

"This fun guide will help you clarify your strategic vision and develop a flight plan to reach new heights and profitability." Howard Putnam, Former CEO of Southwest Airlines

Strategic Planning

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Erica Olsen

Developer of MyStrategicPlan



*Includes practical
planning know-how
for businesses of
every size*

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About the Author

Erica holds a BA in Communications and an MBA in International Management from Thunderbird. She's frequently tapped to lecture at the University of Nevada in Reno and the University of Phoenix in Reno on management and planning topics. She hosts workshops and has spoken at conferences nationwide.

As one of the developers of MyStrategicPlan, Erica has stripped strategic planning of its fate as a static document. With her online strategic planning system, any organization, regardless of size and budget, can build a plan in a matter of weeks (or even days). Once completed, the online system actually helps organizations execute the plan instead of just shoving it on a shelf.

MyStrategicPlan is just one of several services offered by Erica's company, M3 Planning. M3 also does onsite strategic planning facilitation and retreats as well as market research consulting. Over the last several years, M3 has developed and reviewed hundreds of strategic plans for organizations across the country.

In addition to *Strategic Planning For Dummies*, Erica has co-authored *Strategic Planning Made Easy: A Practical Guide to Growth and Profitability*, and contributes regular columns to local, regional, and national business publications.

When Erica is not lecturing, writing, or planning, she's alternately kayaking, backcountry skiing, rock climbing, biking, running, or bagging peaks around the Western Hemisphere with her husband Gregor.

Erica always enjoys hearing from her readers. If you have questions about your strategic planning or if you have a success story to share, please contact her through any of the methods below:

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www.mystrategicplan.com/blog

Dedication

To all the business owners, executive directors, and managers in this world who have a big vision. May you successfully reach that big, hairy, audacious goal.

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Introduction

Basically, you have two choices when it comes to running your organization: Be intentional about the path your organization follows or turn on autopilot. Turning on autopilot is kind of like hopping in your Hummer, turning on the satellite navigation system, and following the directions from your home to Las Vegas. Computers aren't the best at making decisions, so you may get to Las Vegas eventually, but are you going to Las Vegas, New Mexico, or Las Vegas, Nevada. If you plot your course before you set off, you're a lot more likely to get to your destination.

Many people deliberately plan their personal lives, but when it comes to business, they don't take the same approach. If you're running your organization without a plan, you're just using the navigation system. This concept may seem rudimentary, but the facts state that 90 percent of businesses are running without a plan. Ninety percent is hoping that the navigation system doesn't fail. But because you're reading this book, you're ready to run the show, and you're close to joining the elite ten percent that know a strategic plan is important.

About This Book

This book is about getting from Point A to Point B more effectively and efficiently and having more fun along the way. Part of that journey is the strategy and part of it is the planning, development, and execution.

Strategic planning isn't about taking on additional work; it's about taking all those numerous daily decisions and making them part of an integrated process. Whether you want to be more effective and efficient or you want to make more money, have a bigger community impact, or move your company from good to great, this book is for you! No more thinking that strategic planning is daunting. This book makes the process easy, straightforward, rewarding, and fun. Did I already mention that it's fun?

Strategic Planning For Dummies brings everything business owners, executive directors, or managers need to take their organizations to the next phase of business growth. The book presents a practical set of strategic planning tools and guides you through an integrated strategic planning process. Each part contains relevant content, real-world examples, and useful worksheets. Discover how strategic planning is the key element to your growth through this no nonsense approach.

Strategic planning is a subject that has been overcomplicated by jargon, competing semantics, and consultants of the world (me included!). In reality, strategic planning is a business concept that's useful to all businesses and organizations, no matter its size or

resources. Strategic planning is incorrectly positioned as a tool only available to big businesses. With the help of a practical and realistic approach to strategic planning, *Strategic Planning For Dummies* helps you reap the benefits of strategic planning, whether you're a big boy or a small fish.

Conventions Used in This Book

The following conventions are used throughout the text to make concepts consistent and easy to understand:

✓ All Web addresses and e-mail addresses appear in monofont.

Some Web addresses may break across two lines of text. If that happens, know that I haven't put in any extra characters (such as hyphens) to indicate the break. So, when typing these addresses into your Web browsers, type exactly what you see in this book, pretending as though the line break doesn't exist.

✓ New terms appear in *italic* type and are closely followed by a definition.

✓ **Bold** is used to highlight the action parts of numbered steps.

✓ The text in gray boxes, what the Dummies folks refer to as *sidebars*, is optional reading. I use

sidebars to go off on tangents or present extended examples. You can skip them if you want.

Foolish Assumptions

As I wrote this book, I made some assumptions about you, my reader:

- ✔ You're a decision maker. You hold the position of business owner, manager, executive director, department head, or team/group leader.
- ✔ You can influence change in your organization. Whether you have the final say, you have a strong enough position to influence the course of your business.
- ✔ You want to see your organization grow! Growth is different for every organization. But the underlying premise is you want your organization to do more.
- ✔ You can see the edges of your strategy, but you need to fill in the detail. Most organizations know what general direction they're headed in, but they need to turn the generalities into specifics.
- ✔ You have a plan, but it's sitting on the shelf gathering dust. Or you have a plan, but it's half-way completed.
- ✔ You want to get everyone on the same page. I hear this phrase with almost every client I work with, so I assume this applies to you too. The need to get your whole company focused and pulling in the same direction is a great motivator to do strategic planning.

Although all these assumptions may not apply to you, am I at least close? I wish I could predict the future of your business, but alas, I haven't been granted that power. A strategic plan helps to take out the uncertainty and allows you to shape the future *you* want. And I'm here to help you with your steps along the way.

How This Book Is Organized

Strategic Planning For Dummies is divided into five parts. A quick review of the Table of Contents and the following description of the parts gives you a solid overview of the entire book. If you want information about a particular topic, the Index can also help you locate it.

Part I: Laying the Foundation for Your Strategic Plan

The chapters in this part are packed full of who, what, how, and why you should care. You look at a number of concepts in this part:

- ✓ The strategic planning process
- ✓ Who should be involved
- ✓ How long the process takes
- ✓ How you facilitate a strategic planning process
- ✓ When the right time for planning is
- ✓ The differences between business plans and strategic plans
- ✓ When your organization shouldn't embark on strategic planning

If you're looking to convince your boss or team members about the importance of strategic planning, look no further than Chapter 2.

Part II: Looking Backward to Move Forward

Hold on a second. Don't move past this part too quickly. I know you want to. Whether your organization has been around for two years or 200 years, you have important knowledge to build your strategic plan on. I like to call that knowledge *tribal knowledge*. Chapter 4 asks you to bring that tribal knowledge into the forefront of your planning. Chapter 5 digs into the hard subject of what you do best and is about identifying, developing, and sustaining your organization's competitive advantage. Additionally, Part II provides you with advice on making sure that the foundation of your business is solid. Chapter 6 includes a discussion about mission, vision, and values.

Part III: Sizing Up Your Current Situation

Part III focuses on collecting information that's critical for your strategic decision making. Organizations can't plan without gathering the right data, so Chapter 7 looks at internal data collection and analysis; and Chapters 8 and 9 extend past your business to external data collection on the environmental, customer, industry, and competitive levels. A set of tools is provided for synthesizing the data so it's more useful in strategic decision making.

Part IV: Moving Your Organization into the Future

The main reason you need to do strategic planning is to look into and plan for the future. In this part, you determine how you grow by looking at the different types of value-creating strategies as well as the more specific strategies surrounding growth, integration, and diversification. Most importantly, you identify and evaluate opportunities and then select a strategy to move in that direction.