

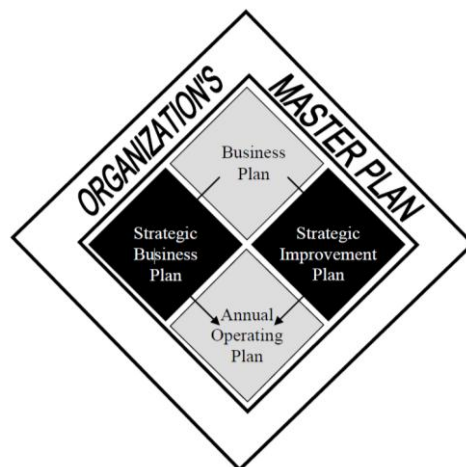
Harrington Institute Consulting Engagements

Strategic Planning



THE FIVE NEGATIVE "Ps" - POOR PLANNING PRODUCES POOR PERFORMANCE

Strategic Planning has become both a manager's dream and nightmare. Virtually every type of organization in each and every industry around the world puts strategic planning, alignment and accelerating results high on its improvement agenda. Yet, why is it that most organizations and their leaders have such a hard time getting alignment behind their vision, mission, and strategic goals? Why do they keep making the same mistakes, which result in them getting rid of the employees they want to keep and keeping the ones they want to get rid of? All this stifles the creativity and innovation that they seek to foster. In short, what makes some companies successful in the new economy while others continue to struggle to get it right? According to Research ThinkTank, e-business Strategies' visionary companies understand that current business models and organizational design are insufficient to meet the challenges of doing business in the new millennium. Enter the Organization's Master Plan (OMP) methodology.



The Organization's Master Plan has allowed designers to make use of software as components instead of stovepipe applications and draw applications together to achieve new accelerated levels of performance. For visionary leaders, an Organization's Master Plan and its associated technologies have become a key component of strategic decision making and learning, not only

at the executive level, but also throughout the entire organization. In an aligned performance driven culture strategy becomes everyone's job. Their roles include: challenging strategic assumptions, assessing risks, evaluating the sustainability of mergers and acquisitions, and most importantly, facilitating decision making and action.

If you look closely at leading businesses like Dell, Cisco, Intel, Proctor and Gamble, Toyota, Wal-Mart, and Amazon you will find a new unique aligned business design with some core technologies that emphasize a finely-tuned integration of business, technology, goals, and processes. A major problem that management has created is the lack of a homogeneous, continuous planning process. Typically, an organization follows this cycle: they do budgets in November, strategic planning in January, and address how the organization needs to improve in June. There has been a lot of planning, most of it done haphazardly, so that the executive team can get back to doing something they think is more important like answering customers' complaints. The different plans are not linked together and the last one takes priority over the previous one. The approach used by Harrington Group International uses the Organization's Master Plan, which combines all of the major planning processes together and at the same time ensures they are customer focused. All of the plans must be based upon understanding customer requirements and preferences, plus having an excellent understanding of what the competition is currently doing and what it will be doing in the future.

The Organization's Master Plan includes four different parts:

- The Business Plan
- The Strategic Business Plan
- The Strategic Improvement Plan
- Annual Operating Plan

The Organization's Strategic Plan is the prioritized combination of the Strategic Business Plan and the Strategic Improvement Plan. Harrington Institute provides training and assistance in preparing the organization's Business Plan, Strategic Business Plan and Strategic Improvement Plans. We find that many organizations are particularly weak in preparing a formal Strategic Improvement Plan, so we use an approach where we define the organization's Key Business Drivers (Key Controllable Factors) and then build the Strategic Improvement Plan around a set of vision statements that define how the stakeholders would like to see the organization function five years from now. We have developed a very effective methodology that synchronizes the four individual plans to create the Organization's Master Plan.

For additional information on Strategic Planning, other consulting engagements or to request a price quote, please contact Tom Quinn at tquinn@harrington-group.com or call 407-ISO-9000.