

LAKE GEORGE REGIONAL CHAMBER OF COMMERCE WOMEN IN BUSINESS

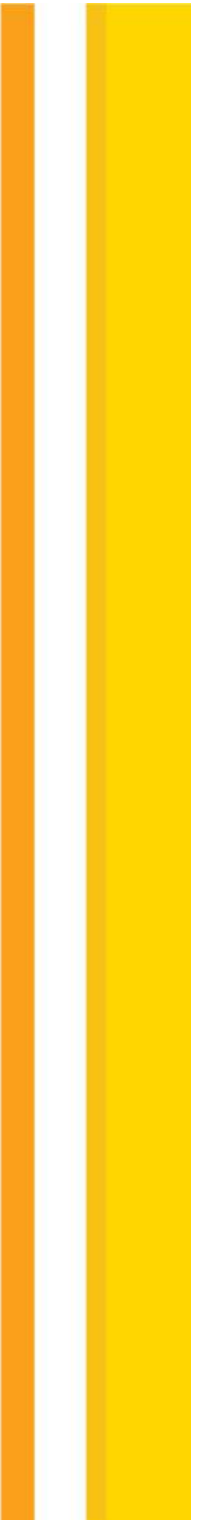
STRATEGIC PLANNING

Frank Dittrich

January 9, 2019



STRATEGIC PLANNING OVERVIEW



STRATEGIC PLANNING OVERVIEW

WHY HAVE A STRATEGIC PLAN?

- Align the organization on a common vision, mission and set of objectives
- Focus resources to prioritize on strategic objectives, plans and projects
- Keep the business and organization aware and adapting to changing conditions

WHAT DOES A STRATEGIC PLAN DO?

- Establishes the **Vision** – which way are we going?
- Defines the **Mission** -- what you are going to do and for whom?
- Sets the **Goals** – defined and measurable

VISION AND MISSION

VISION STATEMENT ~ WHICH WAY ARE YOU GOING?

- A vision statement is an aspirational statement of where you want to be in the future
- “Future” is usually defined as the next three to five years – I prefer 3 years
- A vision should set the overall direction for the team and should be bold and inspirational
- A vision describes the “what” and the “why” for everything you do

MISSION STATEMENT ~ WHAT YOU ARE GOING TO DO AND FOR WHOM?

- While a vision describes where you want to be in the future, a mission statement describes what you do today
- It often describes what you do, for who, and how
- Focusing on your mission each day should enable you to reach your vision
- A mission statement could broaden your choices, and/or narrow them

Mission and Vision Examples

COCA COLA:

MISSION:

- Our mission is: To refresh the world in mind, body and spirit. To inspire moments of optimism and happiness through our brands and actions.

VISION:

- Our vision serves as the framework for our Roadmap and guides every aspect of our business by describing what we need to accomplish in order to continue achieving sustainable, quality growth.
- People: Be a great place to work where people are inspired to be the best they can be.
- Portfolio: Bring to the world a portfolio of quality beverage brands that anticipate and satisfy people's desires and needs.
- Partners: Nurture a winning network of customers and suppliers, together we create mutual, enduring value.
- Planet: Be a responsible citizen that makes a difference by helping build and support sustainable communities.
- Profit: Maximize long-term return to shareowners while being mindful of our overall responsibilities.
- Productivity: Be a highly effective, lean and fast-moving organization

PEPSI CO:

MISSION:

- As one of the largest food and beverage companies in the world, our mission is to provide consumers around the world with delicious, affordable, convenient and complementary food and beverages from wholesome breakfasts to healthy and fun daytime snacks and beverages to evening treats.
- We are committed to investing in our people, our company and the communities where we operate to help position the company for long-term, sustainable growth.

VISION:

- At PepsiCo, we aim to deliver top-tier financial performance over the long term by integrating sustainability into our business strategy, leaving a positive imprint on society and the environment. We call this Performance with Purpose.
- It starts with what we make— a wide range of food and beverages from the indulgent to the more nutritious; extends to how we make our products— conserving precious natural resources and fostering environmental responsibility in and beyond our operations; and considers those who make them— striving to support communities where we work and the careers of generations of talented PepsiCo employees.

TURN A MISSION STATEMENT INTO A DAILY TRACKING TOOL

← Mission Statement Objectives →

	People	Portfolio	Partners	Planet	Profit	Productivity
Manager						
Team 1						
Team 2						
Team n						
HR						
Finance						

↑ Organization ↓

USE THE MISSION STATEMENT OBJECTS TO FOCUS THE ORGANIZATION

PRACTICAL EXAMPLE – SIMPLE EXCEL TOOL TO CONNECT TO THE COMPANY MISSION

	<u>Client Focus</u>	<u>People</u>	<u>Growth / Outperform</u>	<u>Technology</u>	<u>Control/Risk</u>
F. Dittrich EVP	Billing	Position Description Review Compensation Review Employee Engagement Follow Up	Growth Centers Connection on Transformation/Revenue	Email Conversion TK IT Initiatives	Benefit Disbursement MIS on control testing
D. Deo India		HR Recruitment CAO Recruitment Transportation issues Yash pressure Sachin development	Support for next growth centers		Risk staffing
M. Green Outsourcing	BW due diligence	Strengthen mgt bench- outside hire(s) CT - coach(?)			TQ execution
T. Howell Bene Disbursement	B&W Service Review	DB development Employee Engagement Follow Up		Genesys 6.1 vs 5.5 decision - vendor mgt Pension Web Site	Error rates MIS improvements India UDT
M. Simpson Accounting	B&W Service Review	Pittsburgh team strength / Change Mgt Employee Engagement Follow Up			CAAG controls
G. Volponi CAO		Learning Development program			Error rate counting and trends MIS on control testing Recovery plan review and testing plans
M. Walsh Billing					ING Process Review Robeco Dreyfus Lincoln Delaware
T. Babich HR		Succession Maps and Talent Grids Management Development program Attrition tracker Employee Engagement Follow Up			

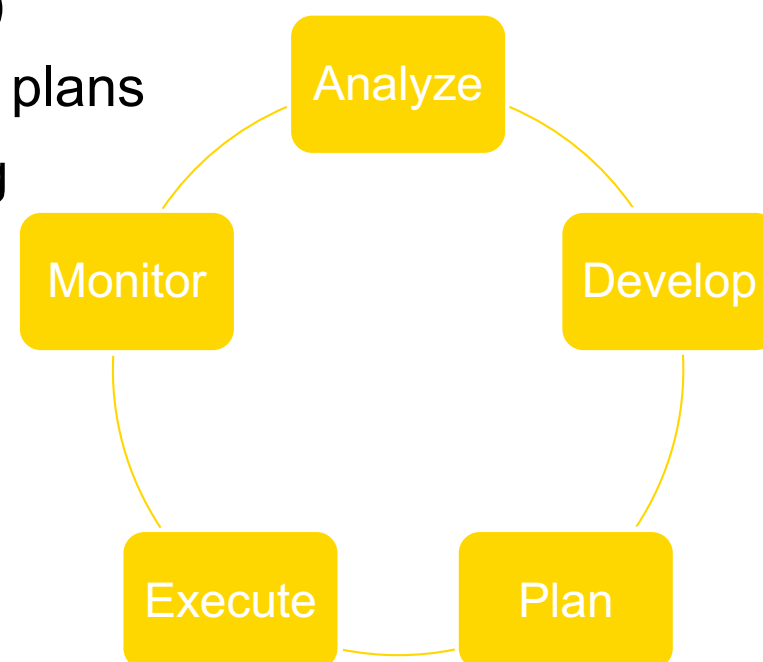
STRATEGIC PLANNING OVERVIEW

HOW OFTEN SHOULD YOU BUILD A STRATEGIC PLAN?

- Think of a strategic plan as a wheel or clock
 - Planning is a multi-year activity (3-5 years)
 - Evaluating and Assessing refines out-year plans
 - The longer you can keep the wheel turning the better

SUCCESSFUL COMPANIES

- Explore strategy at distinct time horizons
- Constantly reinvent and stimulate the strategic dialogue
- Engage the broad organization
- Invest in execution and monitoring



THERE ARE DIFFERENT WAYS TO VISUALIZE THE STRATEGIC PLANNING PROCESS

Strategic Plan Process



- Gather Inputs**
 - From all Stakeholders
 - Customer analysis
 - Competitor analysis
 - Industry analysis
 - Environmental
 - Company performance
 - Company strategies
- SWOT Analysis**
 - External Analysis
 - Opportunities
 - Threats
 - Internal Analysis
 - Strengths
 - Weaknesses
 - Strategic Questions
 - Strategic Issues
- Review Inputs**
 - All Stakeholders
 - Review Inputs
 - Review SWOT Analysis
 - Define 3-4 key statements
- Strategic Matrix**
 - All Stakeholders
 - Define Strategies to address SWOT combinations:
 - Opportunities vs Strengths
 - Opportunities vs Weaknesses
 - Threats vs Strengths
 - Threats vs Weaknesses
- Define Strategies**
 - Objectives
 - Key Strategies
 - Short and Long Term Goals
 - Operational Plans
- Final Reviews**
 - All Stakeholders
 - Review Strategies
 - Review Goals
 - Review Plans
 - Adjust as necessary



- ↳ Vision Statement
- ↳ Mission Statement
- ↳ Core Values
- ↳ SWOT Analysis
- ↳ Long-Term Goals
- ↳ Yearly Objectives
- ↳ Action Plans



NO MATTER THE METHOD, COVER THE FOLLOWING

COLLECT INPUTS ON YOUR CURRENT SITUATION – BE CRITICAL

- These "inputs" are the ingredients to your successful strategic plan
- The right information will help you make the right decisions, so gather and assess carefully
- Once you know where you are at as an organization, and what's going on in the world outside of your organization, then you can start to figure out where you should be going

ANALYSIS IS KEY

- Consider outside participation to avoid blind spots

PLANNING HAS TO BE REAL

- So you have the people, skillsets, technology, money to execute the plans on the timeline you are defining?

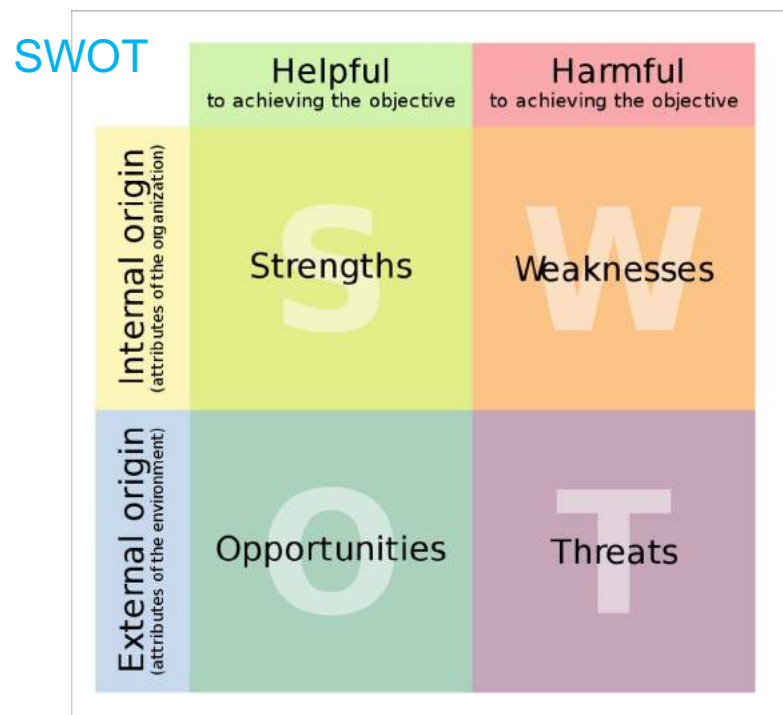
MEASURABLE GOALS ARE IMPORTANT

- SMART is hard, but it is worth it
- Link compensation to the goals if you want to make it real (and painful)

DON'T QUIT

- Plan for at least 3-years and stick with it
- Once you are in the analyze, planning, execute cycle it gets easier
- The consistency of staying in a strategic planning cycle is healthy for the organization

Key Tools in Strategic Planning



COMPLETE THE MATRIX – BE CRITICAL ~ LOTS OF HELPFUL WITH FEW HARMFUL IS A FAIL

LEVERAGE STRENGTHS (KNOWING EVENTUALLY, THEY LOSE STRENGTH)

CREATE ACTION PLANS FOR WEAKNESSES (PRIORITIZE)

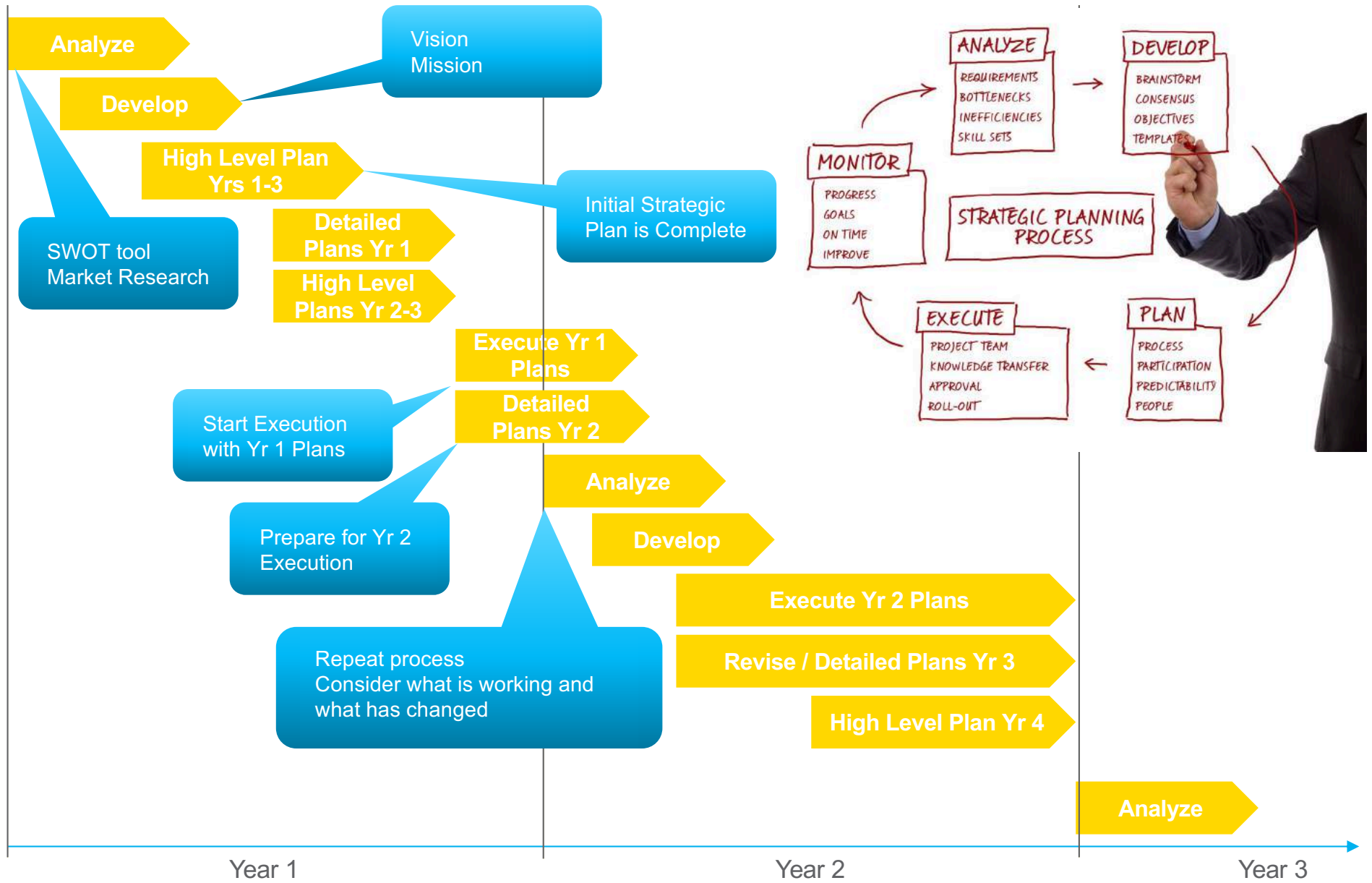
PRIORITIZE OPPORTUNITIES – ARE YOU A FIRST MOVER OR A CLOSE FOLLOWER?

CREATE ACTION PLANS FOR THREATS (TRY TO TACKLE THE CONTROLLABLE KILLERS FIRST)

SMART GOALS

- **Specific**
 - **Measurable**
 - **Achievable**
 - **Relevant**
 - **Time-bound**
- Example:
- **Overall Goal:** I want to run my own consulting business.
 - **S.M.A.R.T. Goal:** Within one month, I will land my first client after organizing a sensible plan for sending out pitches.
 - **Specific:** Using my network, I will seek out companies in need of my consulting services.
 - **Measurable:** I will pitch my first three clients within two weeks, aiming to pitch five per week thereafter.
 - **Achievable:** I will competently outline what I can do for businesses, I will perfect my pitch, and work on my portfolio.
 - **Relevant:** Knowing this is something I'm good at, I will utilize my contacts and remain focused on my dream to do work I enjoy.
 - **Time-based:** I will start pitching clients immediately; within a month, I will have my first paying client.

A STRATEGIC PLAN OVER TIME



LESSONS LEARNED

WHAT DO YOU DO WHEN STRATEGY AND EXECUTION DO NOT ALIGN?

- When results are okay, but not as strong as expected, we begin to question everything because the underlying cause is uncertain. When this happens, look first to execution to fix things.

STRATEGIC PLANNING SHOULD NOT BE:

- An overexplained budget
- Lots of stories and charts with limited substance

STRATEGIC PLANNING CAN BE:

- As short as a single page or too big and heavy to survive
- For you personally, for your work team or department, for the company you work for or your company

GREAT QUESTIONS TO ASK ALONG THE WAY:

- What are the top 2 or 3 things that must go right for this strategy to work?
 - Do we control them?
- If we pursue this strategy, what are we deciding not to do?
- What specific capabilities will we need to develop in order for this plan to succeed?

DISCUSSION / Q AND A: HOW DOES THIS APPLY TO ME?

FOR MORE INFORMATION OR TO CONTINUE THE
DISCUSSION:

FRANK DITTRICH

EMAIL: GM@THEINNATERLOWEST.COM

TELE: 518-668-5928