Module 11

Read Ahead

Strategic Planning and Vision
Module 11: Strategic Planning and Vision

Objectives

After attending the training in Module 11, participants will be able to:

- know why strategic planning is important
- learn the components of a strategic plan
- learn how to develop a strategic plan
- understand personal and organizational vision
- recognize how important a vision is to an organization
- understand how to create a shared vision

Introduction

Strategic planning is a process used by an organization to define its direction. In other words, it is a road map to get an organization from where it is to where it needs to be. Strategic planning can also help an organization make decisions about allocating its resources to pursue its strategy or direction.

Businesses know that strategic planning begins with the customer or the people utilizing its products or services. Transportation professionals would do well to embrace that axiom. Our customers need to be the object of our planning, and we need to understand why. A second well-known axiom is “to get where you want to go, it is essential to know where you are when you start.” For transportation professionals developing a strategic plan, the starting point involves assessing the current situation. This can involve strengths, weaknesses, threats, and opportunities. Usually there is a gap between the current status of the agency and the desired future goal or condition, i.e., where you are and where you would like to be. In strategic planning, actions are put in place to help reach the established goals. The components of a strategic plan provide the path to reach organizational goals.

Why Strategic Planning is Important

- It provides clear organizational direction.
- It defines organizational goals.
- It provides a method for achieving the goals.
- It provides unity among organizational units and groups.
- It ensures that units and groups are aligned with the organization.
- It reduces the presence of silos within the organization.
- It energizes and motivates employees.
- It provides opportunities for fresh insights.
Key Definitions

In addition to goals and objectives, a strategic plan generally includes a vision, a mission, core values and a SWOT (strengths, weaknesses, opportunities, and threats). These terms are defined below:

*Strategic Plan* – a disciplined effort to produce fundamental decisions and actions that shape and guide what an organization is, what it does, where it wants to be in the future, and what is hindering or helping the organization reach this “created” vision. Again, it is a road map to get you from where you are to where you want to go.

*Mission* – the organizational purpose for which the agency exists

*Vision* – a desired future state; where the agency needs to be at some point in the future, usually 3 to 5 years down the road

*Values* – principles or beliefs that guide organizational behavior and provide framework in which decisions are made

*SWOT* – internal Strengths and Weaknesses of the organization and external Opportunities and Threats for the organization

*Goals* – key focused areas in which desired outcomes or results are articulated

*Actions* – specific tasks required to achieve desired objectives within defined time frames

**How to Develop a Strategic Plan**

There are many methods of developing an organizational strategic plan. The key is to get started and make a commitment to undergo the process. Many organizations want to conduct strategic planning but do not begin, do not understand how to begin, or struggle with resources to complete the process. Here are some ideas:

- Select a facilitator to guide the process.
- Establish a team to create the strategic plan.
- Gain a consensus among the members of the planning team about how they plan to operate.
- Engage the leader and the managerial team in this process.

If ALDOT decides to conduct strategic planning, then the executive leaders should be involved. If the planning is for a particular division, region, or bureau, leaders in those groups should be involved.
Six Phases in Strategic Planning

Phase I - Create or update the Mission and Vision.
Phase II - Articulate the Core Values of the agency.
Phase III - Assess the current internal situation by identifying its Strengths and Weaknesses.
Phase IV - Assess the current external situation by identifying its Opportunities and Threats.
Phase V - Develop Goals and specific Actions that will achieve the organizational vision.
Phase VI - Monitor and evaluate the Plan.

Phase I: Create or update the Mission and Vision.

This phase includes information gathering, discussions, listening, and forward thinking. It culminates with creation or update of the Mission and Vision Statements. Key activities during this process include:

- Create Mission Statement if one does not yet exist. If one exists, review the Mission to see if it is worded appropriately. Remember that the Mission answers the following questions:
  - What do we do?
  - What is our purpose?
  - What is our service to citizens?
  - What are we accountable for?

- Create a Vision Statement if one does not yet exist. If one exists, review the Vision to see if it is still appropriate. Remember that the Vision answers the following questions:
  - Where do we want to be in 3 to 5 years?
  - Is there a future picture we need to work toward?
  - What do we want to attain?
  - Who do we want to be?

Phase II: Articulate the Core Values of the agency.

This phase is where the team thinks about the values of the organization—division, region, or bureau. Core values are those traits that the organization holds dear, traits that guide behavior and work. The organization adheres to them in every circumstance. Examples include but are not limited to integrity, teamwork, customer service, forward focus, and communication.

Phase III: Assess the current internal situation by identifying Strengths and Weaknesses.

This phase relates to the internal aspects of the organization—ALDOT. The team is to discuss and document what the organization’s Strengths are. Likewise, the team needs to review and document the Weaknesses. What does internal mean? Internal asks the following questions:
• What are our greatest/weakest resources?
• What are our greatest/weakest capabilities?
• Where are our services prominent?
• Where do we need development?

Internal environment examples may include staffing (retention and recruitment), employee KSAs, organizational competencies, equipment and vehicles, technology, public relations efforts, leadership, management, training, commitment, communication, visibility, and/or services.

**Phase IV: Assess the current external situation by identifying Opportunities and Threats.**

This phase relates to the external aspects of the organization—ALDOT. The team is to discuss and document Opportunities and Threats by using questions such as:

- Outside the department, what is working for/against us?
- What wider socioeconomic or macro issues might offer support or pose a risk?
- What do we need to monitor because it might add to our success or failure?

Areas for the external environment include but are not limited to current or upcoming criminal trends and issues; new tactics, processes, or operational issues; changes in legal/laws/regulations; economy; transportation issues; politics; state or nationwide perceptions; and preparedness.

**Phase V: Develop Goals and specific Actions that will achieve the organizational Vision.**

A goal is a path or a group of strategies that should be accomplished in order to benefit the department or the citizens by attaining the Mission and Vision.

Questions to examine are:

- What are our responsibilities?
- What are we accountable for?
- What do we need to accomplish this year(s)?
- How can we boost our service to citizens?
- What do we need to do to reach our vision?

Goals should span all services performed by the agency or division. It is wisest to consider the SWOT when setting goals. Obviously, the SWOT will show you areas that need to be developed (Weaknesses) and elements that are Threats—both need to be addressed. Likewise, a review of the Strengths and Opportunities may guide the team for creation of goals.
An action is a specific step that must be taken to achieve a goal. It usually takes several actions to achieve a goal. They are to be SMART:

- Specific
- Measurable
- Achievable
- Realistic
- Time driven

**Phase VI - Monitor and evaluate the Plan.**

Prior to completing the Strategic Plan, the name or position of the accountable party should be written next to each goal. If someone is not assigned to monitor progress, successful accomplishment of goals is rare.

Each accountable party needs to establish metrics or performance measures to evaluate progress in closing gaps and reaching goals. The only way the organization can ensure success is by first setting a measure for the goals and action.

This same person (per goal) needs to monitor and report progress towards achievement of the goal. This review should be conducted monthly at a minimum. This may be accomplished through meetings, email, or observation. The initial development team should meet monthly to hear the update from each accountable party regarding progress of the goal.

In the end, every employee should receive a copy of the Strategic Plan so each one has the direction, guide, and map to follow into the future. Creating a Strategic Plan but not sharing with employees renders the Plan useless. After all, employees are the ones doing the work.

**Summary on Strategic Planning**

A Strategic Plan a very important tool for moving an organization forward. Most successful strategic plans are associated with organizational leaders who have a clear vision for where they want the organization to go in the future. The leader’s vision can be enhanced by a steering committee or strategic planning team, but ultimately the Vision should be owned and communicated by the leader. He should be able to convince others to follow it. In simple terms, the Strategic Plan is the road map to reach the Vision.

The Plan is typically made up of a Vision, a Mission, Goals, and Actions. This terminology may vary in different organizations. Goals can be called emphasis areas, goal areas, or even focus areas. Objectives can be called strategies; and actions or action items can be methods of accomplishing objectives. It is important for your Plan to focus on what your organization does (your Mission or purpose), on your organization’s customers, and on how your organization can improve as it reaches toward its Vision. The Plan needs to be accessible to every employee.
It is important that a Strategic Plan be understandable and easily translated into Actions. The Strategic Plan should allow tracking or measuring so that progress can be gauged. It should also be updated periodically as Goals are accomplished or as situations change. As an example, the Southern District ITE Strategic Plan is available for review at http://sdite.org/Strategic_Plan/2012StrategicPlanningGoals-REV.pdf.

Introduction to Vision

In the organizational context, a vision is generally defined as “where you want to be at some point (perhaps three to five years) in the future.” Vision is a desired future state. Leaders set direction, so effective leaders need a clear vision for the future direction of their organization and employees. The Vision becomes the focus behind every effort, the target of all work within the organization. A leader with vision reflects this by committing to the course charted for the organization. Employees see this commitment through the leader’s words, actions, behavior, and work progress. The Vision is their “rally cry,” and unity is possible because employees know the direction of the organization and they have goals and strategies to get there.

Unfortunately, people are often put into leadership roles without a Vision for the organization they will lead. They don’t imagine a future state, they don’t dream, they just exist. The leader’s vision is a key step because employees and colleagues of an organization don’t necessarily follow a dream. Instead, they follow the leader who has the ability to articulate specific targets, end results, and common goals effectively. In the beginning, vision will make a leader, but for vision to grow and achieve a following, the leader must take responsibility for it, nurture it, and involve others in it.

Leadership and Vision

Without vision, employees and organizational goals cease working. Transformational leaders create a Vision—especially when their agency does not have one. If the agency has a Vision, a leader learns it and then creates a plan for buy-in with the employees.

Vision isn’t everything, but it is usually the beginning point for achieving significant outcomes. Dynamic leaders place emphasis on Vision, values, employee engagement, and motivation. They envision the future by imagining exciting and enabling possibilities. They envision what might be and passionately believe they can make a positive difference.

Leadership is the ability to move people and to impact employees’ minds, hearts, and actions. The Vision acts as a future target that steers many of these changes.
Four Levels of Vision

John Maxwell, in his book Developing the Leader Within You, indicates that all people do not have the same understanding of the need for a Vision or what a Vision means. Some will grasp it quickly and can help lead the change. But others do not understand the role of Vision. They need a different management approach that starts with education and follows through with periodic education and encouragement. It is important for leaders to understand the levels of Vision when rolling out their Visions to their organizations:

Level I  Some people never see it. (They are wanderers.)
Level II Some people see it but never pursue it on their own. (They are followers.)
Level III Some people see and pursue it. (They are achievers.)
Level IV Some people see it and pursue it and help others see it. (They are leaders.)

What Happens Without a Shared Vision

The least successful people and organizations often function without a shared Vision, and some feel stuck in chaos. They don’t know how to get to the best places in life. In this situation, there are usually clues that something is wrong, that there is not a shared Vision, or that people do not believe in the organization’s Vision. The following actions/attitudes are likely to be present when there is no or low Vision:

- Employee energy levels are low, often as a reflection of their supervisor's energy level.
- Production falls, and no one seems willing to step up and change it.
- Deadlines are more likely to be missed than made.
- Personal agendas surface and take precedence over the good of the organization.
- People scatter rather than gather.
- When people do gather, they are likely to speak negatively of others and the organization.
- Leadership respect is lost.

Hindering a Vision

When a vision is hindered, generally a “people problem” exists even if the Vision has been clearly defined and communicated effectively. The following list includes ten types of people who hinder the Vision of organizations:

- Concrete Thinkers are those who see things as they are and say, “Why change?”
- Dogmatic Talkers are those who must know everything or nothing about something.
- Continual Losers are those who look at past failures and fear risk.
- Satisfied Sitters are those who strive only for comfort, predictability, and security in life.
- Tradition Lovers are those who desire to keep things the same, even though conditions have changed.
• Census Takers are those who will only embrace the Vision after the majority does.
• Problem Perceivers are those who see a problem with every solution.
• Self-Seekers are people who live only for themselves and never accomplish much.
• Failure Forecasters are those whose outlook is always gloomy or pessimistic.

Seven General Steps for Establishing a Shared Vision

The Vision is a clear picture of what the leader sees his or her group being or doing in the next three to five years. Communicating the Vision is vitally important in leading an organization, region, bureau, division, or unit. Listed below are some general guidelines for establishing an organization’s vision.

<table>
<thead>
<tr>
<th>Step</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Step 1</td>
<td>Establish a Vision Team to help guide the process.</td>
</tr>
<tr>
<td>Step 2</td>
<td>Gain an understanding of reality within the organization.</td>
</tr>
<tr>
<td>Step 3</td>
<td>Have the leader share his vision with the Vision Team.</td>
</tr>
<tr>
<td>Step 4</td>
<td>Develop a draft Vision by developing a consensus about the leader’s vision or simply tweak the overall agency Mission to the region, bureau, division, or unit.</td>
</tr>
<tr>
<td>Step 5</td>
<td>Share the draft vision with the remainder of the group (for whom the vision is being written); gather feedback to provide to the Vision Team.</td>
</tr>
<tr>
<td>Step 6</td>
<td>Revise the draft Vision, if needed, based on a consensus of the team.</td>
</tr>
<tr>
<td>Step 7</td>
<td>Communicate the Vision to the entire group on an on-going basis.</td>
</tr>
</tbody>
</table>

Vision Statements should be simple, concise, and easy to remember. They show where the organization wants to be, where it is heading. Visions can be focused on achievement, customer satisfaction, financial success, growth, service, and quality, among many other areas.

Summary of the Vision

In Alice in Wonderland, when Alice came to a crossroad, she asked the rabbit which road she should take. When the rabbit asked her where she wanted to go, she replied, “I really don’t know.” The rabbit said, “Then it doesn’t really matter which road you take.” Alice had no vision of the future, so she had no path to follow. At this point she was committed to happenstance. Although Alice’s situation made a great story (and movie), it is rarely the way to organize your life or to lead an organization.
The Vision is where you want to go, and where you want to be at some point in the future. The Strategic Plan is the road map to get you from where you are to where you want to be. These two definitions can be applied to both individual lives and organizations.

Good leaders set direction through the use of a Vision. They know where they are going, and they are able to persuade others to follow. They assure that plans are put in place to get them there.

References

John Maxwell, *Developing the Leader Within You*, Thomas Nelson Publishers. Nashville, 1993. NOTE: The ideas of Maxwell were supplemented by the experiences of senior leaders of the Southern District ITE who prepared part of this Module.

“Strategic Planning.” Wikipedia, the free encyclopedia, wikipedia.org/wiki/Strategic Planning