

## Strategic Assessment and Plan: Phase 2

### *Where Do We Want to Go?*

In the [first article](#) in this series we discussed Phase 1 of the Strategic Assessment and Plan: *Where are we?* That assessment phase included the first three steps of the 10-step plan. Phase 1 was where we determine our mission, the leader's responsibilities, and analyze the environment in which our organization exists or functions. This second article will examine Phase 2: *Where do we want to go?* Here we look to the future by working through the next four steps to develop our vision and organizational values; identify key processes and systems; determine gaps in performance; and finally, establish objectives and goals.

You will recall that in Phase 1 we developed our mission, i.e., our purpose, our reason for being. Mission is what we do NOW; it is oriented to the present. Vision is what we hope to do in the future. It is a unifying picture of where the organization is going and enables everyone to focus on the same distant point on the horizon. Our mission may change as we move toward our vision over time but our vision should remain. Mission and vision form two elements of the organization's Guiding Principles. The third element is values, which will be discussed below. (See the author's book, [Servant First!](#) for a thorough discussion of Guiding Principles.)

Step 4 is development of the organizational vision and values. That vision should be a *shared vision*. It will not be effective as a guiding principle if it is only the leader's vision. The leader has an important role to play in visioning but his/her role cannot be as the sole author and enforcer of the vision. A vision statement crafted by a leader or even an executive group without input and critique from the people within the organization will not become a shared vision. Sorry, it just won't happen. So how do we achieve a shared vision?

Good leaders know that people are more committed to decisions when they have been involved in the decision process. Even if an individual's opinions and ideas are not accepted along the road to a final decision, the fact that you listened to them and considered their input is vital to their commitment to implementation. Therefore it is important that as many people as possible in the organization have an opportunity to provide input on the organizational vision statement. Practically, how do you do that?

Here is where the leader comes in because without the leader's active involvement there will be no vision. (See Proverbs 29:18) The leader must initiate the discussion of a vision of a future state, an organization that we hope to become. He/she may even have a small group of people draft a vision statement after talking to as many people in the organization as possible about what they see in the future for our organization. Once this is done, I like [Stephen Covey's recommendation](#) to send the statement out with an invitation to critique it that reads something like this: *"Here is the the draft vision statement. We don't much like it either so we'd like to hear from you!"* That gives license to tear it apart. If you don't do that then it becomes the "boss' vision statement" and your people will be fearful to openly criticize it. Your only input will be laudatory comments that do nothing to create commitment to the vision.

The third element in our organizational Guiding Principles is values, i.e., how will we treat each other and our "customers" (those we serve) on our way toward our vision? In the first article, we discussed the [leader's values](#) and how he/she must examine their own set of values and how they relate to the organization. In this step, we are determining what those

organizational values currently are, or if this is a new organization, what we want them to be. Organizational values that form and shape the organizational culture are often unspoken but they are simply "the way we do things around here." A new leader coming in to an existing organization may be surprised to learn the dominant values practiced in the organization. What is down on paper and the "way things really work" may be two entirely different things. Ask lots of questions and values will emerge. It may take setting up a series of scenarios: if this happens, how do we deal with it? For example: What do we tell a customer when a shipment will be late especially if he represents a large percentage of our total sales?

How are we going to treat each other *within* the organization? What level of trust are we comfortable with? For example, an organization that trusts and respects its employees will not hesitate to share its financial details. The company is saying, in effect: *we trust you and respect your judgment and opinions such that we are willing to disclose our most intimate financial details with you since this is your company too!* However, you must live out those values for them to become truly a part of the culture. Southwest Airlines is famous for its customer service. They live out their value of putting customers' needs first. However, if the day arrives where an employee is disciplined for taking too much time with a customer that value is dead. The old value is replaced with "speed = profit" and the needs of customers move to the back of the line. So be careful what you say you value because your people will be watching to see if you really mean it.

Step 5 is to identify your key processes and systems. What are the few key systems and processes that differentiate us from our competitors and give us [competitive advantage](#)? Most organizations do lots of things but there are a few, select systems and processes that set the organization apart from others that are critical. We must do these well or we will not survive as an organization. The great football coach Vince Lombardi was very successful, in part, because he focused on the essentials: tackling and blocking. What is essential to the success of your organization? What are those systems and processes that are most important to its survival? For example, a liberal arts college must provide good, sound classroom instruction in order to survive. They do lots of other things but classroom instruction is critical to the future of the organization. Likewise, the manufacturing processes of an automobile maker are critical to its success. If they don't build a quality automobile, all the glib marketing in the world won't save it from ruin. For a church, the Sunday worship service is a critical system or series of processes involving facilities, music, prayers, scripture reading, a message preached, and the coordination of a host of people. A beautiful campus or an award-winning day care facility will not keep the doors of that church open; focusing on the critical systems will.

Step 6 is to determine the gaps in performance in our key systems and processes. We do this because we know that these systems and processes are essential to our survival and we must do them well. The [Pareto Principle](#) states that 80% of consequences stem from 20% of the causes. Therefore we should focus on those few essential systems and processes as they will impact most of the other systems within the organization. First, we must gather data on our current level of performance in our key systems and processes. The metrics we choose are also critical since we must find what truly measures our *effectiveness* and that can take some time and trial. For example, the number of hours an employee spends in professional growth seminars is *not* a good metric for his/her level of training. What the person is able to *do* with the new knowledge is what you want to measure. Finding a metric that does that is the challenge.

Once we feel that we have a good understanding of the steady state performance of our key systems, then we compare that condition with our desired future state. Are there gaps in performance in our key systems and processes? In most cases, there will be. Now our task is to develop objectives and goals to close those gaps.

Step 7, the final step in Phase 2, is where we establish strategic and operational objectives that once obtained, will close the gaps in performance in our key systems and processes. Objectives and goals are sometimes interchanged but I prefer to use the term "objective" to mean an over-arching or super-goal and "goals" as a series of measurable targets leading up to an objective. *Strategic* objectives are those longer-term objectives that will take 3-5 years to complete. That is the time-frame generally accepted as long-term, at least in the West. Eastern cultures tend to think in much long terms as witnessed by the CEO of Matsushita Electric who some years ago challenged his senior executives to think 150 years out! *Operational* objectives are to be completed within a year. An example of a strategic objective for a manufacturing company might be to **develop new product lines for Eastern Europe**. An operational objective supporting this could be to **develop and market one new product for Eastern Europe**. A strategic objective for an urban church could be to **establish a youth drop-in center for teens** or **develop and implement parenting skills training for single parents**.

Goals then are established under each objective that lead to completion of at least one element of that objective. These goals must be [SMART](#): specific, measurable, achievable, results-oriented, and time-determined. For example:

Strategic Objective: **Develop new product lines for Eastern Europe**

Goal: **Within 90 days, determine customer needs for our products and available suppliers within Eastern Germany**

Strategic Objective: **Establish a youth drop-in center for teens**

Goal: **By January 1, create a prioritized listing of suitable existing buildings listed under \$500,000 within 3 miles of church**

Each objective may have several goals. The more complex the objective the more goals we can expect. Objectives must support the mission and vision of the organization. Likewise, goals will support one or more objectives. Objectives that are not directly tied to furthering the organization's mission and vision should not be considered.

This completes our discussion of the first two phases of our Strategic Assessment and Plan: *Where are we?* and *Where do we want to go?* The third article in this series will address the next phase: *How are we going to get there?*

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