

MyStrategicPlan Training:

Setting Strategic Objectives and Goal Cascading

Welcome!



Purpose & Ground Rules

Purpose	Special topic training on the strategic planning process
Duration	45-60 minutes
Your Role	<p>Please ask you questions by entering them into the “Chat Box” section and we will answer them.</p> <p>Also, if you have an experience / insight to share related to today’s training, please write us a note in the “Chat Box” section.</p>
Details	Session is be offered again in the future and is recorded and posted for viewing at your convenience.



About Us

- ⑥ In the past three years we have...
- ⑥ Managed 100+ strategic planning processes
- ⑥ Deployed 800+ strategic management systems (MyStrategicPlan, MyNonprofitPlan, MyChurchPlan)
- ⑥ Built consensus and commitment with 3,000+ executives, managers, boards
- ⑥ Empowered 1 million+ strategists & soon-to-be strategists

We love what we do!



Agenda

- I. **Setting Strategic Objectives:** *What is a strategic objective? How do they fit into my organization's strategic plan?*
- II. **Goal Cascading:** *Goal cascading is part of driving accountability from strategy to daily action. What are the tips to doing it correctly?*
- III. **SMART Goals:** *How do you write goals that will drive action and produce results?*
- IV. **Measures and Targets that Matter**
- V. **Tap into the Wisdom of the Crowd:** *Your experiences, insights and questions (Time Permitting)*



What is a strategic objective? How do they fit into my organization's strategic plan?

SETTING STRATEGIC OBJECTIVES



Strategic Objectives

Strategic Objectives are long-term, broad categories, non-measurable, continuous.

Objectives answer the questions:

In what areas will we **continue being actively involved** in for the next 5+years?

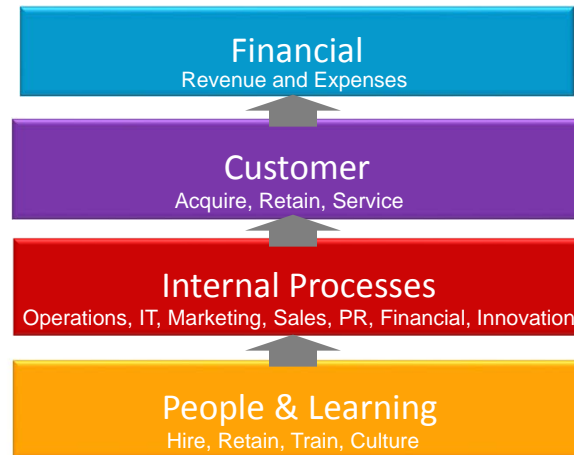
What areas do we **need to be involved in** to reach our **vision**?

What areas do we **need to be involved in** to accomplish our **mission**?



Strategy Fundamentals

What organizations need to be strategic...



Strategy Fundamentals

Four strategic questions

1. What are our **shareholders or stakeholders expectations** for our **financial performance or social outcomes**?
2. To reach our outcomes, what value must we provide to our customers? **What is our value proposition**?
3. To provide value, **what process must we excel at** to deliver our products and services?
4. To drive our processes, **what skills, capabilities and organizational structure** must we have?

Financial Perspective

What are our shareholders or stakeholders expectations for our financial performance or social outcomes?

Revenue Generation:

- Increase sales by \$____ or __% in 2011, 2012, 2013.
- Increase recurring revenue ...
- Shift revenue mix majority of product sales to service sales.
- Capitalization of business

Profitability:

- Maintain expenses at ____%.
- Maintain margins at ____%.



Market Growth Perspective

To reach our outcomes, what value must we provide to our customers? What is our value proposition?

Current Customer Management:

- Increase loyalty, customer satisfaction, referral volume
- Improve customer service by ...
- Get closer to our customer's needs by ...

New Customer Acquisition:

- Market penetration
- Market development
- Product/service development



Process Excellence Perspective

To provide value, what process must we excel at to deliver our products and services?

Vendor/Supply Chain Management:

- Increase number of preferred suppliers
- Diversify our production facilities
- Improve our relationships with preferred vendors by ...

Operations Management and Technology Management:

- Process improvement goals
- Systems goals

Marketing and Sales Management:

- Improve or institute a sales process, increase close rate, increase lead generation
- Improve brand management through consistent use of...



People Excellence Perspective

To drive our processes, what skills, capabilities and organizational structure must we have?

Human Relationship Management:

- Hire and onboarding processes
- Retention processes
- Skills and capabilities
- The right organizational structure

Knowledge Management:

- Structured training (sales, IT, management, ownership)
- Knowledge transfer

Culture:

- Accountability
- Ownership attitude
- Living our values



Goal cascading is part of driving accountability from strategy to daily action. What are the tips to doing it correctly?

CASCADING GOALS



Strategy Formulation

Strategic Plan Framework



Strategy Formulation

Cascading Goals to Departments and Team Members

Number	Level	Who is responsible	Time Frame
1	Long-Term Strategic Objective	Not assigned – far reaching and very broad	3-5 years
1.1	Organizational Goal	Organization-wide – not assigned	18-24 months
1.1.1	Department Goal	Assigned to Department responsible for seeing this goal completed.	12-18 months
1.1.1.1	Team Member Goal	Assigned to Team Member responsible for seeing this goal completed.	6-12 months
1.1.1.1.1	Team Member Action	Assigned to Team Member responsible for seeing this action completed. Short term items only.	30, 60, 90 days



Strategy Formulation

Cascading Goals to Departments and Team Members

Example of cascading goals:

1 Increase new customer base. (Strategic Objective)

1.1 Reach a 15% annual increase in new customers. (Due annually for 2 years) (Organization-wide Goal)

1.1.1 Implement marketing campaign to draw in new markets. (due in 12 months) (Dept Goal)

1.1.1.1 Research the opportunities in new markets that we could expand into. (Team Member Goal) (due in 6 months)

1.1.1.1.1 Complete a competitive analysis study of our current and prospective markets. (due in 60 days) (Team Member Action)

1.1.1.2 Develop campaign material for new markets. (due in 10 months)

1.1.1.2.1 Research marketing methods best for reaching the new markets. (due in 8 months)



How do you write goals that will drive action and produce results?

SMART GOALS



SMART Goals

Think **S.M.A.R.T.** when you create your Goals



- Provide direction, clarity and momentum to achieving a vision
- Communicate the outcome (Why)
- Be clear about ownership/accountability
- Clear and simple
- To (action verb) (single key result) by (target date) requiring (resources).

Goals are dreams with deadlines.
-Diana Scharf Hunt



SMART Goals

Specific

- Provide a description of what needs to be accomplished
- Needs to be understood by everyone
- Addresses the following:
 - Who will be involved
 - What will be accomplished
 - Where will it get done
 - When is it to be done

The sprocket department will raise sprocket production by 20% by the end of this year.



SMART Goals

Measureable

- Stated in ***quantifiable terms***, or otherwise they're only good intentions
- Measurable goals -***facilitate management planning, implementation, and control***
- Provide a clear understanding when the goal has been reached
 - ***How much? How many?***

The sprocket department will raise sprocket production by 20% by the end of this year.



SMART Goals

Attainable

- Provide **a stretch** that inspires people to **aim higher**.
- Goals must be realistic and achievable, or they're a set-up for failure
- Set goals that you know can **realistically be reached**-but not easy
- Must have the right resources assigned to it to accomplish it
- Should allow for some flexibility

The sprocket department will raise sprocket production by 20% by the end of this year.

SMART Goals

Responsible

- Goals must be **assigned to a person or a department**.
- Department / Person assigned to a goal are not solely responsible for its achievement, they are the ones held accountable for making sure it is completed
- Responsible person is accountable and equipped for accomplishing the goal

The sprocket department will raise sprocket production by 20% by the end of this year.

SMART Goals

Time-Bound

- Must ***include a timeline*** of when your goals should be accomplished
- Start and end point
- Intermediate points if it is a long term goal
- Limit time, but reasonable

The sprocket department will raise sprocket production by 20% **by the end of this year.**



SMART Goals

So what's the difference between a "SMART" goal and an "UnSMART" goal

- **Un-SMART Goal:**

We want to make more sprockets.

- **SMART Goal:**

The sprocket department will raise sprocket production by 20% by the end of this year.

If a man knows not what harbor he seeks, any wind is the right wind.



SMART Goals

In Business, goal setting that is **S.M.A.R.T.** can make a huge difference in ***maintaining growth and momentum***. Whether you run a modest department or a massive corporation, make sure that you ***always make an effort to add these properties*** to the goals you set!



**MEASURES AND TARGETS THAT
MATTER**

Measurements

Moving from Outputs to Outcomes

- What is the result or outcome of achieving the goal?
- Why are we working on this goal?
- How will we know we have accomplished the goal?
- What do we expect to see different as a result of accomplishing this activity/project?



Measurements

Good Performance Measures:

- Provide a way to see if our strategy is working
- Focus employees', managers' and board's attention on what matters most to success
- Provide for employee development so as to empower the team
- Should provide common and understandable language for communicating to others
- Are valid and realistic, to ensure measurement of the right things
- Are verifiable, to ensure accurate data



Measurements

Types of Measures

- Efficiency Measures - Productivity and cost effectiveness
measured as ratio of outputs per inputs
(turnaround time per application processed; # of students graduating to number of students enrolled)
- Outcomes Measures - End result of whether services meet proposed targets/standards, and demonstrate impact and benefit of activities
(% increase in Internships; Application to Enrolled Yield Rate)
- Quality Measures – Measure effectiveness of expectations and generally show improvement in accuracy, reliability, courtesy, competence, responsiveness, compliance
(# audits with no findings or within a range of accuracy)
- Project Measures – Progress against an initiative that has a terminus. Usual % complete.



Measurements

Developing your Performance Measures

- Identify the right measures
- Establish increments that mesh with the targets
- Identify the data source
- Identify the frequency



Performance Measures

Developing your Performance Measures

Increase number of new customers.


Or:

Reach a 15% annual increase in new customers by end of year 2012.

Measure: % increase in new customers

Target: 15%

End Date: 12/31/2012



Services

Get Expertise When You Need It

One-on-one guidance for those trouble spots in your planning

mystrategicplan.com/strategic-planning-consulting

Quick Start Coach

Get started on the right foot and avoid pitfalls to improve the success of your plan.

- Jumpstart your plan with one-on-one assistance from a planning professional.

\$495

[Get More Info](#)

Strat Plan Review

Ensure your plan is complete, holistic and ready to implement!

- Our team will provide you with a report and specific recommendations for your plan based on years of experience.

\$695

[Get More Info](#)

Strategy Support

Get answers to your strategy questions, when you need them.

- Receive 3 hours of one-on-one consultation with a dedicated MSP strategy advisor.

\$495

[Get More Info](#)


Step-by-Step Advisor

Receive a full plan and strategic process to drive your whole organization.

- A dedicated strategy advisor will guide you through the strategic planning process from start to finish.

\$5,995

[Get More Info](#)



Upcoming Trainings

Strategic Planning 101

Oct 19th | 12 p.m. P.T.

Strategy Huddle™

Oct 26th | 9 a.m. P.T.

Execution, Execution, Execution

Oct 27th | 12 p.m. P.T.

Setting Strategic Objectives and Cascading Goals

Nov 9th | 9 a.m. P.T.



Wisdom of the Crowd

Any insights you would like to share related to one of today's topics?

Any questions about what we covered today?



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