plan Framework



Process Framework

Linking business planning and management with strategic planning



LEGEND

S - Stakeholders

BPD - Business Plan Development

QMR - Quarterly Management Reporting

CAR - Corporate Annual Reports

SP - Strategic Plan

BPA - Business Plan Approval

Y/E - Year End Review of Annual Results

E - External Requirements

→ feed back and continuous improvement loops

Summary

- **Importance of strategic planning**
- **Strategic analysis**
- **Hierarchy of plans**
- **Corporate culture change**

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