

## **CRITICAL STRATEGIC ISSUES Guidelines for Action Planning**

### **Context:**

The strategic plan is meant to be a coherent document:

- There needs to be a clear mission
- The current strengths and weaknesses of the organization relative to the mission need to be understood
- The future opportunities and threats relative to the mission need to be anticipated
- The vision or BHAG (“big, hairy, audacious goal”) needs to be articulated to provide the overall direction in which the organization wants to move; this BHAG or vision needs to account for the SWOT’s
- The critical strategic issues (CSI’s) need to be specified that focus the organization on those areas that are most essential to achieving the mission and fulfilling the vision or BHAG
- An action plan needs to be created to commit the organization to a course of action to address each of the CSI’s

In other words, there should be an internal and compelling logic that systematically builds the case for the actions the organization is going to take to position itself for the future. Therefore the action planning process—which it comes later in the strategic planning process—is built directly on the foundation that is created before it.

### **Elements of the Action Plan:**

The action plan has three key elements:

1. Definition of the CSI
2. Establishment of the goal that will be achieved relative to the CSI and the success indicators that will be used to gauge progress toward the goal
3. Identification of the major actions to be taken to reach the goal, and for each action:
  - a. What will be done
  - b. By when it will be done
  - c. Who will be accountable for accomplishing the action

- d. What resources will be required to take the action

A template for the action plan is attached to this document; it is important that all teams that create action plans follow the template.

Definition of the CSI: The CSI clarifies the basis for the action plan, and includes:

- What is the definition of the issue?
- What is the current state of the issue?
- What are major forces currently impacting the issue?
- What are major forces that will impact on this issue in the coming years?
- What will be the impact of addressing/not addressing the issue effectively?
- What will it take to address the issue effectively?

An effective definition of the CSI will help build the case for the CSI and the plan in general especially for audiences who have not directly participated in the strategic planning process. Therefore it is essential that this definition be articulate and compelling.

Here is an example of an issue definition:

- *What is the issue:*
  - *Our organization lacks an environmental scanning capacity to enable us to anticipate and act on emerging situations that may be either helpful or problematic*
- *What is the current situation:*
  - *We are currently in a more reactive mode to information and developments causing us to either not take advantage of opportunities as they arise or to quickly respond, sometimes in less than optimal ways*
- *What is the future going to be:*
  - *As our organization continues to grow and expand, the landscape in which we operate will be significantly more complicated*
- *What is the impact of addressing the issue/not addressing the issue:*
  - *If we are able to monitor changes in our environment we are going to be significantly more effective in crafting and implementing responses that both prevent damage as well as better our position*
  - *However if we are not able to do this, we are going to find ourselves overwhelmed by the issues that are likely going to be confronting us, and could be subject to errors and omissions that could range from mild to severe—which could significantly impact on the future or the organization*
- *What is it going to take to address the issue:*
  - *We are going to have to dedicate significant resources to gathering the intelligence information in a sufficiently comprehensive manner*
  - *More important, we are going to have to shift our leadership approach to being far more proactive and away from the kind of fire-fighting that*

*has characterized much of our leadership in these past years; this is going to be a major culture change and require significantly different leadership approaches*

Goal: Having clarified the basis for the CSI, the goal should reflect the outcome that will be targeted relative to the CSI, within the time period of the strategic plan (e.g., 5 years). Effective goals should meet the SMART criteria:

- Specific
- Measurable
- Achievable
- Realistic
- Time-bound

An example:

*By 2018 we will significantly increase our capacity to track and act upon key environmental information*

Success indicators: The success indicators will provide the metrics that will be used to gauge the progress that is being made as well as the ultimate success. For example, while a goal may be to establish a culture of pride and ownership; the metrics may be associated with low levels of turnover, or high scores on engagement surveys. The indicators are not simply the tools to be used, but rather they are the expected outcomes that will be achieved (e.g., higher scores on patient satisfaction surveys).

An example:

*Our environmental scans provide us on a quarterly basis with accurate and relevant information that significantly impacts our advance planning; we can demonstrate at least 3 efforts that have had demonstrable value based on this environmental data*

Action plan: With a clear goal and success indicators, the next step is to generate the major actions in time sequence that will be taken to achieve the goal. Typically action plans for a CSI have between 4 and 8 actions, though some have fewer and some more. For each major action it is important to then specify:

- What is the action to be taken
- By when the action will have been taken
- Who will be accountable for ensuring the action is successfully taken
- What additional resources will be needed in order to take the action (money, use of assets, time, etc.)

In crafting the action plan it is important to keep it at a macro level, and not get overly granular in specifying actions; once the plan is finalized, it will be turned over

to the accountable parties for each of the various actions, who will need to go through their own planning process to identify the more specific tactics to be followed to achieve their assigned actions.

### **Challenges in Action Planning:**

There are three key challenges that come up in the action planning process.

- Engaging the right people in action teams
- Coordinating across action plans
- Being realistic about time-frames

Engaging the right people in action teams: Each of the action teams is typically led (or co-led) by individuals from the strategic planning team; this ensures there is continuity of thought between the action team and the strategic planning team. Composing an action team provides a key opportunity to both extend the expertise and perspective that is brought to bear on the plan, but also to broaden the organizational alignment and buy-in to the plan.

To optimize the composition of action teams, consider including members of the organization with knowledge and passion for the issue; it is also important to include those people who will be directly involved and/or have responsibility for implementation of the actions once finalized. One of the biggest breakdowns that can occur is when one group plans the actions that a separate person or group is then given responsibility to implement.

There is no magic number about the right size of an action team; typically a group of 6-8 is considered ideal for decision making; however, it is better to err on the size of a larger group if that will ensure the right level of expertise and ownership. In addition, it is not atypical for action teams to include members from outside the organization who are committed to the organization's success and have relevant perspective to contribute.

And finally there are different ways that people can participate on action teams including:

- Participating directly on the team
- Giving input to the group about the action plan
- Providing feedback on drafts of action plans
- Participating in selected meetings that may be addressing elements of the action plan that are pertinent to them

Coordinating across Action Plans: The CSI's that are identified within an organization are often not entirely discrete—there are often cross-over aspects to the issues and/or actions that may be identified that are relevant to more than one

CSI. There is no harm in allowing plans to develop in parallel—sometimes this spurs creativity—however, at some point in the process it will be important to look across the plans to identify areas where there is redundancy or a potential for synergy that can be gained.

There are several ways to do this including:

- Having action plans share their plans as they are evolving; this can be done on a shared drive or SharePoint site
- Having periodic meetings with one another to share progress
- Having someone who is overseeing the effort keep track of the plans to identify opportunities for coordination

Being Realistic About Time-Frames: Many strategic plans initially make the error of front-loading too much activity which can overload the organization. In the initial formulation of an action plan it is natural for an action team to view the world from their own perspective without accounting for the actions that other teams are planning. If a strategic plan is meant to have a 5-year time-frame, the actions can potentially be spaced out over the entire five years (depending on what they are).

It is often only after the draft plans are completed that the plan can be pressure-tested to ensure that it is realistic from a time-frame perspective. An easy way to do this is to craft a master action plan that integrates all actions across all the CSI's, and then test to see whether it is realistic for the organization to commit itself to the actions within the time-frames or whether there needs to be resequencing. This reality check is often part of the agenda for the second retreat.

## **ACTION PLANNING TEMPLATE**

### **WHAT IS THE ISSUE?**

- *What is the definition of the issue?*
- *What is the current state of the issue?*
- *What are major forces currently impacting the issue?*
- *What are major forces that will impact on this issue in the coming years?*
- *What will be the impact of addressing/not addressing the issue effectively?*
- *What will it take to address the issue effectively?*

### **WHAT IS THE GOAL?**

### **WHAT WILL BE THE INDICATORS OF HAVING SUCCESSFULLY MET THE GOAL?**

WHAT IS THE ACTION PLAN FOR REACHING THE GOAL:

<i>STEP</i>	<i>WHAT WILL BE DONE</i>	<i>BY WHEN WILL IT BE DONE</i>	<i>WHO WILL BE ACCOUNTABLE</i>	<i>WHAT RESOURCES WILL BE NEEDED</i>
1				
2				
3				
4				
5				
6				
7				
8				