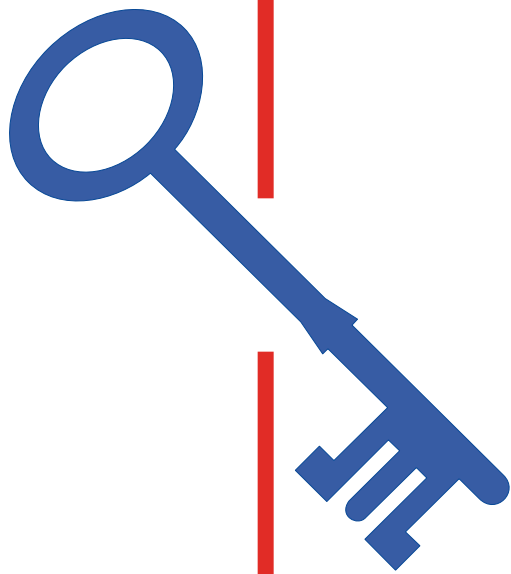




STRATEGIC MANAGEMENT FOR SENIOR LEADERS:

A HANDBOOK FOR IMPLEMENTATION

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About the TQL Office

The mission of the Total Quality Leadership (TQL) Office, Office of the Under Secretary of the Navy, is to assist the Department of the Navy (DON) leaders in their quality-focused improvement efforts. The TQL Office also provides technical advice to a number of organizations inside and outside government.

The TQL Office has responsibilities in six key areas:

INFORMATION AND COMMUNICATION

The TQL Office educates the DON about TQL policies and initiatives through the *TQL* Leader and through articles, reports, and presentations at conferences and meetings. It has developed a computer-based quality information network to facilitate communication with DON organizations.

ASSESSMENT

Systems are needed to assess and enhance TQL implementation in the DON. The TQL Office designs and develops feedback mechanisms in support of mission accomplishment. It also develops new approaches to improving organizational effectiveness.

CONSULTANT SERVICES

TQL Office members provide technical advice to the Under Secretary of the Navy and other senior DON leaders on the application of TQL principles and methods within the DON and on strategic planning. Advice may also take the form of recommendations on implementing new laws, such as the Government Performance and Results Act, as well as on related initiatives.

EDUCATION AND TRAINING

The TQL Office is responsible for ensuring the technical accuracy of the DON TQL curriculum. Having overseen the design and development of the courses, the staff now advises on the integration of TQL material into training pipelines. The TQL Office continues to publish handbooks and other publications on all aspects of organizational change and to design new courses.

NETWORKING AND LIAISON

The TQL Office has much to share with other organizations, both government and private, and much to learn from them. Staff members participate in TQL-related networks and professional organizations.

NEW TECHNOLOGIES

Technology can provide critical support to DON quality improvement efforts. The job of the TQL Office is to assess new technologies related to organizational change and process improvement and translate them into applications for the DON.

FOREWORD

Strategic Management for Senior Leaders: A Handbook for Implementation has been developed as a companion volume to *A Handbook for Strategic Planning* (Department of the Navy Total Quality Leadership Office Publication No. 94-02). These handbooks were designed to assist Department of the Navy (DON) executives, Commanding Officers, Total Quality Leadership (TQL) coordinators, and strategic planning facilitators in leading the strategic management process.

Using *A Handbook for Strategic Planning*, the senior leadership team can complete most of the “planning” work by developing the organization’s vision, mission, guiding principles, strategic goals, strategies, and objectives. The next steps are to complete the planning work, publish, deploy, implement, measure, and evaluate the plan. *Strategic Management for Senior Leaders: A Handbook for Implementation* continues this process, offering suggestions on these steps.

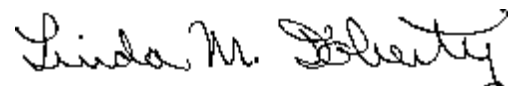
These suggestions derive from lessons learned during extensive work with client organizations in developing, deploying, and implementing strategic plans. This information has been supplemented by research that included personal interviews with DON and other government leaders who have led strategic management efforts within their organizations. Therefore, this handbook should be considered a guideline to help leaders make choices; it is not intended to be directive.

Each organization has its own distinctive culture and mission. However, there are lessons learned and successful strategies that are common to them all. This handbook brings together these strategies and lessons so that senior leaders can apply them within their own organizations.

The ability to lead organizations into the future is a new skill for most senior leaders. These are people who have a mission to perform and a business to manage. Such responsibilities leave little time to think about

the future, let alone put plans into action to reach that future. Yet, strategic management requires dedication and commitment on the part of the senior leaders to *create* the vision of the future. Then they must create the mechanisms and commit the resources to achieve that future. This handbook will help them go beyond planning and use their strategic plans to change the way they do business.

The principal research for *Strategic Management for Senior Leaders: A Handbook for Implementation* was done by a Logicon Syscon Corporation team (under subcontract to K.W. Tunnell Co., Inc., contract number GS-22F-0096B). I especially want to recognize the efforts of Ms. Kathy Burks, whose strategic planning expertise contributed to the success of this project. We hope readers find this handbook useful as they continue to lead their organizations into the future.



Linda M. DOHERTY, Ph.D.

DIRECTOR

DEPARTMENT of the NAVY TOTAL QUALITY LEADERSHIP OFFICE

CONTENTS

Foreword.....	i
Acknowledgments	vii
How to Use this Handbook.....	xi
Section I: Guidance.....	1
An Introduction to Strategic Management	3
Phase I Deployment: Completing the Strategic Plan	9
Keys to Success	9
Assign roles and responsibilities	10
Establish priorities	17
Involve mid-level management as active participants.....	18
Think it through—decide how to manage implementation.....	21
Charge mid-level management with aligning lower-level plans	23
Make careful choices about the contents of the plan and the form it will take	23
Phase II Deployment: Communicating the Strategic Plan	27
Keys to Success	27
Assign roles and responsibilities	28
Communicate the plan constantly and consistently	29
Recognize the change process.....	34
Help people through the change process.....	35

Implementing the Strategic Plan	39
Keys to Success	40
Assign roles and responsibilities	41
Involve senior leaders	45
Define an infrastructure	46
Link goal groups	49
Phase integration of implementation actions with workload ...	50
Involve everyone within the organization	52
Allocate resources for implementation	55
Manage the change process	58
Evaluate results	60
Share lessons learned; acknowledge successes through open and frequent communication	61
Strategic Measurement	63
Keys to Success	65
Assign roles and responsibilities	65
Use measurement to understand the organization	69
Use measurement to provide a consistent viewpoint from which to gauge performance	72
Use measurement to provide an integrated, focused view of the future	78
Use measurement to communicate policy (new strategic direction)	79
Update the measurement system	81
Use measurement to provide quality feedback to the strategic management process	82

Revisiting the Strategic Plan	85
Keys to Success	85
Assign roles and responsibilities	86
Recognize when to update the plan	87
Modify strategic planning process to accommodate the more mature organization	89
Incorporate new leaders into the strategic planning process ..	91
Integrate measurement with strategic planning	93
Use experienced strategic planning facilitators	94
Section II: Case Studies	95
Case Studies: Strategic Plans at Work.....	97
Naval Air Station, Barbers Point	99
Naval Air Facility Washington	109
United States Military Entrance Processing Command	121
Center for Veterinary Medicine.....	133
Section III: Appendix	A-1
Glossary	A-3
Bibliography	A-9
About the Author	A-15



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AEGIS Training Center, Dahlgren, VA

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LCDR Mike Church, Total Quality Coordinator
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Branch Medical Center Oceana, Virginia Beach, VA

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MRCS (SW) Elvis Jefferson, Total Quality Coordinator

Shore Intermediate Maintenance Activity, San Diego, CA

CAPT Gary Bier, Commanding Officer
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Military Entrance Processing Command, North Chicago, IL

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and General Counsel
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How TO USE this Handbook

“THERE IS NO GREAT TRADITION OR HERITAGE FOR STRATEGIC THINKING IN MANY ORGANIZATIONS; THE SKILL TO SET AND IMPLEMENT STRATEGY IS SOMETIMES MISSING; AND THERE ARE BARRIERS TO STRATEGY ALL THIS MAKES STRATEGIC THINKING AND ACTION A TOUGH CHALLENGE THE FIRST STEP REQUIRES FINDING THE MOTIVATION TO BEGIN.”

(TREGOE, ZIMMERMAN, SMITH, AND TOBIA, 1989)

How is this handbook organized?

Strategic management is not a clean, step by step process. It is not linear, but a “messy,” iterative process that requires hard work and dedication from most people in the organization to move it toward the future. It represents a new focus for the organization; a focus on a compelling vision of the future. This handbook is designed to help organizational leaders take steps to begin a strategic management process.

This handbook has been organized in three main sections. Section I provides guidance on the processes which comprise strategic management. These are: pre-planning, strategic planning, deployment, implementation, and measurement and evaluation. A model is presented in *An Introduction to Strategic Management* and this model is repeated in each chapter, highlighting the process being addressed.

The **Keys to Success** and **Facts of Failure** provide an overview of each chapter. These Keys are determinants of successful strategic management and while they apply to the entire system of strategic management, they are best addressed in the chapter in which they are presented. Questions following the Keys are those frequently asked of strategic planners. Their answers are intended to help the reader understand who, what, when, why, and how to be successful. The first Key in every chapter is “Assign roles and responsibilities,” because roles and responsibilities change as the organization moves through the various phases of strategic management.

Facts of Failure are not addressed directly in the handbook because they are simply the **Keys to Success** stated conversely. Failure to adequately consider and act upon the Keys *generally* in the process in which they are presented can diminish successful implementation of the strategic direction.

Both the **Keys to Success** and the **Facts of Failure** have been gleaned from the management research literature combined with and validated by the experiences of the participating organizations and of the author. Words of **Advice** and **Caution** are interspersed to highlight main points. The decisions made at these junctures can lead to success or failure.

Section II presents case studies from four of the organizations interviewed as part of the research effort for development of this handbook. The case studies follow the key processes of strategic management. Each one contains a summation of the organization's vision, mission, and guiding principles, and an overview of its strategic management process. The case studies illustrate four different approaches to strategic management and how these organizations handled the various phases of their strategic management effort.

Section III contains a glossary of terms used in this handbook, a bibliography of the books, articles, reports, and papers reviewed to provide background for the handbook, and a short biography about the author.

How should this handbook be used?

As you begin your strategic planning process, use this handbook as a source guide to become familiar with the overall concept of strategic management. Then, as each aspect of strategic management is introduced into the organization, refer back to the relevant chapters in Section I for additional guidance. This handbook was designed as a companion to *A Handbook for Strategic Planning*; it "picks up" where the previous handbook "left off." Therefore, you may want to familiarize themselves with this earlier handbook. However, a brief overview of the DON strategic planning process is provided in the first chapter of Section I, *An Introduction to Strategic Management*.

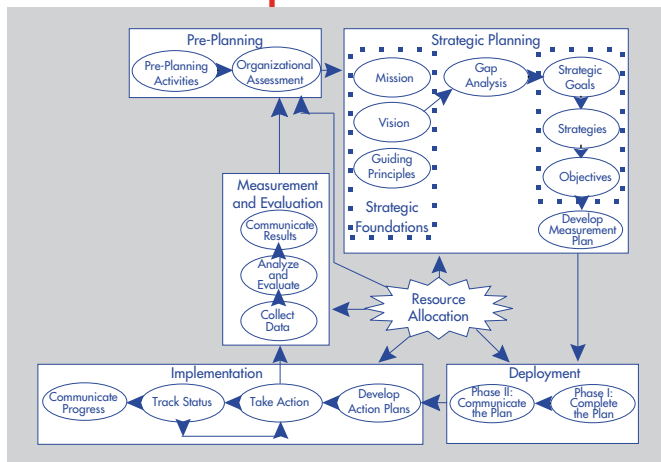


SECTION I:

GUIDANCE



AN INTRODUCTION TO STRATEGIC MANAGEMENT



**“WHAT WE THINK, KNOW, OR BELIEVE IN IS, IN THE END,
of LITTLE CONSEQUENCE.
THE ONLY CONSEQUENCE . . . IS WHAT WE DO.”**

(HAINES, 1995)

**What is
strategic
management?**

“Strategic management” as a term and concept is not new. The term was first used in the 1970’s, and it meant that a staff of strategic planners more or less thought up “strategic programs” and then tried to sell them to decision makers. In the 1990’s, the view of strategic planning and strategic management is much different. Goodstein, Nolan, and Pfeiffer’s definition of strategic planning takes us away from the notion that strategic planning is a staff job and focuses us more on a process that requires the senior leaders of an organization to set its strategic direction.

**“... THE PROCESS BY WHICH THE GUIDING MEMBERS OF AN ORGANIZATION
ENVISION ITS FUTURE AND DEVELOP THE NECESSARY PROCEDURES
AND OPERATIONS TO ACHIEVE THAT FUTURE.”**

(GOODSTEIN, NOLAN, AND PFEIFFER, 1992)

The concept of strategic management builds on this definition of strategic planning, recognizing that although “planning” is the prelude of strategic management, it is insufficient if not followed by the deployment and implementation of the plan and the evaluation of the plan in action.

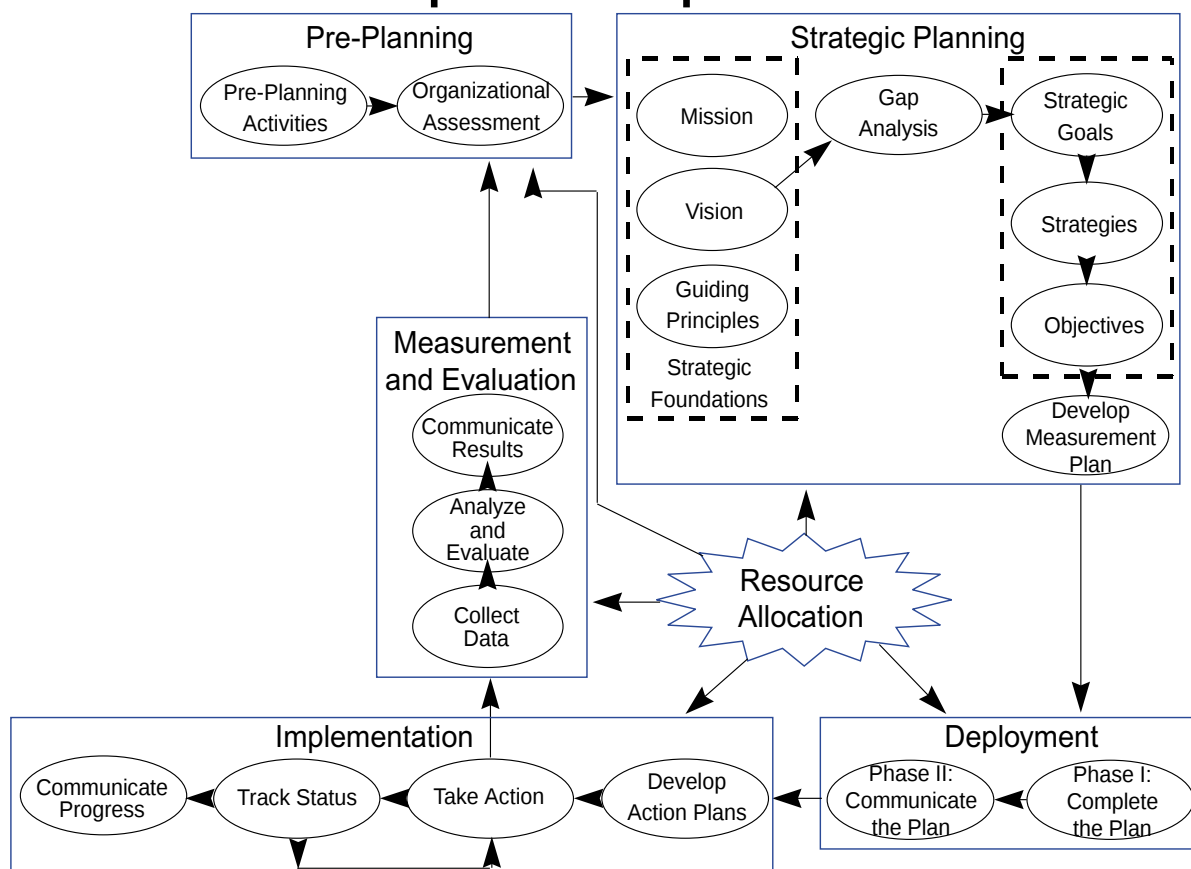
Strategic management is a *systems approach* to *identifying and making the necessary changes* and *measuring the organization's performance* as it moves toward its vision. It has been defined as a

“ . . . MANAGEMENT . . . SYSTEM . . . THAT LINKS STRATEGIC PLANNING AND DECISION MAKING WITH THE DAY-TO-DAY BUSINESS OF OPERATIONAL MANAGEMENT.”

(Gluck, KAUFMAN, AND WALLECK, 1982)

The following model depicts the five processes of strategic management which are pre-planning, strategic planning, deployment, implementation, and measurement and evaluation.

THE STRATEGIC MANAGEMENT Model



What is the role of the senior leadership team?

Strategic management goes beyond the development of a strategic plan, which included the pre-planning and strategic planning processes. Strategic management is the deployment and implementation of the strategic plan and measurement and evaluation of the results. Deployment involves completing the plan and communicating it to all employees. Implementation involves resourcing the plan, putting it into action, and managing those actions. Measurement and evaluation consists not only of tracking implementation actions, but, more importantly, assessing how the organization is changing as a result of those actions and using that information to update the plan.

It is the responsibility of senior leadership to strategically manage the organization. Strategic management is a continuous process rather than a one-time event. Therefore, the senior leaders must become strategic thinkers and leaders of the organization and its culture, changing it as necessary.

To be the most successful, leaders need to be facilitators, coaches, consultants, and consensus-builders. Transformational leadership is described by Bernard Bass as, “superior leadership performance that occurs when leaders broaden and elevate the interests of their employees, when they generate awareness and acceptance of the purposes and mission of the group, and when they stir their employees to look beyond their own self-interest for the good of the group.” Acquiring transformational leadership traits requires hard work and dedication, willingness to take some risks, and internalizing the organization’s vision and guiding principles.

What are the benefits of strategic management?

When an organization is practicing strategic management, thinking becomes more visionary, which is characterized by:

- ✓ Breakthrough thinking about the future; organizational boundaries are more flexible

- ✓ A shift in focus from the inputs that are used to run the business to the outputs and outcomes the organization desires to achieve
- ✓ A focus on optimizing organizational performance and process quality as keys to delivering quality products and services
- ✓ A move toward an organizational culture that adapts easily to change

With practice, patience, dedication, and hard work, the organizational learning that takes place through the application of strategic management will bring the organization closer to realizing its goals and vision. With each update of the strategic plan, senior leaders will become better able to deploy the plan, implement changes, and measure organizational performance.

What is the first step toward strategic management?

The first step toward strategic management is to develop a strategic plan for the organization.

How do we develop a strategic plan?

A Handbook for Strategic Planning provides guidance on how to conduct the pre-planning activities to prepare for strategic planning. It outlines a process whereby the senior leaders of an organization can envision its future and begin to develop the necessary procedures and operations to achieve that future through goals, strategies, and objectives.

The pre-planning activities are typically conducted by strategic planning facilitators, assisted by an organization's TQL coordinator. After the completion of the pre-planning activities, the senior leadership team can begin the strategic planning process. This typically occurs at an initial strategic planning workshop. During the workshop, the senior leadership team, in facilitated sessions, establishes the foundation for its organizational improvement efforts by:

- ✓ Creating a vision of the organization's future
- ✓ Developing a set of guiding principles (behavioral norms necessary to achieve that vision)
- ✓ Clarifying the mission, or core purpose, of the organization
- ✓ Developing strategic goals (what must change to achieve the vision)

In the process of developing the goals, the team may also begin to develop some of the strategies and objectives for achieving the goals.

At the end of the workshop, the team identifies the steps needed to complete its planning and prepare for deployment and implementation.

How long will it take us to complete the planning process?

It takes about one month to complete the pre-planning activities. The strategic planning facilitator will typically need about 20 days of effort, the TQL coordinator about 4 days of effort, the senior leader about 4 days of effort, and the other members of the senior leadership team about 2 days of effort to engage in these pre-planning activities.

The initial strategic planning workshop requires an investment of 3 days by the senior leadership team, the strategic planning facilitator, and the TQL coordinator.

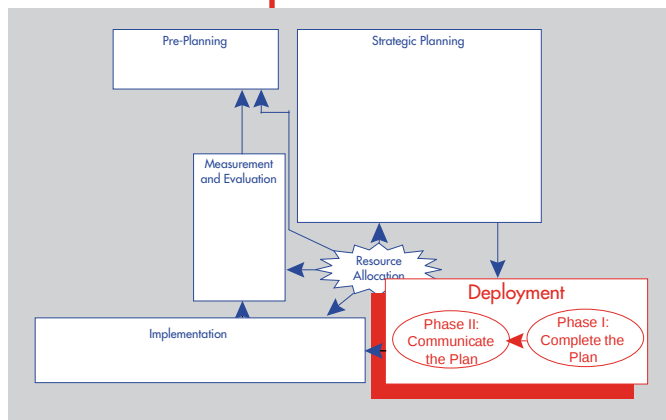
The length of time required to complete, deploy, and implement a strategic plan differs by organization because of each one's unique circumstances and culture. Some of the factors are the:

- ✓ Degree of commitment to the effort by the senior leaders, strategic planning facilitators, and TQL coordinator
- ✓ Level of Total Quality (TQ) knowledge among the senior leadership team
- ✓ Level of employee involvement in plan completion
- ✓ Deployment methodology
- ✓ Organization's readiness for change

It usually takes about 6 months for an organization to complete its first strategic plan and be ready to publish it. During this period, the organization can expect the senior leadership team and TQL coordinator, with some support effort, to spend at least 20 days completing the plan and preparing to deploy it.

The process to this point is fairly structured and facilitated. However, after the initial strategic planning workshop, the process is much more flexible and is dependent on the choices made by the senior leadership team.

Caution: Do not begin strategic planning unless the senior leadership team is committed to carrying through to deployment and implementation. If there is no follow-through, confusion arises at the operational level. This result could lead to cynicism about any improvement efforts.



PHASE I Deployment: Completing the Strategic Plan

“A COMPREHENSIVE, LONG-TERM, HORIZONTALLY- AND VERTICALLY-LINKED STRATEGY NEEDS TO BE DEVELOPED. [It] WILL HAVE TO COVER THE ENTIRE ORGANIZATION WITH ALL ITS SYSTEMS AND PROCEDURES . . . LONG-TERM IMPROVEMENTS WILL NOT BE ACCOMPLISHED WITHOUT PERMANENT CHANGES IN THE LEVEL OF EMPLOYEE INVOLVEMENT; WITHOUT CHANGES IN THE POINTS OF AUTHORITY, RESPONSIBILITY, AND DECISION-MAKING; WITHOUT CHANGES IN MANAGEMENT PHILOSOPHIES, STYLES, AND RELATIONS; AND WITHOUT CHANGES IN CLIMATE AND CULTURE.”

(METZ, 1984)

Deployment has two phases. In Phase I, the plan is completed and published; in Phase II, it is formally communicated. Following are actions that are key to successfully completing Phase I and actions that guarantee failure.

 KEYS TO SUCCESS	FACTS OF FAILURE
Assign roles and responsibilities	No accountability for deployment
Establish priorities	Too many goals, strategies, or objectives—no apparent priority
Involve mid-level management as active participants	Plan in a vacuum—functional focus
Think it through—decide how to manage implementation	No overall strategy to implement
Charge mid-level management with aligning lower-level plans	Make no attempt to link with day-to-day operations
Make careful choices about the contents of the plan and form it will take	Not being thorough—glossing over the details



Assign Roles and Responsibilities

Who does what to complete the strategic plan?

SENIOR LEADERSHIP TEAM

The following are suggested roles and responsibilities:

- ✓ Reaches consensus on final strategic plan
- ✓ Strategizes deployment and implementation methods
- ✓ Chooses what gets published

GOAL GROUPS

- ✓ Complete development of strategies and objectives
- ✓ Share draft plan with mid-level managers
- ✓ Accept and incorporate appropriate feedback from mid-level managers
- ✓ Brief senior leadership team on changes

MID-LEVEL MANAGERS

- ✓ Share draft plan with employees
- ✓ Provide feedback to senior leadership team during facilitated feedback sessions

BUDGET OFFICER

- ✓ Plans ways to incorporate strategic plan resource requirements into the budgeting process

TQL COORDINATOR

- ✓ Assists the goal groups in their independent work by facilitating their strategy and objective development meetings
- ✓ Assists the senior leadership team by being the central point of contact for the strategic planning effort
- ✓ Handles the logistics associated with senior leadership team meetings

Whose job
is it to
complete
the planning?

The organization's senior leadership team is responsible for completing, deploying, and developing the implementation mechanisms for the strategic plan. They are responsible for involving employees in these steps and for committing the time and resources necessary to achieve success. As they outline roles and responsibilities for others, they must clearly articulate the decision making process that will be used.

Advice: To the extent possible, consensus should be reached. However, sometimes consensus cannot be reached. That is the time for leadership to make the decision.

What is
consensus
and why is
it necessary?

Consensus is a decision by a group that is acceptable to them, but is not unanimous nor arrived at by a vote. All members support the decision, even without universal agreement. Consensus is necessary to promote acceptance and ownership of the decision and for people to be willing to work toward common aims.

Where can
the senior
leadership
team get
help?

The TQL coordinator can assist the senior leadership team with the next phases of the strategic planning process. The strategic planning facilitator, who conducted the initial strategic planning workshop, may also be available to help.

Caution: During deployment, it is important for the senior leaders to continue to focus on the good of the whole organization, rather than just on their own functional areas.

Advice: Maintain open and candid communication with each other so that real issues are surfaced and dealt with constructively.

Since assisting the senior leaders in developing a strategic plan is probably a new undertaking for the TQL coordinator, the senior leaders should ensure that this individual has attended the DON's *Team Skills*

and Concepts, Fundamentals of Total Quality Leadership, and Methods for Managing Quality courses.

How is the strategic plan completed?

By forming goal groups.

What are goal groups?

Goal groups are cross-functional teams established to work on the development and implementation of the goals and their associated strategies and objectives. They are cross-functional because each strategic goal touches on many aspects of the organization. Goal groups are subgroups of the senior leadership team. As we move into implementation, these goal groups may link with existing teams such as Quality Management Boards (QMBs) and Integrated Product/Process Teams (IPPTs), etc.

Advice: Choose the membership of each goal group with great care since these groups need to remain intact to manage implementation efforts. Remember, the organization should be focused on meeting its mission and the new goals. This may involve working on processes currently in place or working on implementing new processes which may require rechartering existing teams to give them new direction in accordance with the strategic plan.

How are the goal groups formed?

The goals developed at the initial offsite should be cross-functional. Therefore, cross-functional teams are needed to work on developing the strategies and objectives for accomplishing the goals. If subgroups of the planning team were formed to work on the goals at the workshop, then those goal groups may continue their work as intact teams. If goal groups were not formed at the workshop, they should be established at this time.

What will they do?

Goal groups help the senior leadership team develop the strategies and objectives needed to accomplish the strategic goals. Their job is to develop ideas and alternatives about *how* the strategic goals can be achieved and to brief those recommendations to the senior leadership team. At this point, they are neither solving problems nor implementing the strategies.

Advice: Remember the definitions:

Strategic goals define the changes required to move the organization toward its vision. They are long-range change targets that guide an organization's efforts in moving toward a desired future state. Achieving the strategic goals requires a substantial commitment of resources and the successful completion of supporting plans.

A strategy explains how the goal will be attained.

An objective is a specific, measurable, short- to mid-term action necessary to make a strategy work. An objective describes who will do what by when.

Can a goal group obtain assistance from other members of the organization during the development of the strategies and objectives?

Yes. A goal group may need the assistance of others when the senior leadership team is small in size or the members need to obtain the assistance of subject-matter experts and process owners to further develop the strategies and objectives. For example, if a strategy is being written to revamp the rewards and recognition system, a personnel specialist might be a subject-matter expert.

Advice: If goal groups enlist the help of others to complete the planning, they should make it clear that the plan is still in draft form until consensus is reached by the entire senior leadership team.

How do goal groups develop strategies and objectives after the initial workshop?

The goal groups can meet independently. When that work is done, the senior leadership team reconvenes so the goal groups can brief them on the strategies and objectives they have developed, incorporate feedback, and present their work for consensus.

How do goal groups get their output back to the senior leadership team?

The term “cross-briefing” is used to describe the process whereby the goal groups report to the senior leadership team on the progress they’re making on developing the strategic goals, strategies, and objectives. In the cross-briefing process, the goal group leader presents the goal group’s work and then fields questions and comments from the senior leadership team. The recorder takes notes on the senior leadership team’s comments for use by the goal group to improve what it has developed. The cross-briefing process is used as a way to build consensus among the senior leadership team members on the strategies and objectives developed by the goal groups. Therefore, those giving the cross-briefings need to guard against responding defensively to the feedback received from the senior leadership team.

Should cross-briefings be done at regular staff meetings?

No. This is future-focused thinking that is best accomplished by having the senior leadership team get away from the office and dedicate one to two days to completing this phase of its strategic planning work. By looking at all the goals, strategies, and objectives together, suboptimization of any one goal can be avoided.

Advice: If the planning team cannot go to an offsite location, the team should impose and strictly adhere to the “100-mile rule,” whereby team members think of themselves as 100 miles away from their respective offices, staffs, phones, and day-to-day issues. This helps everyone stay focused on the task of planning for the future rather than doing today’s business.

Should cross-briefings be facilitated?

Yes. Cross-briefings should be run by a strategic planning facilitator. It is during this process of reaching consensus on the strategies and objectives that unresolved issues and hidden agendas may surface. Development of the strategic goals was a rather “lofty” undertaking; development of the strategies and objectives brings the strategic plan into reality. All of those involved are now presented with a clear picture of the changes required of the organization. When these elements of the plan take shape, the impact of the plan on current organizational systems, processes, functions, rules and regulations, and the power structure becomes evident. A strategic planning facilitator can keep the senior leadership team focused, help raise hidden issues, assist in not retreating on the strategic plan, facilitate resolution of those issues, and assist the group in making quality decisions.

Advice: As the amount and difficulty of the work associated with the plan becomes evident, some may want to rethink the goals. Resist the temptation. Deal with the issues in strategies and objectives.

How can the senior leadership team determine whether the strategies and objectives will meet the goal?

Sometimes the strategies and objectives needed to accomplish a goal are evolutionary. Goal groups don't always have all the solutions or all the answers about how to accomplish the goal. Sometimes more study or research is needed. The first step may be to put together a team to do this research or to conduct additional study. The results of the research or study effort will determine what strategies and objectives will be needed to meet the goal.

To determine whether their efforts are properly focused toward achieving the organization's stated vision, goal groups should consider whether the strategies and objectives they develop adequately address the following:

- ✓ Does achieving the strategic goal require design of new processes or redesign of existing processes?

Can other people such as staff, key customers, or stakeholders attend the cross-briefings?

- ✓ Do internal and external rules, regulations, policies, or standards need to be changed to successfully implement the strategy and achieve the goal?
- ✓ What needs more study before a strategy can be developed?

If the answers to these questions are inadequate, then the goal groups need to consider additional alternatives or ideas in developing the strategies and objectives.

It is usually best not to invite other people to attend the cross-briefing sessions. Since the senior leadership team has not yet reached consensus on the strategies and objectives, the presence of people who are not part of that team may inhibit the process of surfacing and resolving issues, and it may discourage a candid dialogue among the team members.

Customers and stakeholders should not participate in the strategic planning sessions at this point in the strategic planning process. Their participation should be delayed until the senior leadership team is comfortable with the planned direction of organization.

Caution: If people other than the senior leadership team attend the cross-briefings, their roles must be made clear. Are they there as observers or as participating members with an equal voice in the consensus process? Consider the effect their presence will have on the quality of group decisions. Is the senior leadership team confident enough with itself to be able to air differences in front of others?

Advice: When deciding whether to include others in the cross-briefing process, weigh the value of having them there against the possible inhibiting effect their presence will cause. Is the buy-in of mid-level managers at this stage so important that including them is crucial? Or are there still so many unresolved issues that it would not be possible to have an open discussion with others present?

Advice: If input from customers and stakeholders is desired, they should participate in the interviews conducted during the pre-planning phase of subsequent iterations of the strategic planning process.



Should the goals and strategies be prioritized?

Establish priorities

No. Prioritization should not occur at the strategic goal or strategy level. All of the goals must be achieved to reach the vision. Singling out a few might suboptimize the effort.

Should the objectives be prioritized?

Yes, the objectives should be prioritized. Since all of the objectives cannot be worked at once, the senior leadership team needs to determine which objectives can be accomplished based on money, people, time, and current workload. The senior leadership team needs to do an initial schedule of all of the objectives based on what it thinks is most important. Keep in mind that this is an iterative process, so the schedule may need adjustments. In establishing the schedule, consider whether or not implementation of one objective needs to occur before others can begin, and if and when resources will be available.

Advice: This is an initial attempt at time-phasing the objectives. Firming the schedule and identifying the critical processes involved will occur when the mid-level managers are asked to review the draft plan and provide input and feedback.

Caution: This is a strategic plan; it may take 5 to 10 years to implement fully. With this in mind, don't begin all of the objectives in the first year or two. There are never enough resources to do that, and it is important not to neglect the organization's current mission-sustaining work.

By creating a schedule, the senior leadership team can get a picture of the overall implementation effort, where adjustments are needed, and which objectives will require implementation first. This schedule provides a view of a vision-directed effort that can be used in the annual budgeting process.



The senior leadership team has reached consensus on the goals, strategies, and objectives. What's next?

INVOLVE MID-LEVEL MANAGEMENT AS ACTIVE PARTICIPANTS

At this point, it is important to ensure that mid-level managers get involved in the planning process for two reasons. Getting feedback benefits the senior leadership team because they may discover that they have left out an important issue that the feedback will highlight. By making them participants in the plan's development, they are more likely to support implementation actions. Their perspectives and insights can make a better, more executable plan. Their involvement will also dispel the perception that the strategic plan is a document created by "those in charge" and thrust upon the organization. For this reason, it is vitally important for the senior leadership team to establish a process for obtaining feedback from mid-level managers. The strategic plan should not be finalized until their input has been considered.

Advice: Keep in mind that it is the senior leadership team's responsibility to set the strategic direction, guiding principles, mission, and strategic goals of the organization. Mid- and lower-level employees typically don't have the broader systems view of the organization needed to establish or change its strategic direction. Therefore, the senior

What are some ways to get feedback from mid-level managers on the 'draft' plan?

leadership team may want to get feedback on the clarity of the vision, guiding principles, mission, and strategic goals; but not on the strategic direction.

Many senior leadership teams identify key objectives and let the employees complete the action plans because they tend to be more knowledgeable about their processes. The senior leadership team should ask for in-depth feedback on the strategies and objectives because they lay out how the organization intends to achieve the vision. It is within the strategies and objectives—and particularly the objectives—that the changes required of the organization are explicitly expressed.

Senior leaders should choose an approach that fits with how the organization best deals with new information.

- ✓ Hold an offsite to present the plan to the mid-level managers and solicit their feedback. If possible, use the same strategic planning facilitator who conducted the strategic planning team offsite to ensure continuity.
- ✓ Hold facilitated focus groups.
- ✓ Use the chain-of-command. Have each member of the senior leadership team share the draft plan with their respective mid-level managers, asking them to review the plan, get input from their employees, and provide feedback to the senior leadership team in a facilitated session.

Caution: Strategic planning is about change that leads the organization toward a better future. Therefore, don't ask for feedback on the plan by sending it out with a cover letter and asking for comments by a certain date. This will be perceived as business as usual and will not set the strategic plan apart.

Advice: To foster ownership of the plan, develop a feedback process that actively involves mid-level management.

Should the senior leadership team solicit feedback from all employees on the strategic plan?

The senior leadership team may want to solicit feedback from all employees on the strategic plan. Feedback can be collected by:

- ✓ Mid-level managers holding sessions with their employees
- ✓ Holding an all-hands meeting followed by a question and answer session
- ✓ Distributing the draft plan via e-mail and requesting comments

It is important to get employees involved early in the process so that they are informed of the new direction of the organization and to help them understand how they can contribute to the organization's success.

What about union leaders? How do we get them on board?

In some organizations, union members sit on the Executive Steering Committee or on a Partnership Council and, therefore, participate in the planning process. If not, union leaders can participate in the planning process by providing feedback on the plan along with the mid-level managers. When asked what encouraged the union leaders to get involved in quality and process improvement, one recent winner of the *Malcolm Baldrige National Quality Award* said: "We could continue to fight management and see our company disappear or join with management in fighting the competitors. We chose the latter!"

Advice: The decision on involving union leaders should be based on the relationship that the union has with senior management, and the union's current or potential participation in and influence on the organization.

Should customers be invited to give feedback on the plan before it is published?

Probably not. It is the sole responsibility of the senior leadership team to set the strategic direction of the organization and map out how the organization will get there. While the senior leadership team must be in tune with the needs and desires of the organization's customers to address them adequately, being customer-driven does not mean that customers dictate the strategic direction of the organization.

When should customers be involved?

Customers' input should be gathered at the beginning of the strategic planning process—during the pre-planning and assessment phases. Customer interviews and other types of surveys can be used to gather customer input and reveal customers' desires and expectations. The key is to focus on what the customers expect as a result of using your products and services. Share the plan with your customers after it is completed. (Some methods for sharing your plan with your customers are discussed in the *Phase II Deployment* chapter of this handbook.)

How should the feedback be incorporated into the strategic plan?

The senior leadership team is responsible for considering all of the feedback and incorporating what is appropriate. The senior leadership team as a whole should carefully consider the comments on the vision, guiding principles, and mission. The goal groups should address goal-specific comments. After the senior leadership team has reached consensus on any updates, it should let the employees know how their input was used. Explaining why some feedback was not incorporated may be helpful, especially if a key issue had been raised by many. This helps employees understand why some actions can occur and why others cannot.



What else should be considered before finalizing the strategic plan?

Think it through - decide how to manage implementation

The senior leadership team should begin developing implementation strategies before publishing the plan. The following implementation issues should be considered:

- ✓ Do lower-level plans need to be created?
- ✓ How do we establish oversight and accountability for implementation actions?
- ✓ Do the current process improvement teams, working groups,

committees, etc., link with the plan? Do they need to be refocused to align with the plan? Do they need to be eliminated?

- ✓ How does the plan link with the budgeting process?
- ✓ How will we measure and evaluate progress?

How are oversight and accountability for the implementation actions established?

The senior leadership team should outline who is going to be responsible for implementation efforts, i.e., who is the point of contact for the plan, who manages the implementation actions, who manages the resources. A sample checklist, used by the United States Military Entrance Processing Command, follows in *Section II: Case Studies* of this handbook.

Is a separate budget needed for implementing the strategic plan?

No. The senior leadership team should not establish a special budget for implementing the strategic plan. Because most organizations operate under budgets that are developed one to two years in advance, the budgeting process is always one step ahead of current work. The strategic plan needs to become an integrated part of the budget development and resource allocation process. For information on resourcing the plan, see the *Implementing the Strategic Plan* chapter of this handbook.

Why do we have to think about measurement before we even publish the plan?

The senior leadership team should decide which key top-level performance indicators will be used to measure progress. Part of measurement and evaluation comes from tracking the goals, strategies, and objectives. The other part of measurement and evaluation is the more formal system of data collection and analysis. Refer to the *Strategic Measurement* chapter of this handbook for more guidance.



How should the senior leadership team determine if lower-level plans are needed?

CHARGE MID-LEVEL MANAGEMENT WITH ALIGNING LOWER-LEVEL PLANS

The corporate senior leadership team should encourage suborganizations to create lower-level strategic plans if:

- ✓ The corporation's size is large enough to support suborganizations that act as separate business entities
- ✓ There is a diverse product or service line among the suborganizations
- ✓ The creation of a strategic plan at the lower level will not perpetuate a stovepipe culture that the senior leadership team is trying to change

Suborganizations that are smaller and whose products and services result in the same output as the corporate organization should have a plan that includes strategies and objectives that contribute to the corporate vision, mission, guiding principles, and goals. In this case, representatives from the lower organizations should have been included in the original strategic planning process. If the senior leadership team decides that lower-level plans are needed, strategic planning guidance should be developed for the leaders of the suborganizations. Training and facilitation support is also needed.



What should be included in the published document?

MAKE CAREFUL CHOICES ABOUT THE CONTENTS OF THE PLAN AND THE FORM IT WILL TAKE

Typically the published strategic plan includes the vision, guiding principles, mission, strategic goals, strategies, and objectives. By publishing to the objective level, the intent of the strategic plan is explicitly laid out for everyone in the organization.

Sometimes organizations choose to publish only to the strategy level since objectives change over time, outdating the published plan. The weakness in this approach is that the implications for action are not readily apparent and the plan may be perceived as a lofty document with no real application to the organization. If the senior leadership team chooses not to include the objectives, it should consider publishing them as an accompanying tactical plan.

Caution: Employees may have difficulty understanding the need for action in a plan that only publishes the vision, guiding principles, and mission, and possibly the strategic goals.

Advice: For internal use, include the objectives in the published plan so that the workforce will be able to see how work gets done. It is possible to publish the plan in a format that is flexible enough to include updates. The plan can be arranged with changeable inserts, packaged sectionally in a three-ring binder, or transmitted in an editable electronic form.

What about sharing the strategic plan externally; what should be included?

In addition to sharing the plan within the organization, consider sharing the plan outside of the organization. For external audiences, a separate plan may be needed that displays only the vision, guiding principles, mission, goals, and strategies. The amount of detail chosen to be included in the plan for external purposes needs to be tailored to each audience. Refer to the *Phase II Deployment* chapter of this handbook for ideas on sharing the plan externally.

Does anything else need to be included in the published plan?

The senior leadership team might consider including:

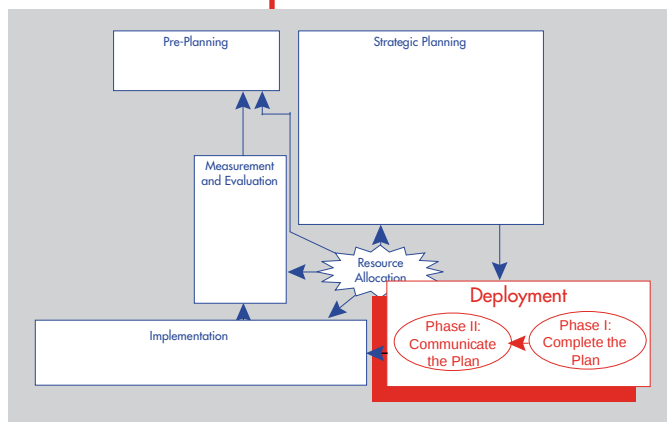
- ✓ The rationale for creating the plan
- ✓ The process used to create the plan
- ✓ A glossary of terms
- ✓ Strategic planning team membership
- ✓ Implementation roles and responsibilities
- ✓ An overview on how current TQ efforts tie into the plan
- ✓ An overview on how progress will be measured and evaluated

What should the strategic plan look like?

There is no standard format. How the final document looks is not as important as what it says, how it says it, and how it influences and motivates people. For example, it may be necessary to publish the plan in the organization's formal policy system (i.e., as an instruction, directive, or order) to foster credibility.

Advice: Keep the intended purpose and audience of the published plan in mind in deciding how best to produce it. For some organizations, it is important to have a slick-looking publication; for others, a simple, high-quality copy is appropriate. Some organizations may need both documents. Remember—while high cost production may reflect importance and seriousness, it can also imply that the plan represents a finished product when the work is actually just beginning.





PHASE II Deployment: COMMUNICATING THE STRATEGIC PLAN

**“STRATEGIC PLANNING, IN ORDER TO BE EFFECTIVE, MUST BE ACCEPTED
by ALL THOSE PERSONNEL who will ultimately be EXPECTED TO
IMPLEMENT, MONITOR, AND BE HELD RESPONSIBLE FOR RESULTS OF THE plan.”**

(Rolf E. ROYERS, SOURCE UNKNOWN)

In the last chapter, we talked about sharing the strategic plan with mid-level managers and members of the workforce in order to refine the strategies and objectives, ensure their understanding of the plan’s intent, and gain their support for implementation. This chapter of the handbook deals with communicating the strategic plan to *all members* of the organization to ensure their understanding of the organization’s strategic direction so they can take action on the goals, strategies, and objectives. Following are actions that are keys for successfully communicating the strategic plan and actions that guarantee failure.

 KEYS TO SUCCESS	FACTS OF FAILURE
Assign roles and responsibilities	No accountability
Communicate the plan constantly and consistently	Never talk about the plan
Recognize the change process	Ignore the emotional impact of change
Help people through the change process	Focus only on task accomplishment



Who does what
to communicate
the strategic plan?

Assign Roles and Responsibilities

The following are suggested roles and responsibilities:

SENIOR LEADER

- ✓ Provides overall leadership and guidance to the organization regarding the strategic plan
- ✓ Formally and informally communicates the published strategic plan to the workforce, customers, and stakeholders
- ✓ Champions the change that the plan represents
- ✓ Works with the budget officer to plan for resource allocation to implement the strategic plan

SENIOR LEADERSHIP TEAM

- ✓ Develops the best method for formally communicating the plan
- ✓ Champions the strategic plan within own area of responsibilities
- ✓ Communicates with employees about progress, lessons learned
- ✓ Aligns own department, division, etc., with the strategic plan

TOL COORDINATOR

- ✓ Guides senior leadership in communication strategies
- ✓ Serves as a sounding board for questions
- ✓ Works with mid-level managers to build commitment
- ✓ Coordinates communication mechanisms

MID-LEVEL MANAGERS

- ✓ Support the plan
- ✓ Present employee briefings or hold Q&A sessions on the plan
- ✓ Translate strategies and objectives into action implications for employees
- ✓ Align current work activities with the strategic plan



How should
the plan be
shared with the
organization?

- ✓ Supports the plan
- ✓ Plans ways to incorporate strategic plan resource initiatives into the budgeting process

COMMUNICATE THE plan CONSTANTLY AND CONSISTENTLY

The method by which the senior leadership team chooses to communicate the plan is extremely important. On the following pages are matrices of printed, oral, and technological communication tools that can be used, their benefits, and how to use them.

Advice: The formal communication of the published strategic plan should be handled as a special event to mark a new beginning, a focus on the future. Choose a combination of methods that will most effectively demonstrate to employees that this plan is real and will be implemented. None of the printed or technological tools should be used without personal involvement from the senior leadership team. Remember that strategic management is a continuing process, therefore, keep these methods in mind throughout the implementation process.

Caution: If the organization had a previous strategic plan that was unsuccessful, employees may express cynicism toward the concept of strategic planning. If this is the case, it is important to build acceptance and support for the plan during the plan completion phase (Phase I Deployment). If this is not done before formally communicating the plan, cynicism may deepen.

PRINTED TOOLS	INTERNAL COMMUNICATION TOOLS	
	BENEFITS	HOW TO USE
BROCHURE	• Conveys the strategic plan to the organization without a lot of detail	• Distribute to all employees at a special all-hands session and at new employee orientations
BINDER	• Flexible • Accommodates plan updates	• Distribute to each employee down to objective level • Should be regularly updated
LETTER/MEMO	• Explains the strategic plan in the words of the senior leader	• Distribute to all employees to communicate the plan and its progress • Do not use alone or without a formal means of distribution
LAMINATED CARDS	• Are portable • Help employees focus on the plan • Convey the strategic plan to the organization without a lot of detail	• Use to focus on basics of plan
POSTERS	• Remind employees of the plan	• Display in common areas in the organization
STRATEGIC PLAN/ QUALITY NEWSLETTER	• Educates the workforce in detail about the strategic plan and planning process • Keeps the workforce informed of strategic plan accomplishments • Shares progress reports • Emphasizes commitment • Shows the plan's link with everyday work • Keeps the focus on the plan	• Use the first issue to communicate the plan and the process • Use subsequent issues to communicate progress, results, lessons learned, and new strategic initiatives • Distribute to all employees
STRATEGIC PLAN COLUMN IN THE ORGANIZATION'S NEWSLETTER	• Educates the workforce about the strategic plan and planning process • Keeps the workforce informed of strategic plan accomplishments • Shares progress reports • Emphasizes commitment • Shows the plan's link with everyday work • Keeps the focus on the plan	• Establish a special section devoted to strategic planning
SENIOR LEADER'S ARTICLE IN THE NEWSLETTER	• Shows senior leader commitment • Keeps employees informed and focused on the plan	• Senior leader writes about strategic planning and provides updates in the organization's newsletter
LETTER ACCOMPANYING NEW EMPLOYEE ORDERS	• Explains the plan • Allows the new employee time to review the plan before reporting • Shows commitment to the plan	• Mail plan, with a letter of explanation, with new employee orders

Oral Tools	INTERNAL COMMUNICATION TOOLS	
	BENEFITS	HOW TO USE
ALL-HANDS MEETINGS	• Encourage Q&A on the part of employees • Reinforce senior leader commitment	• Senior leader calls an all-hands to introduce and explain the plan • Discuss strategic plan and progress
BRIEFING MATERIALS WITH A SCRIPT	• Ensure consistency of message by leaders • Show commitment to the plan	• Distribute to each department head and mid-level manager to explain to their employees • Must be regularly updated • May require a brief training session
DEPARTMENT MEETINGS	• Show senior leader commitment • Relate plan to everyday work • Keep employees informed on a regular basis	• Department heads hold departmental meetings to communicate the plan and share progress reports • May require briefing materials so that all department heads convey the same information • Hold meetings after plan review sessions with the senior leadership team
FOCUS GROUPS	• Offer open forum for ideas and questions	• Hold focus groups to answer questions about the plan
Q&A SESSIONS	• Allow employees to ask questions	• Hold after a department or all-hands meeting at the subgroup level
SPECIAL kick-off EVENT	• Involves all employees and leaders directly • Educates and provides direction on the plan • Encourages employees to participate	• Refer to <i>Section II: Case Studies</i> to learn how the Center for Veterinary Medicine deployed its plan
NEW EMPLOYEE ORIENTATION	• Familiarizes the new employee with the plan • Shows organizational and senior leadership commitment • Allows them time to figure out how they can contribute	• Establish a special section devoted to strategic planning

INTERNAL COMMUNICATION TOOLS

TECHNOLOGICAL TOOLS

BENEFITS

HOW TO USE

VIDEOTAPES/ TELECONFERENCING

- Provides a means of communication for an organization that has multiple sites in remote or dispersed locations
- Provides a consistent message

- Videotape the senior leader explaining the plan to the organization
- Distribute to each department/division/site with copies of the written plan and a letter explaining the purpose of the videotape
- Choose a point of contact at each site to answer questions (the senior leader of the site)

E-MAIL

- Is accessible to all employees
- Easy to update

- Communicates the plan and progress updates
- Messages should come from the senior leader
- All employees must have e-mail accessibility
- All employees may not read sent messages, so this is not a substitute for personal interface with the senior leader

Should the plan be shared outside the organization?

There are external people with whom the senior leadership team may choose to share the plan—a parent organization, customers, suppliers, stakeholders. If the senior leadership team wants to share the plan externally, it needs to be clear about its desired outcomes. The level of detail provided may be different from what is needed for an internal audience. Following are reasons to share the plan with various external organizations.

- ✓ To improve relations with customers by demonstrating a focus on their needs
- ✓ To gain support of other organizations who may be able to help your organization save resources and achieve common goals
- ✓ To gain the parent organization's support and to justify additional resources or the redirection of resources
- ✓ To emphasize suppliers' roles in doing business with the organization

- ✓ To align stakeholders with the vision
- ✓ To gain union leaders' acceptance and participation
- ✓ To demonstrate to Congress a focus on outcomes (this aligns with Public Law 103-62, the Government Performance and Results Act of 1993)

Below are some tools for communicating the plan externally. The senior leadership team needs to tailor them to the audience receiving the plan.

EXTERNAL COMMUNICATION TOOLS

Tools	BENEFITS	How TO USE
BROCHURES/ HANDOUTS	• Convey the strategic plan without a lot of detail • Provide potential suppliers with understanding • Distribution at professional meetings allows opportunity to network with stakeholders • Transportable method of information dissemination	• Distribute with a letter • Personally distribute or have available in conference room or where meetings occur with external customers
LETTER AND copy of plan	• Shares the plan • Conveys commitment from the senior leader and the organization • Can be used to request feedback, supplemental plans, and resources	• Mail or hand deliver to customers, stakeholders, and parent organization explaining the strategic plan and how it affects them • Distribution method is critical
PERSONAL MEETING	• Personal sharing of the plan by the senior leader • Allows for immediate feedback and questions	• Senior leader holds initial and periodic meetings with external customers



Once the plan is published, what happens?

RECOGNIZE THE CHANGE PROCESS

As soon as the plan is formally deployed, leaders must be prepared to answer questions and face skepticism and challenges. Employees will realize that implementation of the strategic plan means that real change will take place and that the organization will go through a period of transition, meaning that *initially* people may need to find time to take on additional work. Many organizations have not legitimized and practiced planning for the future as a regular part of the senior leadership's daily work; nor do they consider implementation as a regular part of the employees' work. However, the old work must still be done while new work processes, methods, etc., are being developed.

When people are faced with change, many act by denying, resisting, exploring, and then committing to the change. People may go through these four stages of change at their own pace. Some may never accept new roles and methods. Often these people leave organizations. The senior leadership team needs to acknowledge and legitimize these stages.

- Denial** During denial, senior leaders need to focus on the need for change and repeatedly provide the reasons for the change. Reasons of survival help focus everyone.
- Resistance** Senior leaders need to listen, empathize, and assist in setting priorities during the resistance stage.
- Exploration** During the exploration stage it is important for the senior leadership team to keep the effort energized, keep people focused, and encourage them not to leap to action before the ideas have been fully explored.
- Commitment** Once commitment is obtained from the organization, the senior leaders should acknowledge and share the success and prepare the organization for changes to come.



Help people through the change process

How can the senior leadership team help people through the change process?

This begins during the first phase of deployment when the senior leadership team includes the mid- and lower-level employees in the planning process to finalize the strategic plan. How the published plan is formally communicated is also part of the way the senior leadership helps people manage change.

Leaders need to focus people on what they can control and how they can affect the change. They must give employees information to ease the transition so they can feel some ownership in the change. It is important to recognize that people need stability during change. Emphasizing to everyone what has not changed can help maintain stability and leadership confidence.

How can mid-level managers help manage change?

Mid-level managers should:

- ✓ Explain why change is imperative
- ✓ Be active participants in the communication process
- ✓ Listen and bring suggestions to top leaders
- ✓ Help set goals, define plans, and choose team leaders
- ✓ Manage by consensus, where possible
- ✓ Set a positive work climate to encourage motivation
- ✓ Ask questions related to the strategic plan

How should the senior leadership team communicate change?

In developing the formal communication methodology for the strategic plan, the senior leadership might use these questions to help structure the information communicated to employees.

- ✓ What is the change?
- ✓ Is it real?
- ✓ Is it good for the organization?
- ✓ Is it possible to do in this organization?
- ✓ What happens if the organization doesn't do it?
- ✓ Is it good for me?
- ✓ Can I effectively contribute to change?
- ✓ What is my new role?
- ✓ What happens if I don't help?
- ✓ What happens if we're successful?

By answering these questions, the senior leadership team will help prepare employees for the change that the strategic plan represents. It should come from the senior leader, who needs to emphasize that this is the new direction of the organization, and everyone is expected to do their share.

The senior leadership also needs to continually communicate progress, results, lessons learned, new strategic initiatives, and how organizational activity leads to the accomplishment of the strategic goals and vision in informal as well as formal ways.

How are the new guiding principles part of the deployment process?

The guiding principles are those organizational values that the senior leadership consciously chose and developed to shape the organization's culture to achieve the vision. The guiding principles are a crucial aspect of the newly developed plan. Therefore, as soon as the guiding principles are published in the strategic plan, organizational members will

begin measuring leadership behavior against them. If the leaders and managers of the organization do not behave in accordance with the guiding principles, then the other organizational members will lose respect for their commitment to change. Therefore, the behavioral aspects necessary to achieve the vision must be demonstrated daily. This is why specific behavioral guiding principles are so vital to executing a successful strategic plan.

Advice: Live the principles; be a good role model every day. Don't underestimate the importance of this behavior.

How can the senior leaders show the importance of the guiding principles?

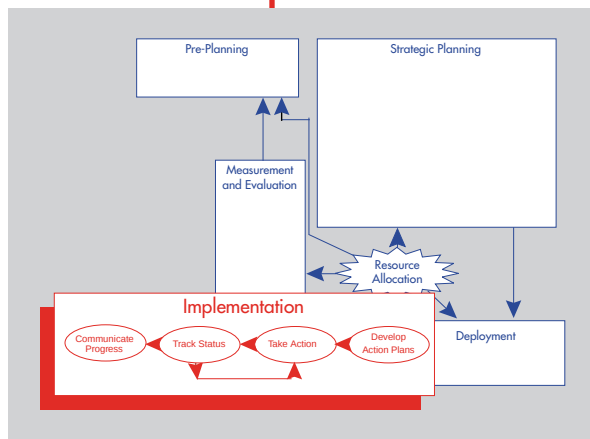
Senior leaders must act in accordance with the guiding principles and in accordance with the tenets of TQL because "behavior is believable." This may require new forms of behavior from the senior leadership team members toward each other, the rest of the organization, and their customers, suppliers, and stakeholders. If leaders are not living by the principles, appropriate sanctions need to be enacted to emphasize the seriousness of the principles.

How should senior leaders help each other "live" the guiding principles?

A very effective way to help each other model the organizational values is to practice open and candid feedback in both individual and group interactions. This can be difficult and uncomfortable. The purpose of giving and receiving "positive" feedback is to reinforce and encourage appropriate behavior. "Negative" feedback is often avoided but is equally important. The purpose of giving and receiving "negative" feedback is to change behavior by making the individual aware of how a behavior impacts others and the organization. "Negative" simply means the behavior is not directly on course, deviating to a small or large degree. This is information, and the only way people can make informed changes is by using this information. The idea is to remove the emotional connotations from the feedback, while retaining professionalism and focusing on the work in the interaction.

Advice: The senior leader needs to set the tone for making it acceptable to give and receive “negative” feedback. By creating a climate where a feedback process can occur freely among the leadership team, leaders can help each other live the guiding principles by sharing insights on how each other’s behaviors affect the organization and its progress toward the vision.

IMPLEMENTING THE STRATEGIC PLAN



**"It's BEEN RATHER EASY FOR US TO DECIDE WHERE WE WANTED TO GO.
THE HARD PART IS TO GET THE ORGANIZATION
TO ACT ON THE NEW PRIORITIES."**

(FLOYD AND WOOLRIDGE, 1992)

Implementation is taking the actions necessary to accomplish the goals, strategies, and objectives. It requires action planning, senior leadership involvement, commitment to the plan, resourcing (people, time, and money), and involvement from the entire organization.

The strategic planning process that was used to create the plan is inverted in the implementation phase. Completion of the objectives impacts completion of the strategies, then the goals, and leads toward accomplishing the vision. To implement the strategic plan successfully, it is necessary for the organization to have a formal implementation plan with actions assigned to either teams or individuals who are responsible for their accomplishment.

If the organization has been practicing process improvement using the TQ model, managers and leaders will be familiar with the TQ team structure. If the organization has realized successes using this structure, they will probably want to continue it and will call their senior leadership team an Executive Steering Committee or Group (ESC/G) and their implementation teams Quality Management Board (QMBs) and Process Action Teams (PATs). However, in some organizations, the strategic planning process has led the senior leaders to the conclusion that current QMBs and PATs need to be rechartered, restructured, or realigned with

the new strategic direction. For this reason, the senior leaders have sometimes chosen to call the new teams—those that are dealing with implementation issues—Goal Groups, Strategy Teams and Objective Teams. What they are called is not as important as what they accomplish—implementation of the strategic plan.

Following are actions that are keys for successfully implementing the strategic plan and actions that guarantee failure.

 KEYS TO SUCCESS	FACTS OF FAILURE
Assign roles and responsibilities	No accountability
Involve senior leaders	Disengagement from process
Define an infrastructure	Unmanaged activity
Link goal groups	Fragmented accomplishment of objectives leads to suboptimization
Phase integration of implementation actions with workload	Force people to choose between implementation and daily work; too many teams
Involve everyone within the organization	No alignment of strategies
Allocate resources for implementation	Focus only on short term need for resources
Manage the change process	Ignore or avoid change
Evaluate results	No measurement system
Share lessons learned; acknowledge successes through open and frequent communication	Hide mistakes/lay blame; limited/no communication



Assign Roles and Responsibilities

Who does what to successfully implement the strategic plan?

SENIOR LEADER

The following are suggested roles and responsibilities:

- ✓ Leads the implementation effort
- ✓ Establishes clear roles and responsibilities
- ✓ Allocates resources for action items
- ✓ Holds monthly strategic plan meetings with the senior leadership team to monitor the status of the plan
- ✓ Leads by consensus, but makes key decisions when necessary
- ✓ Incorporates brief status updates at weekly staff meetings
- ✓ Communicates plan status, accomplishments, and lessons learned with the workforce
- ✓ Communicates results as appropriate to customers, stakeholders, parent organization

SENIOR LEADERSHIP TEAM MEMBERS

- ✓ Support the strategic plan and incorporate in to day-to-day business and processes
- ✓ Prioritize objectives
- ✓ Allocate resources for action items
- ✓ Define measures for progress and mission performance
- ✓ Sponsor assessment surveys (e.g., internal employee climate surveys, customer surveys, etc.)
- ✓ Provide training resources
- ✓ Attend monthly strategic plan meetings

SENIOR
LEADERSHIP
TEAM MEMBERS
(CONTINUED)

- ✓ Give brief status updates at weekly staff meetings
- ✓ Lead goal groups
- ✓ Serve as linking pins on strategy-level teams
- ✓ Charter teams
- ✓ Guide the workforce through implementation issues
- ✓ Remove organizational barriers to goal accomplishment
- ✓ Create or revise policies and procedures to achieve goals
- ✓ Communicate plan status, accomplishments, and lessons learned with their employees
- ✓ Create lower-level plans to support the corporate plan

BUDGET OFFICER

- ✓ Serves on senior leadership team
- ✓ Identifies resource issues related to effective implementation
- ✓ Distributes and monitors use of allocated resources
- ✓ Ensures that budget reflects strategic plan implementation funding needs
- ✓ Determines how to reflect mission performance with budget

TQL
COORDINATOR

- ✓ Serves as point of contact for the plan with the senior leadership team
- ✓ Provides TQ guidance and consultation to senior leaders
- ✓ Assesses and coordinates training needs
- ✓ Conducts assessment surveys
- ✓ Tracks strategic plan action items
- ✓ Handles logistics for updating the plan
- ✓ Facilitates senior leadership team meetings and offers facilitation to other team meetings
- ✓ Works with senior leader to develop meeting agendas

IMPLEMENTATION
TEAM LEADER
(FOR GOAL
GROUPS,
STRATEGY TEAMS,
AND OBJECTIVES
TEAMS)

- ✓ Works with linking pin to choose team membership
- ✓ Establishes team meeting schedule
- ✓ Leads team meetings
- ✓ Coordinates with strategic planning facilitator/quality advisor on meeting agendas
- ✓ Monitors plan of action and milestones
- ✓ Briefs status to higher level teams
- ✓ Requests necessary resources
- ✓ Asks subject matter experts to attend certain meetings
- ✓ Ensures distribution of meeting minutes

IMPLEMENTATION
TEAM MEMBERS

- ✓ Create plan of action and milestones
- ✓ Attend meetings
- ✓ Implement tasks
- ✓ Define measures
- ✓ Develop data collection plan
- ✓ Collect data
- ✓ Identify implementation problem areas

How should
implementation
teams be
organized?

Many people are familiar with the team structure for implementing TQ. The same rationale used for establishing the team structure in a TQ organization is valid for establishing implementation teams. Goals should be related to current and future business processes cutting across the major functions in the organization. Therefore, strategic plan implementation teams are similar to TQ teams (as shown on the next page). Generally, the differences between current QMBs and new goal groups are that existing QMBs are working on improving/reengineering current significant mission processes; goal groups will be working on designing new products or developing new mission areas.

TEAM Hierarchy



ESC/G	Team made up of the senior leadership of an organization (also called Senior Leadership Team)
QMB	Cross-functional team that works the strategic goal (also called Strategic Goal Groups)
QMB	Team that works the strategies (also called Strategy Teams)
PAT	Team that gathers data needed to work the objectives, develops implementation action plans, examines processes that are targeted for change, makes recommendations for implementation, and takes action (also called Objective Teams)

Goal groups, consisting of members of the senior leadership team, can be used to lead and monitor implementation within the goal area assigned to them. The goal groups may charter strategy teams (QMBs) or charter objectives teams (PATs), if needed, or assign an individual to work an objective if it does not require a team effort. Chartering of teams depends on the priorities laid out in the strategic plan.

Advice: Use an existing high-level cross-functional team structure. If possible, don't set up new goal groups. Depending on how well the existing QMB structure addresses work processes, consider modifying some of the charters or team members. What the teams are called is not important; the foundation upon which they are built and what they are to accomplish are the essential factors. Use consistent language to reduce confusion and deflate the idea that a "new program" is supplanting another.

For more information on the DON QMB structure, refer to the DON TQL course curriculum.



How should
senior
leadership
be involved?

INVOLVE SENIOR LEADERS

The senior leadership team is responsible for overseeing implementation. The team continues to scan the environment to identify any additional strategies or objectives, and discusses implications of changes. It is responsible for making crucial decisions about the direction of the organization, adjusting the plan as necessary, and chartering teams to help it accomplish the strategies and objectives. By keeping a customer and mission focus and promoting communication between departments, the senior leadership team consciously tries to combat suboptimization.

How often the senior leadership team meets varies by organization, but during the implementation phase, periodic meetings, which may be facilitated, are required to focus solely on the strategic plan. Senior leadership teams find that by establishing a regular review schedule, they are able to keep the organization focused on implementation. Some organizations have established a process whereby one or two of their strategic initiatives are briefed at each staff meeting on a rotating basis, providing a status tracking of all the initiatives each month.

Advice: Unless these meetings are facilitated, the focus can quickly turn to routine problem solving. To keep the plan on track between these meetings, brief status updates should be a standard agenda item during regular staff meetings. Some organizations have successfully used traditional senior staff meetings to work on strategic issues. Most cannot, at least early in implementation. Therefore, schedule regular senior leader implementation meetings until the new strategic way of conducting business is incorporated into day-to-day decision making.



What type of infrastructure is best?

DEFINE AN INFRASTRUCTURE

The organization needs to define the way it is going to act on the objectives targeted for implementation. Determining what type of infrastructure is best depends on the objectives themselves and the way the organization is currently organized. For example:

- ✓ If the objective addresses changes to a process that cut across the organization (the most likely case), then a cross-functional team should be established to work on its implementation. A cross-functional team is one whose membership includes those from more than one organizational function. Each of the members has responsibility for some portion of an identified process.
- ✓ If the objective addresses a major change within a functional area with no impact on another area, then the leader of that area should be tasked to implement the objective either by assembling a team or tasking an individual.
- ✓ If the objective deals with a single, functionally-focused action, then it could probably be tasked to an individual who works in that function. If this is true, this objective may be too low a level to be part of the formal planning process.

Advice: If responsibility for an action can be assigned to an individual, it may not be necessary to charter a team.

In any case, the infrastructure needs to be defined to ensure accountability and responsibility for action. Some organizations have tried to reorganize and then do strategic planning for the “new” organization. Oftentimes, organizational restructuring is thought to be the way to improve the organization’s performance. Historically, reorganizations have focused on structure, who reports to whom and who is responsible for what. Reorganizations have not focused on the way work gets done. Only after working on the work systems will the most logical structure become apparent.

Advice: Do strategic planning and then, if necessary, reorganize to accomplish the mission and strategic goals.

How is team membership determined?

Teams should be formed for a specific purpose. They should consist of members who have a direct impact on or responsibility for the accomplishment of the task. Whenever possible, they should include subject matter experts and end-users.

Teams should be cross-functional if the goal, strategy, objective, or task extends across organizational boundaries. However, if the goal, strategy, objective, or task does not cross over functional boundaries, the team should consist solely of members from that one functional area.

Questions leaders might ask before establishing a team include:

- ✓ How does the team support the strategic direction?
- ✓ What are the specific boundaries?
- ✓ What resources will be needed?
- ✓ Do we have the right people on the team to analyze/design a process and accomplish our objective?

- ✓ What people not on the team are critical to its success?
- ✓ Who will probably support the team's efforts, and who may be opposed?
- ✓ What measures will be used to indicate success?

Are charters needed?

Yes. Detailed charters outline the purpose of the team, the expectations, and the resources committed to do the task. The charter tells the team why they have come together and what they are to accomplish. Time limits should also be incorporated. Charter guidelines and a sample charter for strategic plan implementation are provided in the Naval Air Facility Washington Case Study in *Section II: Case Studies*.

Do we need a facilitator for every team?

Yes, particularly when getting started. If a strategic planning facilitator is not available, then the organization's quality advisor is a good source for facilitation of teams. Their role is to work with the team leader to create meeting agendas, help with charters, and provide facilitation during team meetings primarily with the aim to train the group to become self-sufficient. It is important for the team to achieve consensus, to get all members of the team to speak their opinions, and to help the team leader develop and execute a productive agenda.

Advice: If a strategic planning facilitator is not able to facilitate your teams, don't let that stop implementation efforts. Use quality advisors who can be particularly helpful with analysis tools, improvement methods, and meeting mechanics. They also understand the organization's business. As team leaders become more confident and proficient in tools, they can take full responsibility for the team, resulting in team cohesion and progress toward goals.

Caution: Team leaders can rely too heavily on quality advisors and abdicate their responsibilities. Quality advisors should assist the team leader off-line with those skills he or she is weak in and then become a consultant on an infrequent basis.



Why are linkages important?

Link goal groups

It is important for higher level teams to review findings and suggestions from lower-level teams and make needed decisions in a timely manner.

Advice: It is important to have a working infrastructure, one where the senior leadership team and higher level teams meet on a regular basis and review the progress of lower-level teams. This is facilitated by having a linking member from higher-level teams to lower-level teams whose job it is to keep the higher-level team abreast of implementation activities. By having this communications link, information can flow freely. When decisions are required, the higher-level team will already have the background information and be able to make decisions in a timely manner, thus demonstrating commitment to the implementation effort.

What makes some teams more productive than others?

Organizations that have had team members trained in group dynamics found that their teams were very effective. If formal training cannot be conducted before teams begin their work, the quality advisor or strategic planning facilitator should promote an understanding of group dynamics, teach the team about active listening, and provide the Department of the Navy's training courses—*Team Skills and Concepts, Methods for Manag-*

ing Quality, Systems Approach to Process Improvement, and Implementing TQL, all of which contain team-related topics. TQL Coordinators should be familiar with these courses.



How are
implementation
plans
developed?

PHASE INTEGRATION of implementation ACTIONS with workload

Implementation teams should develop implementation plans to address how they will carry out their charters. A plan of action and milestones (POA&M) to develop implementation plans and, subsequently, to manage implementation can be used. It can provide a description of the tasks that need to be accomplished, show responsibility and resource requirements, expected outcomes, measures to be used, and status. For implementation to occur smoothly, consideration must be paid to the priority and sequencing of tasks and steps.

Below is an example of a common POA&M.

Tasks and Steps	Responsible Individual	Due Date	Expected Outcomes	Measures	Resources Required	Status

Advice: Don't take on too many actions at the same time. For short-term success, complete actions that are important, have short time lines, and early start dates. Many objectives do not require formal teams and action plans. Do not overlook them, they may be "easy" to implement and provide early success. Implementing "easy" objectives needs to be balanced with implementing objectives that have greater impact, otherwise employees may trivialize the strategic planning effort.

How do we integrate current committee, working group, QMB, and PAT efforts with the strategic plan?

To assess what action to take, the senior leadership team should:

- ✓ Identify current committees, working groups, QMBs, and PATs—both internal and external—that the organization is involved with
- ✓ Identify team membership and purpose/charter
- ✓ Map current team taskings to strategic goals
- ✓ Assess team accomplishments to determine if they should be disbanded
- ✓ Determine which teams can take on additional actions consistent with implementing the organization's strategic plan
- ✓ Redirect/recharter existing teams to implement the strategic plan or abolish teams that no longer contribute to the vision

Caution: Beware of too many teams, working groups, special committees, etc. It is important to thoroughly “scrub” them so as not to duplicate effort, cause conflicting priorities for people, overload people, suboptimize organizational output, and dilute the organization's strategic efforts and everyday work accomplishments.

How do suborganizations support the strategic plan?

Many corporate organizations encourage suborganizations to create lower-level plans. The implementation actions in these plans need to align with the corporate plan. The suborganizations can use the same planning methodology that was used by the corporate organization (as described in *A Handbook for Strategic Planning*) but they need to tailor it to the level of planning required. For example, the same pre-planning process can be used that entails interviewing the planning team members of the suborganization; however, the interview questions will need to be tailored to address the suborganization's planning outcomes.

The suborganization's plan may be targeted at one of the strategic goals in the corporate level plan or it may include several strategic, corporate-level initiatives that the suborganization needs to carry out. Whether or not the suborganization needs to develop its own vision, mission, and/or guiding principles depends on the size, complexity, and product line of that suborganization as compared to that of the corporate level.

Advice: The guiding principles should remain intact from one organizational level to another, with possibly an additional principle or two that may be relevant to that organizational level. The important part is to ensure that lower-level plans are aligned with superordinate plans to achieve the goals. It is at these lower levels that the linkage of the strategic plan with business plans occurs.



Is it important to link the strategic plan to day-to-day business?

INVOLVE EVERYONE WITHIN THE ORGANIZATION

Yes, but it is actually more important to link the day-to-day business to the tenets of the strategic plan. It is a subtle but important distinction. The focus is on moving the current business towards a more strategic future business rather than make the future business fit today's business structure. The greater the extent to which the plan sets a new and challenging strategic direction for the organization, the harder it will be to align the day-to-day business since the extent of change required to be successful will also be that much greater. Said another way, the less strategic the plan, the easier the strategic management. However, the results may be negligible.

Advice: It is crucial to make the strategic plan a "living" document and ensure that the workforce feels it is contribut-

ing directly to the organization's success in working toward its vision. Senior leadership can acknowledge that the more strategic the plan, the harder it is to manage and be successful, but that it *is* possible with everyone working together. Leaders can start by using the language in the strategic plan and by asking questions about how daily work relates to the plan. This will help everyone focus on how their work integrates with the strategic direction.

How does implementation impact the day-to-day business?

As the organization begins to work on implementing its priority objectives, the actions may translate into additional work. The organization needs to effectively manage "getting the product out" and "responding to fires" while acting on the organization's strategic priorities. It will take time to institute new processes, to think and act on ways to do things differently in daily work. Implementing the strategic plan must take on the importance of a "fire drill" for the future.

But there are external forces we have no control over . . .

True. The organization exists in a world that is constantly changing, applying pressures from all sides. In order to survive and succeed, leaders need to be aware of these external forces and anticipate the changes they bring. Examples of these forces are higher authority strategic plans, emerging technologies, demographic changes, social forces, economic issues, the federal budget, changing customers, and the changing needs of existing customers.

Caution: While leaders must try to anticipate change in their environment and be proactive in their responses, they should resist the urge to make impulsive, unilateral changes in the strategic direction of the organization.

Is everyone involved on a team?

No, certainly not in the first year of strategic planning. But employees can look at their own work based on where the organization is going and what it is trying to achieve. They can examine the way they approach their work and change the things they control to align with the vision and guiding principles. Because they know the intricacies of the processes involved in their jobs, employees can make recommendations to their managers about needed changes in the day-to-day business to help achieve the vision.

How are decisions linked to the strategic plan?

The degree to which decisions are linked to the plan depends to a large extent on the usefulness and specificity of the plan. If the plan is truly strategic, it provides direction for the organization. Everyone in the organization can see where he or she fits into the organization and can align both their day-to-day and strategic decisions on how they will conduct business with the plan's goals and strategies. In this scenario, decisions are closely tied to the tenets of the plan. Remember that the plan is the means for communicating and achieving alignment and direction in the organization. However, while it is important to link decisions with the intended outcomes, the plan should not be prescriptive. Decision-makers must be flexible so they can respond appropriately but in a coordinated way to changes in the environment.

Advice: Some managers and employees may need to be guided by quality advisors in how to use the plan for decision making since this may not have been the traditional way business was conducted.

The plan needs to become an outline for decision making because business decisions are related to allocation of resources. If those decisions are made in the context of the strategic plan, then resource allocation becomes aligned with the plan.



ALLOCATE RESOURCES FOR IMPLEMENTATION

How is the strategic plan resourced?

Resourcing a strategic plan involves providing the people, money, and materials to ensure successful implementation. Many organizations link the strategic plan with the budgeting process at the initial strategic planning session or soon afterward when they create implementation teams. Some choose to have implementation teams identify resources and present them to the senior leadership team for approval. This helps the senior leadership team prioritize implementation actions and allot resources to move the organization toward achieving its strategic goals.

What resources do we need?

There are at least four resources that are critical: the support of the comptroller (or budget officer), the support of the human resources manager, support for the implementation teams, and a viable program for achieving the strategic initiatives. One way to ensure the support and commitment of both the comptroller and the human resources manager is to include them on the senior leadership team and, therefore, in the strategic planning process. Too often, these very important people are relegated to adjudicating the competing plans of others and are not included in the planning process itself. This is an opportunity to ensure their understanding of the vision and goals and solicit their ideas about how to develop strategies that will succeed. If not done during the development of the strategic plan, they should be involved as soon as possible in the deployment phase.

Too often, implementation actions flounder because implementation teams are not given adequate support. Earlier in this section, requirements for team training, tools, time to meet, and charters were described. Because the teams are often cross-functional, there may be no single person in the organization who is responsible for providing them with these resources. This is where the comptroller and the human resources

manager can intervene. If they have a thorough understanding and are committed to accomplishing the goals of the strategic plan, they can assist in providing the resources for the implementation teams.

Without a program for achieving the strategic initiatives, departments will spend their program dollars on achieving short-term departmental results. And why not? If they don't spend the money, they will lose it—not only this year, but probably in the future as well. With a strategic focus, however, some departments have found that they can combine allocated monies and thereby achieve a synergistic effect for the dollars spent while accomplishing the organization's strategic initiatives.

How is the strategic plan incorporated into the budgeting process?

New budget requirements can become an issue if the plan calls for training, equipment, etc., to support development and implementation of a new way of doing business or perhaps a new mission area. A plan that is truly strategic represents changes to how the organization executes its current business. Some successful organizations have chosen to integrate their planning and budgeting processes by timing strategic planning events so that they will feed into budgeting events such as Program Objective Memorandum (POM) development and the mid-year review process. In fact, strategic planning is an excellent way to make the planning process explicit in the Department of Defense's Planning, Programming, and Budgeting System (PPBS).

Does the budget drive the plan or does the plan drive the budget?

This question, although frequently asked, is too simplistic. In the beginning, the strategic plan drives budget *formulation*. Strategic plans help the organization's leaders know their requirements so they can budget for the people, the programs, the equipment, etc., they need to carry out their strategic direction. If the budget is not fully funded for those people, programs, equipment, etc., it is in the budget *execution* phase that the

What if
resources are
not available
to implement
an important
strategy in the
plan?

budget drives the strategic plan. However, if the strategic planning process has included prioritization of the objectives, it is easier for the organization to act on their highest priorities even when the budget is not fully funded.

Sometimes the availability and use of resources is not readily apparent, but strategic planning can make them more visible. For example, when the organization establishes what is really important, it also makes explicit those actions or tasks which are not important. Eliminating redundancies in assignments or organizations can free up the use of resources, making them available for strategic actions.

Sometimes resources are not readily available. The following actions are often successful in obtaining needed resources:

- ✓ Redirect current resources
- ✓ Reprioritize implementation actions
- ✓ Partner with another division or organization to combine funding levels
- ✓ Ask the parent organization or sponsor for more resources

Advice: Use the strategic plan to demonstrate the validity of the strategy and the concomitant need for resourcing. Potential sponsors or partners are more easily convinced when persuaded that their participation is grounded in real strategy that leads to mutually desired outcomes.



MANAGE THE CHANGE PROCESS

How do we keep changes in leadership from changing the course?

Transitions can cause major upheaval in the group dynamics of the senior leadership team and the direction in which the organization is moving. However, if the plan is the product of the *entire* leadership team, it has a much better chance of surviving leadership transitions. The plan needs to be owned by the leadership team, not dependent on a single leader. Getting acceptance and input to the plan from new members of the senior leadership team is crucial to the plan's success.

Advice: Many organizations use position titles in place of individual names when assigning responsibility for action items. This removes the personal aspect and facilitates transitions.

The senior leader of the organization is leaving. How do we get the new leader onboard with our strategic management efforts?

During the turnover, it is important for the former senior leader to explain the strategic plan and the direction of the organization to the new leader. The senior leadership team members can explain the history involved in making decisions, share with the new senior leader the progress that the organization has made, and show results that have occurred. The greater the extent the planning implementation process is in place, the greater likelihood that the strategic initiatives will survive.

The new leader of the organization may want to update the strategic plan to incorporate personal vision elements. If so, refer to the *Revisiting the Strategic Plan* chapter of this handbook for ideas on how to update the plan.

Advice: It is important for the new leader to demonstrate support—to the entire organization—of the strategic plan and any plans for revisiting it.

A member of our senior leadership team is leaving. How do we involve the new leader in our strategic management efforts?

It is important that new members of the senior leadership team understand the importance of the plan and of their role in achieving the vision. The departing member of the team should brief the new member on the strategic plan and the strategic management efforts thus far. The departing member should show the new member how the responsibilities of the position impact the plan and what role the individual plays on the planning team. The senior leader should also brief new members on expectations regarding the plan.

Advice: It is critical to give the new leader or member *all* of the background information such as:

- ✓ Why the plan was created (drivers)
- ✓ The process that was used to create the plan
- ✓ Any environmental conditions that existed at the time of its creation
- ✓ The impact the plan has had on the organization
- ✓ How the plan is being implemented (goal groups, cross-functional teams, etc.)
- ✓ How progress is being monitored and measured (monthly senior team meetings, measures being used)
- ✓ Roles and responsibilities
- ✓ Lessons learned
- ✓ Results that have been achieved
- ✓ Plans for formally revisiting the plan

Will strategic planning implementation change our current policies and procedures?

Yes. For example, the senior leadership team might want to align the formal reward systems with the strategic plan. In so doing, the team might evaluate what factors need to change in the current reward systems and may decide to establish criteria in the system to reflect team participation and process improvement results. Performance appraisal criteria may also have to change for purposes of alignment with the strategic plan.

Advice: Organizational policies and procedures should be reviewed and updated to support the organization's strategic direction. Those not in alignment should be abolished. This review and update should be part of implementation team activities.



EVALUATE RESULTS

How do we track progress of implementation actions?

Use the POA&M format to help track status. Team leaders track the status of action plans. The group leader uses the status update to brief the senior leadership team on progress.

Caution: This is only a tracking function, not a formal measurement system. Tracking tells you if you are doing what you said you were going to do when you said you were going to do it. It does not show the impact of the plan's implementation on the organization.

Advice: Two types of measurement systems are necessary to give a complete picture of implementation. One type involves tracking progress, the other involves collecting data to measure effectiveness of each of the goals. See the *Strategic Measurement* chapter of this handbook for additional guidance on measurement.

How do we
evaluate results?

Because there are two types of measurement systems that are necessary, different forms of evaluation occur. One type is the evaluation of activity, which involves looking at what implementation actions have occurred and evaluating the progress in implementing those actions. Some implementation efforts may take longer than originally anticipated, requiring work on other implementation activities to be delayed. This is perfectly natural. The important thing is for the senior leadership team to keep up-to-date on implementation actions at regular review sessions, to make appropriate adjustments, and to remove organizational impediments.

The other type of evaluation analyzes the measurement data resulting from the strategic measurement system. This data is targeted at measuring outcomes of mission effectiveness now and into the future. Typically, this type of measurement is new for organizations who are more than likely measuring at the product output level (number of parts produced, number of reports completed, or number of days to complete repairs). These types of measures are important to managing daily business, but it is in the strategic measures that a picture of the organization's effectiveness is given. Through the strategic planning process, these outcomes become explicit and a strategic measurement system of the macro-level measurements can be created.



SHARE LESSONS LEARNED; ACKNOWLEDGE SUCCESSSES THROUGH OPEN AND FREQUENT COMMUNICATION

Is it necessary
to regularly
communicate
the status of
the plan?

Ongoing communication is crucial for success. It is extremely important for the senior leadership team to share lessons learned, to share successes, and to show that work is being accomplished. The fact that senior leaders are paying attention to goal accomplishment will focus everyone's attention on the plan.

Advice: Be honest about progress and changes in direction.

The senior leadership team needs to choose formal communication methods that will reach the widest audience on a continual basis. Some organizations use their newsletters or magazines to provide status updates and lessons learned. Others post their POA&Ms on marquees or bulletin boards. In some large organizations, the leaders use video or electronic communications.

Advice: The senior leadership team must demonstrate to its employees that it believes in the plan by talking about it and by changing policies and procedures based on the plan.

How do we tell new employees about the plan and their role in it?

Many organizations include the strategic plan in their new employee indoctrination process. Some TQL coordinators send a copy of the strategic plan with the new employee's orders, outlining how his/her responsibilities impact the plan. If the senior leader addresses new employees in their orientation, a discussion about the strategic plan may be included. Newsletters or any formal written policy dealing with the plan can be distributed to the new employees. The new employee's immediate manager should explain how daily work processes impact the success of the organization as reflected in the plan.

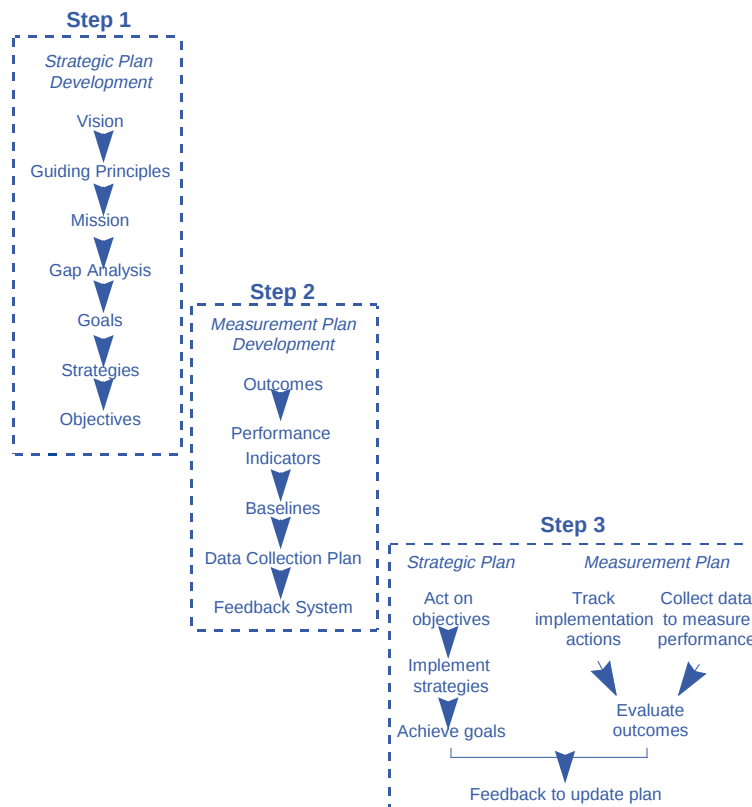
Advice: New employees should be easily assimilated into the strategic management efforts if managers have explained roles and responsibilities, team membership, and the senior leadership team's commitment to the plan.

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graph TD; Pre-Planning[Pre-Planning] --> StrategicPlanning[Strategic Planning]; StrategicPlanning --> Deployment[Deployment]; Deployment --> Implementation[Implementation]; Implementation --> Pre-Planning; subgraph Measurement_and_Evaluation [Measurement and Evaluation]; CollectData([Collect Data]) --> AnalyzeEvaluate([Analyze and Evaluate]); AnalyzeEvaluate --> CommunicateResults([Communicate Results]); end; StrategicPlanning -- "Resource Allocation" --> Implementation;
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(Crosby, 1979)

Strategic measurement is an integral part of strategic management as depicted in the graphic on the next page. The graphic depicts elements of strategic management in a step-wise fashion to illustrate that the process of identifying and developing strategic measures is begun before the strategic plan is complete. It also shows that implementation actions don't begin until the data collection plan—which identifies the data needed and how it is going to be collected, stored, analyzed, and updated—is developed.

PLANNING AND IMPLEMENTATION Hierarchy



Caution: Since strategic measures are based on goals for the future, they could be somewhat different from current mission performance measures. If goals are focused on new products or services, for example providing expertise in modeling and simulation, measures to address progress in becoming experts will need to be developed. Don't confuse current measures with "to be developed" measures. This section focuses on measuring strategic goals and the need to look at current measures to determine if they provide data that can be used to measure the strategic goals.

Following are actions that are keys to successful strategic measurement and actions that guarantee failure.

 KEYS TO SUCCESS	FACTS OF FAILURE
Assign roles and responsibilities	No accountability
Use measurement to understand the organization	Suboptimization—focus only on efficiencies
Use measurement to provide a consistent viewpoint from which to gauge performance	Use measures that provide no real information on performance; use too many measures
Use measurement to provide an integrated, focused view of the future	Use measurement to focus on the bottom-line only
Use measurement to communicate policy (new strategic direction)	Use measurement to control
Update the measurement system	Never review measures
Use measurement to provide quality feedback to the strategic management process	Fail to use measurement to make strategic, fact-based decisions; use only for control



Assign Roles and Responsibilities

The following are suggested roles and responsibilities:

Who does what in strategic measurement?

SENIOR LEADER

- ✓ Leads development of strategic measurement plan
- ✓ Incorporates measurement plan into deployment and implementation of the strategic plan
- ✓ Monitors and evaluates strategic measures
- ✓ Communicates measurement results to workforce
- ✓ Adjusts measurement plan as necessary
- ✓ Adjusts strategic plan as necessary
- ✓ Allocates resources to implement strategic measurement plan

SENIOR LEADERSHIP TEAM MEMBERS

- ✓ Support the strategic measurement plan
- ✓ Champion the need for strategic measures
- ✓ Define strategic measures and performance indicators
- ✓ Charter measurement team and identify members
- ✓ Provide guidance to measurement team
- ✓ Approve final strategic measurement plan
- ✓ Monitor and evaluate strategic measures
- ✓ Communicate measurement results to employees
- ✓ Adjust measurement plan as necessary
- ✓ Adjust strategic plan as necessary
- ✓ Allocate resources to implement the strategic measurement plan
- ✓ Individually, develop measures within their area of responsibility that link with strategic measures
- ✓ Individually, provide data associated with strategic measures

MEASUREMENT TEAM

- ✓ Develops baselines, data collection and evaluation process, and feedback system
- ✓ Develops resourcing plan
- ✓ Develops a plan of action and milestones for implementation
- ✓ Develops a deployment approach
- ✓ Disbands when strategic measurement plan is approved

BUDGET OFFICER

- ✓ Serves on senior leadership team
- ✓ Distributes and monitors allocated resources
- ✓ Incorporates strategic measurement implementation funding needs into budget as part of strategic plan implementation
- ✓ Assists measurement team in understanding how budget relates to mission effectiveness
- ✓ Develops measures for determining cost-effectiveness of strategic measures
- ✓ Develops plan to reinvest savings

TQL COORDINATOR

- ✓ Serves as a point of contact for strategic measurement plan
- ✓ Assesses and coordinates training needs
- ✓ Tracks strategic measurement plan action items
- ✓ Handles logistics for updating the strategic measurement plan

Why do we need a measurement team?

The senior leadership team charts a measurement team to complete the development of the measurement plan. The measurement team:

- ✓ Defines measurement administration responsibilities
Measurement administration responsibilities include who will collect, gather, store, and analyze the data needed to support the performance indicators.
- ✓ Gathers data to develop baselines for each performance indicator
The measurement team gathers the data to develop baseline performance and then presents these baselines to the senior leadership team so that it can establish the baselines.
- ✓ Develops a feedback system
A feedback system tells the senior leadership if it is measuring intended mission effectiveness, using the best indicator for those items, and if it is progressing toward the vision.
- ✓ Identifies resource requirements
- ✓ Develops a plan of action and milestones to implement the strategic measurement plan
- ✓ Creates a deployment strategy for the measurement plan
Deployment of the measurement plan needs to be integrated with the overall strategic plan deployment.

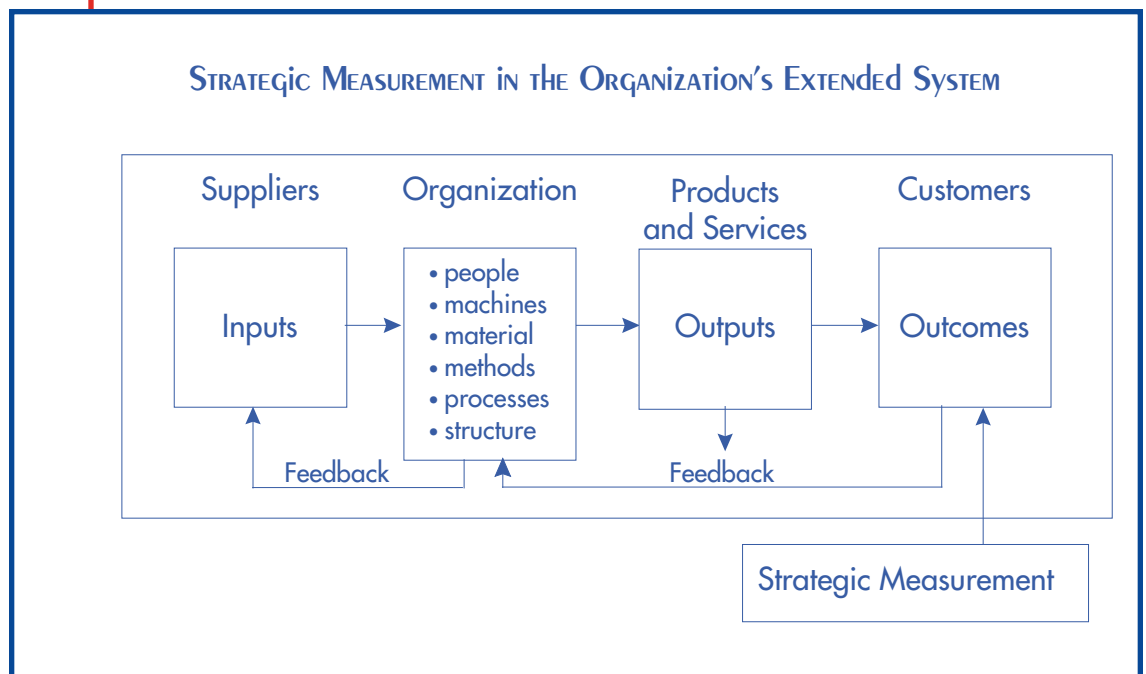
Who should be on the measurement team?

The senior leadership team chooses members who represent a cross section of the entire organization, including at least one member of the senior leadership team to serve as a downward link. Membership is determined by the number of indicators the organization develops and by subject matter expertise about the various processes for which data will be collected.

Advice: Consider members who are well versed in the process or system that is being measured, regardless of whether or not they have a solid background in measurement. It is advisable to have at least one member on the team who is knowledgeable about measurement.



USE MEASUREMENT TO UNDERSTAND THE ORGANIZATION



How does the organization operate?

The purpose of this model is to depict the basic flow of work and information in any organization. All organizations deal with internal and external suppliers who provide inputs to the organization in the form of money, people, material, information, etc. The organization then utilizes people, methods, machines, material, processes, and its structure to transform that input into the products and services (outputs) it provides to its customers or end-users. The customer then uses the products or services and experiences a result or outcome from that use. For those organizations with no clear end-users, such as operational units in the military, outcomes are defined as mission effectiveness.

How do organizational measurements link together?

Measurement of any improvement or change initiative throughout the extended system is important in order to assess whether a change has had the intended effect. When engaged in measurement at the process level, there are four opportunities for measuring and assessing the effects of process improvement activities, outcomes, outputs, processes, and inputs. At this level the outcomes are associated with satisfaction of that particular end-user's requirements or mission effectiveness.

When engaged in a strategic management process, strategic measures must be identified and defined with the associated data collected and analyzed to support those measures. In strategic measurement, the strategic measures define the aggregated outcomes of mission effectiveness now and into the future as described in the organization's vision and strategic goals. These aggregated outcomes are at a higher level than a single end-user for a single product or service line. Strategic measures define measurement at the organizational level to indicate overall organizational performance.

What is the relationship between the four types of measures?

Once the strategic measure is determined, it is important to select measurements for the inputs, processes, and outputs which directly contribute to the outcome measure. In other words, it is best to start by determining the outcome measure *first* and then select input, process, and output measures that have a clear relationship to that outcome. For example, if ship readiness is the desired strategic measure, a process measure that measures the capacity of the ship's laundry or an input measure that measures the quality of its soap powder would have no bearing on the outcome. They may be good indicators of another desired outcome, such as quality of life, but they are not good indicators of readiness. Where readiness is the desired outcome, a process measure might be maintenance of ships and an output measure might be number of ships available for sea duty.

Don't
organizations
already collect
these data?

Typically, government organizations have a lot of measurement data around inputs, processes, and outputs, but lack the data to assess organizational outcomes. There are a couple of reasons for this. The organization may not have a strategic plan that explicitly states the outcomes; therefore, measures have never been developed to support them. Or the organization may have the data to support the outcomes, but is not collecting, storing, and analyzing that data so that it becomes useful information in determining mission effectiveness. Many organizations collect customer satisfaction data but do not have a measurement system in place to effectively use that information to improve the organization. The main reason is that outcome data are difficult to define and collect, particularly for public sector organizations.

This is not to say that one type of measurement is bad and one type is good. Measures are only useful when appropriately applied. For example, process measures are useful when undertaking process improvement activities, when monitoring the process to ensure it is stable, and to have a baseline for comparisons when making system changes. Financial measures are useful for monitoring expenditures against obligation and to control organizational spending. They may be useful as an output measure when efficiencies and process improvements are applied. Input data, particularly quality data, are necessary to determine when to begin improvement efforts. As with any type of measurement it is important to understand what is being measured and why.

Any good measurement system should include outcome, output, process, and input measures. For example, if a strategic goal for a shipyard focuses on maintaining a cleaner environment, there are several possible measures that can be taken related to ships leaking oil. One measure might be the *number* of oil spills given the *number* of ships. The number of ships in this case is the input and the number of oil spills is the output. So if the data show that the number of oil spills has declined given an increase in the number of ships, this seems like a very good indicator of a cleaner environment. But looking closer, the number of oil spills does not indicate how much damage is being done to the environment. Outcome measures may be related to fish contamination, decrease in wildlife, water pollution, etc. A good surrogate, or proxy, measure from the shipyard's point of view may be *volume* of oil spilled. Both the output and outcome measures are needed to provide a complete picture.



What principles should be used to create strategic measures?

USE MEASUREMENT TO PROVIDE A CONSISTENT VIEWPOINT FROM WHICH TO GAUGE PERFORMANCE

The selected measures must meet the needs of the organization's leadership for assessing the progress of the organization and still provide meaningful policy guidance to the lower echelons. There are eight basic measurement principles:

1. MEASURES, TO BE USEFUL, MUST BE LINKED.

Measures at one level in an organization should result in measurements at the next lower level. Ackoff (1981) writes that there are two types of links—coordination and integration. Coordination means that “no part of an organization can be planned for effectively if it is planned for independently of any other unit at the same level.” Integration means that “effective planning needs to be carried out interdependently at all levels.” Links to address both these issues must be addressed by the team structure and measures used to tie them together.

2. MEASURES ARE EXPERIMENTAL.

A performance measure selected for a process or system can only be the organization's best guess as to the most appropriate indicator particularly as it relates to changing missions for the organization. It may be necessary to modify the measurement if a relationship between what is measured and the goal to be achieved cannot be established.

3. MEASURES MAY BE INCOMPLETE.

Measurements may provide only a partial picture of what is being measured, particularly when first getting started. As a first step, operational definitions of measures are critical to understanding whether a measure

is adequate. Sometimes outcome data are nearly impossible to obtain; or, they occur so infrequently as not to be practical. What may be needed are surrogate measures that are closely tied to the outcome to approximate—or be a surrogate for—the desired measures. For example, success in winning a battle is the intended mission effectiveness outcome of a military operation, but not a practical measure. Mission readiness, or preparedness to fight and win, becomes the surrogate. This is why it is important to carry out the second step, which is the identification of factors that make up the outcome measure. These factors form the performance indicators for the measures around which data will be collected. When surrogates are used, it is important to do a validity check to make sure they do relate to intended outcomes. Experts in the subject matter and historical data may need to be consulted. The more future-oriented the measure, the harder and more critical it is to define and measure the related factors.

4. PEOPLE AT THE APPROPRIATE LEVEL NEED TO BE INVOLVED IN DEVELOPING THE MEASUREMENT.

The senior leadership team defines the strategic measures to be used for the same reasons that strategic planning must be done by the senior leadership: they are responsible for establishing the strategic direction of the organization. Others will define supporting measures, such as process measures and output, for the strategic measures.

5. A FAMILY OF MEASURES IS NECESSARY TO ADEQUATELY DESCRIBE THE ORGANIZATION, PROCESS, OR SYSTEM.

Traditional measures are generally financial in nature—which only covers one aspect of the organization. Multiple measures, describing different aspects of the organization, are better than singular measures for providing a comprehensive picture of the organization. This refers to the need to link measures and to ensure that the data collected are necessary and sufficient to support the family of measures.

6. MEASURES OVER TIME SHOW TRENDS; ADDITIONAL INFORMATION IS REQUIRED TO DETERMINE THE CAUSES OF SUCCESS OR FAILURE.

While a performance indicator can show that something is being done better over time, the measurement will not provide the reason for this improvement. Teams with process knowledge are necessary to analyze the data.

7. MEASURE ONLY WHAT IS IMPORTANT.

Organizational resources must be expended to collect, store, and analyze measures. Therefore, measurement activities should not be conducted solely as an exercise in measuring. The purpose of measurement must be clear. Understanding how measures are to be used is critical.

8. THE MEASURES SELECTED MUST SUPPORT DECISION MAKING.

Measurement data requires analysis to provide information to be useful to decision makers. Considerable time and effort must be given to assess how the data would improve decisions and what would be done with the data. Information that has no bearing on the decision has no value at the time of the decision. Collection of data that is not used should be discontinued.

How do we develop strategic measures?

Strategic measures focus on vision attainment. Hold a workshop, similar to the strategic planning workshop, with the senior leadership team to develop strategic measures. Following are steps that the senior leadership team should follow to develop a strategic measurement system:

- ✓ Operationally define the strategic measures

Strategic measures are operational definitions of the outcomes of mission effectiveness now and into the future.

If the organization has a comprehensive vision supported by strategic goals that operationally define the outcomes expressed in the vision, then the senior leadership team can derive performance indicators from the strategic goals. If the vision and strategic goals are very broad, then it may be necessary for the senior leadership team to further discuss the outcomes and goals and operationally define what they are trying to achieve.

- ✓ Define performance indicators

Performance indicators are derived from the strategic measures. They are the key evidence with which to measure performance. Because the operational definitions of the key concepts are on a macro-level, the performance indicators will be similarly broad.

- ✓ Charter a strategic measurement team

The strategic measures are the foundation of a strategic measurement plan. They are given to a measurement team who completes the measurement plan.

- ✓ Establish baselines

Baselines are the current performance levels for the performance indicators selected. If data that support a performance indicator are currently being collected, then a historical baseline exists. If the data are not currently being collected, a baseline needs to be established. The measurement team will determine the baselines for the performance indicators from current data (if available) or by collecting data over a short period of time to provide an approximate baseline as a starting point. Their strategic measurement plan will include these recommended baselines for approval by the senior leadership team.

✓ Approve the strategic measurement plan

The senior leadership team will review the recommendations made by the measurement team, including the baselines and the data collection methodology, and approve them when agreement is reached.

✓ Inform the workforce

The senior leadership team needs to communicate to the workforce the new strategic measurement system that will be put into place and how they can contribute to the success of that system.

✓ Implement the measurement plan

Take the actions necessary to put the strategic measurement system into place. Clarify important roles in measurement development and data collection and analysis.

How many strategic measures should we have?

Five to seven strategic measures are recommended. Too many measures can lead to collecting data that is meaningless. Try to collect a slate of measures that cover the breadth and indicate the health of the organization.

What data should we collect?

The measurement team determines what data are necessary to collect. To determine what data need to be collected, the team needs to:

- ✓ Define the indicators
- ✓ Determine what data are needed to measure the indicators
- ✓ Determine if that data are already being collected
- ✓ If not, figure out how to collect the data
- ✓ Define data collection rules that outline how the data apply to the indicators

Caution: The senior leadership team needs to ensure that the performance indicators can be measured and that, if measured, they will not adversely affect the organization. Collection of some indicators can make an organization behave at cross purposes to the vision. Performance can be distorted if the indicator inaccurately reflects the priorities of the organization. Another cause of distortion could come from members manipulating a performance indicator to achieve higher ratings.

Advice: At this point, most organizations need some help from an internal or external person who has expertise in measurement and variation.

Can we
incorporate the
measures we
already use?

Yes, if the data collected supports the performance indicators chosen for the strategic measurement system. A review of current measures needs to be done by the measurement team to determine if they support the indicators; if it does, then that data needs to be organized into the strategic measures. However, if the review reveals measures that do not support the strategic measures and aren't required by law, statutory requirements, or higher echelon requirements; aren't being used for management control purposes (e.g., financial measures); or aren't being used for process improvement efforts, then stop using them and expending the effort to collect the associated data.

We have targeted only a few areas for implementation in the first year. How does that affect what data we collect?



How does strategic measurement focus everyone's sights on the future organization?

It is important to collect data on all of the strategic measures because, even though concerted work may be focused only on one or two goal areas, the results of that work may impact all of the measures. Until there is enough data to understand relationships among the goals, there is no basis to know how much benefit directed focus will have on overall achievement of outcomes.

USE MEASUREMENT TO PROVIDE AN INTEGRATED, FOCUSED VIEW OF THE FUTURE

Although most people are unable to focus on more than a few things at one time, leaders sometimes allow measurement systems to capture everything, the useful and the not-so-useful. Such actions can distract the organization from reaching its vision. Valuable resources may be expended on efforts that do not support the strategic plan. The use of strategic measurement, on the other hand, strengthens the organization's focus on the future by filtering out information not required to achieve the strategic goals. It limits the number of measures to approximately six, forcing the organization to concentrate on the vital outcomes.



USE MEASUREMENT TO COMMUNICATE policy (NEW STRATEGIC DIRECTION)

How does strategic measurement change the purpose of measurement from control to communicating policy?

In a traditional measurement scheme, each function has its own set of measures. These specialized measurement systems segregate functions and isolate suborganizations from the larger organization. Once these measures are compartmentalized by function, they cannot simply be aggregated as a means of assessing overall corporate performance. Organizational measures have traditionally been a mixture of regulatory requirements, error corrections, leaders' information needs, and sometimes data on process performance. While some of these may be valid and useful, they are not strategic measures. In general, these systems are used to control present activities. In contrast, a strategic measurement system communicates to all echelons of an organization what is vital to achieving its vision of the future.

The strategic plan has established a vision of the future for the organization. The strategic measurements reinforce the strategic plan by helping to focus everyone's attention on attaining those goals that will lead to that future. When two key projects, programs, or activities are competing for resources, the focus of the measures can help leaders determine which of the competing actions should receive immediate support.

How does strategic measurement provide an opportunity for empowerment?

When measurements are understood, decision making can be pushed down to a level where action can be initiated close to the problem, situation, or opportunity. Using strategic measurement, those making decisions can propel the organization forward toward the vision without having to elevate each decision to the highest level.

Do we need to have a measure for every goal, strategy, and objective?

Yes. It is fundamental that anything the organization chooses to expend resources on should be measured. It is important to track all actions related to the implementation of the strategic plan. Leaders must know the status of progress taken on the objectives, strategies, and goals so they can assess individual, team, and organizational performance. But they must also be able to assess the effectiveness of mission accomplishment and the changes (those strategic goals) which were established in order to attain the vision.

Advice: Remember that strategic measurement is about operationally defining the key outcomes the organization is striving for and identifying the performance indicators that will be used to measure those outcomes. To conduct strategic measurement, organizational measures must be linked to outcomes to provide the indicators and data necessary to evaluate results.

We are a suborganization; what measures do we need?

Suborganizations should create lower-level measurement plans that link with the corporate strategic measurement plan. If the suborganization has a separate strategic plan, then it will also need a separate strategic measurement plan. If the suborganization's strategic plan starts at the strategy or objective level, it needs to have measures that link directly to the corporate strategic measurements. In the event that only a few measures can be linked, the suborganization should create additional strategic measurements that better describe its outcomes.



Update THE MEASUREMENT SYSTEM

How does strategic measurement provide an organized method for reviewing measures?

In some instances, a strategic measure selected by the organization might not be the correct one. The expected relationship between the measure and performance might not materialize. Periodic reviews to determine whether there is a relationship between the measure and what is being measured can ensure that the “right” measures are selected. If the relationship is weak, analysis must be done to determine the cause.

Caution: If the measures are not related to how well the organization is doing, then the measures may not be right. If little or no progress is made toward goals, the measures may be fine, but the strategies—an implementation issue—may not be correct, or people may not be attending to them. Or, the measures may be too aggregated or gross to show change even if there was progress made toward goals. Before action is taken, investigate the causes. Always have several data points over time before taking action to change—beware of tampering.

How does strategic measurement help the organization remain constant in pursuit of its goals?

Strategic measurement helps leaders continually establish and evaluate progress toward goals, targets, and policy over a long period of time. The strategic plan itself is usually written from a 5, 10, or 15-year perspective. Similarly, measuring the attainment of the goals is a long-term endeavor.

How will the data be evaluated?



How does strategic measurement provide data to clarify and update strategies?

How does strategic measurement help in decision making?

How will the results be communicated to the workforce?

The organization looks for performance improvements by watching the strategic measurements. The causes for any changes in performance should be determined by investigating system, subsystem, and process measurement data.

USE MEASUREMENT TO PROVIDE QUALITY FEEDBACK TO THE STRATEGIC MANAGEMENT PROCESS

Some strategies devised to achieve goals might not work. The measures will show that the relationship between the strategy and the expected outcome does not exist. By using graphic tools, this lack of relationship will become apparent. Further investigation will reveal the causes.

By using the feedback from the strategic measures to validate or adjust (when that is the appropriate action) the strategic direction of the organization the feedback data becomes input that the leaders can use to make decisions in their daily business. It is the decisions that are made today that impact the future of the organization.

Most people want to know how the results impact the organization and themselves. Sharing results should be part of the formal communication mechanism established for the strategic plan.

How do we overcome people's dislike of measurement and being measured?

Measurement can be threatening. The senior leadership team needs to anticipate people's possible reaction to measurement. Below are some reasons why people may dislike measurement:

- ✓ Poor performance may be found
- ✓ The value of measurement is not understood
- ✓ People don't understand how to use measures
- ✓ People's contribution to the organization and the measures is not evident
- ✓ It places accountability on individuals
- ✓ Measurement has typically been used as a means of punishment
- ✓ Measurement takes time and effort

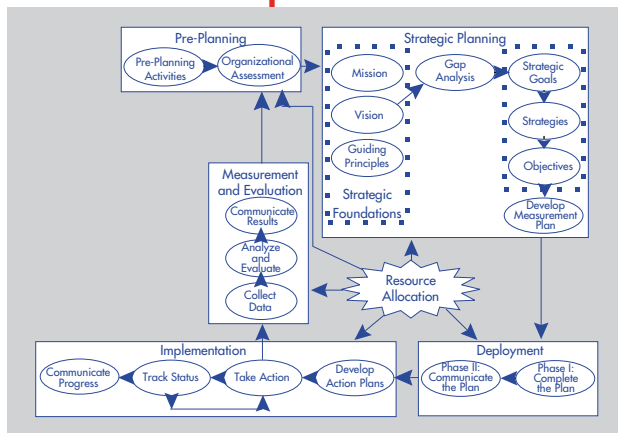
Advice: Strategic measurement is about overall organizational performance, its subsystems, and processes. Individuals contribute to these measures, but to evaluate an individual on this basis is not only impossible to do, but defeats getting good measures. As fear over evaluation increases, reliability of good data decreases.

How are the results linked to the strategic plan?

The results from the strategic measures become inputs to updating the strategic plan. Sometimes the results may reveal areas where goals, strategies, or objectives are inadequate. Therefore, the goal, strategy, or objective may need to be adjusted. It may also show that the attainment of the goal, strategy, or objective is complete. The senior leadership team needs to adjust the plan as needed.



REVISITING THE STRATEGIC PLAN



“. . . MOST PEOPLE HAVE FORGOTTEN THAT PLANNING IS THE PRIMARY FUNCTION OF MANAGEMENT AND SHOULD LEAD ALL OF ITS OTHER FUNCTIONS. THE CRUSH OF OTHER MANAGEMENT FADS AND THEORIES HAS CAUSED US TO LOSE SIGHT OF THE BASICS.”

(HAINES, 1995)

Why revisit the plan?

Formally revisiting the plan on a periodic basis (e.g., annually) is necessary to ensure that the plan continues to drive the organization. This time around, the senior leadership team has a common understanding of what strategic planning is and what it can do to help focus and align the efforts of the entire organization. The organization is probably ready to “stretch.”

Following are actions that are keys to successfully revisiting the strategic plan and actions that guarantee failure.

KEYS TO SUCCESS	FACTS OF FAILURE
Assign roles and responsibilities	No accountability
Recognize when to update the plan	Poor timing and not recognizing external forces
Modify strategic planning process to accommodate the more mature organization	Rigid application of strategic planning process; ignore lessons learned from previous efforts
Incorporate new leaders into the strategic planning process	Ignore impact of new leaders
Integrate measurement with strategic planning	Don't use measurement information
Use experienced strategic planning facilitators	Shortcut the process



Who does what
when we revisit
the strategic
plan?

Assign ROLES AND RESPONSIBILITIES

The following are suggested roles and responsibilities:

SENIOR LEADER

- ✓ Chooses and contracts with strategic planning facilitator
- ✓ Develops expectations for revisiting the plan
- ✓ Develops interview questions with strategic planning facilitator for senior leadership team and, if appropriate, for key customers and internal focus groups
- ✓ Develops timeline for revisiting the strategic plan
- ✓ Allocates resources
- ✓ Leads planning sessions

SENIOR LEADERSHIP TEAM

- ✓ Engages in pre-planning activities
- ✓ Contributes input to customer and focus group interview questions
- ✓ Participates in planning sessions

TQL COORDINATOR

- ✓ Coordinates logistics
- ✓ Works with strategic planning facilitators
- ✓ Provides tracking and measurement information
- ✓ Coordinates planning group member interviews, customer interviews, and focus group sessions

GOAL GROUP LEADERS

- ✓ Share lessons learned from implementation efforts
- ✓ Provide status of goal accomplishments
- ✓ Continue to coordinate strategic management efforts

BUDGET OFFICER

- ✓ Provides resources for revisiting sessions
- ✓ Participates on senior leadership team
- ✓ Helps integrate strategic plan into budget process

Individual SENIOR LEADERSHIP TEAM MEMBERS

- ✓ Gather input from their employees
- ✓ Revisit suborganization plans



RECOGNIZE WHEN TO UPDATE THE PLAN

How does the senior leadership team know when to revisit the strategic plan?

There are five reasons for the senior leadership team to revisit the strategic plan:

- ✓ Environmental forces and changing external conditions
- ✓ Significant accomplishment of the goals, strategies, and/or objectives
- ✓ Measurement data may show that strategies need to be refocused
- ✓ Transition of senior leader
- ✓ A year has gone by

The original plan was formulated under a set of assumptions: a particular organizational infrastructure, budgetary affluence or constraints, an organizational culture, fears, barriers, political considerations, economic factors, technological breakthroughs, resource constraints, etc. When the assumption(s) change, the plan must be revisited. Furthermore, as goals, strategies, and objectives are accomplished, the organization must continuously set new ones if it is to grow and remain dynamic. Without these updates, the organization will become stagnant. This is why strategic management is an iterative process.

How long does revisiting the plan take?

The length of time depends on how much progress was made in achieving the goals, how long it's been since the last planning session, and the quality of the strategic plan developed during that session. Additional factors include:

- ✓ The expectations of the senior leader
- ✓ Analyzing focus group and customer feedback from the interview process
- ✓ The extent of change required to the plan
- ✓ Incorporating strategic measurement development
- ✓ Incorporating new deployment and implementation strategies based on lessons learned and new ideas



Should we use the same strategic planning process as before?

Modify STRATEGIC PLANNING PROCESS TO ACCOMMODATE THE MORE MATURE ORGANIZATION

It depends on the senior leader's expectations for revisiting the plan. If the senior leader thinks that there have been significant changes in external and internal factors, the vision or mission may need to be adjusted. Guiding principles should change less drastically and less often. The senior leadership team may need to revisit just the goals, strategies, and objectives based on measurement feedback and what has been accomplished.

The process may also change by altering how the senior leadership team develops the strategic plan. The tools that the strategic planning facilitator uses—interviews, brainstorming, affinity diagrams, the ground rules, consensus decision making, etc.—will again be used in some form. For organizations that have had many revisits, it may be helpful for them to create new brainstorming exercises.

Following are recommendations on how revisiting the process can differ from the initial process:

In the pre-planning phase:

- ✓ Create interview questions based on the senior leader's expectations and maturity of the organization
- ✓ Conduct focus groups to gather manager and employee input
- ✓ Conduct customer interviews
- ✓ Analyze recent survey results, both internal (employee climate) and external
- ✓ Understand results of measurement analysis
- ✓ Evaluate implementation status based on tracking information
- ✓ Individual senior leadership team members meet with their employees to gather input

In the planning phase:

- ✓ Vary the brainstorming methods to explore possibilities
- ✓ Ensure that strategic measurement plan development is incorporated
- ✓ Focus on new deployment and implementation ideas based on lessons learned

Organizations whose senior leadership team has been regularly reviewing implementation progress at monthly meetings, briefing goal status at regular staff meetings, and regularly communicating the plan's status and accomplishments to their employees have found that revisiting the plan annually is a natural part of doing business.

Caution: Revisiting a strategic plan that has been "shelfware" for a long time is viewed as a chore and may not be taken seriously.

What should the interview questions address?

The senior leadership team and focus group interview questions should address:

- ✓ Validation of and modifications to the vision, mission, and guiding principles
- ✓ External drivers and their potential impact (opportunities and threats)
- ✓ Internal issues (strengths and weaknesses)
- ✓ How to close the performance gap between existing conditions and the desired vision
- ✓ Strategic goal review to determine continuing relevance
- ✓ Reorganization/downsizing concerns (if applicable)
- ✓ Measurement

Should customers be invited to participate this time?

How does the revision affect suborganizations?



Our senior leader is leaving; does that impact when and how we revisit the plan?

The customer interview questions should address:

- ✓ Their perspective of the organization's vision and mission
- ✓ Strategic issues they are facing that the organization should address
- ✓ Their perception of the organization's strengths and weaknesses
- ✓ Their expectations of the organization
- ✓ How they measure the organization in meeting those expectations

Customer participation is gained through the interview process. By involving the key customers in the interview process, their input is gathered and can be used throughout the process.

It is the responsibility of the corporate organization to communicate to the suborganizations the changes to the plan and how those changes affect them.

INCORPORATE NEW LEADERS INTO THE STRATEGIC PLANNING PROCESS

The new senior leader should be a part of the revision process. Timing is important. Coming on board, a new leader is faced with absorbing a tremendous amount of information to become familiar with the new organization: how it operates, who the customers and suppliers are, what the products and services are, the organization's culture, and the organization's strategic planning process.

Advice: Wait to revisit the strategic plan until the new leader:

- ✓ Assesses the strategic plan and its impact
- ✓ Understands what changes the organization has been through
- ✓ Understands the process of strategic planning
- ✓ Talks with employees
- ✓ Talks with customers
- ✓ Has a sense of major internal issues
- ✓ Has a sense of external drivers
- ✓ Is well enough informed about the organization to make strategic decisions

After the senior leader has assessed the organization and the strategic plan, he or she needs to decide when to revisit the plan.

What about other senior leadership team members transitioning?

When members leave and others join the team, have the new member(s) involved in the revisiting process. If possible, interview both the outgoing and the incoming members to incorporate the wisdom and experience of the outgoing members and to bring the new members into the planning process. New members benefit from this involvement by being exposed to the organization's strategic management process. They also get an opportunity to provide new and fresh ideas. By having the new members participate as soon as possible, they will feel more a part of the plan and will more fully understand the planning process.

Advice: Senior members should have attended the DON *Senior Leader's Seminar* (SLS), which will provide them with a common understanding of process management, language, structure, and the need for strategic direction.



How do we more effectively integrate measurement with our strategic planning process?

INTEGRATE MEASUREMENT WITH STRATEGIC PLANNING

When revisiting a strategic plan that has not had strategic measurements, it is important to include their development in this iteration of the process. When revisiting a strategic plan that has measurements, the senior leadership team must validate those measurements. Do they indicate progress toward the vision? Have they led to other measures that may be used for identification of root causes of problems? If, as a result of revisiting this plan, there is a significant change to the strategic direction of the organization, then strategic measurements must be updated as well. For example, if the organization is taking on a new product line, strategic measurements may need to be developed to indicate performance in that new area.

Advice: Measurement is often thought of as “too hard to do” and is therefore “put off.” It is the senior leader’s responsibility to make strategic measurement a primary, priority part of the process.

How do we use measurement results?

If an organization has already been measuring its strategic goals, the results or output of that measurement effort should become input into the next iteration of the strategic planning process. This feedback to the senior leaders becomes either positive (to reinforce the behavior) or negative feedback (to change the behavior) of the strategic management



Should we try revisiting the plan on our own, or should we use strategic planning facilitators?

So the strategic management process can be even more challenging the second time around?

system. The information can be provided to the senior leadership team as part of their next pre-planning phase or during the environmental scan.

USE EXPERIENCED STRATEGIC PLANNING FACILITATORS

Use strategic planning facilitators to assist with the revisiting process. They will help focus the review and can help leaders use their time more efficiently. Because of their external perspective of the organization and the issues that it is trying to address, external strategic planning facilitators are better positioned to assist the senior leadership team with its strategic deliberations.

Advice: External can mean outside of the individual organization, but not necessarily outside of the entire Department of the Navy. The advantage of external facilitators is that they can advise candidly because they are not subject to internal supervisory controls. A good external strategic planning facilitator has different strategic management experiences that can enrich the revision process and provide lessons learned to the senior leadership team.

Yes. If, as Haines said, “. . . planning is the primary function of management,” then strategic management is the primary function of leadership. Think about Dr. W. Edwards Deming’s Plan-Do-Study-Act (PDSA) cycle. Strategic management is the way that the Department of the Navy operationalizes his teachings about PDSA. “P” considers both the pre-planning and strategic planning processes; “D” encompasses both the deployment and implementation of the plan; “S” tracks progress, measures results and outcomes, and evaluates all three. “A” feeds the evaluation back to the system and either adjusts or standardizes the system based upon that feedback.



SECTION II:

CASE STUDIES



CASE STUDIES: STRATEGIC PLANS AT WORK

“THE BEST PLAN IS ONLY A PLAN, THAT IS, GOOD INTENTIONS, UNLESS IT DEGENERATES INTO WORK. THE DISTINCTION THAT MARKS A PLAN CAPABLE OF PRODUCING RESULTS IS THE COMMITMENT OF KEY PEOPLE TO WORK ON SPECIFIC TASKS. THE TEST OF A PLAN IS WHETHER MANAGEMENT ACTUALLY COMMITS RESOURCES TO ACTIONS WHICH WILL PRODUCE RESULTS IN THE FUTURE. UNLESS SUCH A COMMITMENT IS MADE, THERE ARE ONLY PROMISES AND HOPES, BUT NO PLAN.

(DRUCKER, 1986)

This handbook has provided guidance based on extensive work with client organizations in developing, deploying, and implementing strategic plans. This information has been supplemented by research that included interviews with DON and other government leaders who have led strategic management efforts within their organizations.

Every organization handles its strategic management effort differently. Leadership style, maturity of the organization, structure, morale—all of these factors influence how an organization will approach its strategic management efforts. Section I of this handbook has offered guidance. To provide real examples of this guidance in action, four case studies follow. Each case study offers a different perspective on strategic management initiatives.

The case studies are not intended to be hallmarks of how strategic management should be implemented, but rather how leaders applied their knowledge and best efforts toward creating a better organization.

The cases are structured according to the processes of strategic management: planning, completing the plan, communicating the plan, implementing the plan, and measurement and evaluation. In addition, lessons

learned are provided to help other organizations make choices about their own plans. Keep in mind that what works for one organization will not necessarily be successful for another. To be most successful, balance these case studies with the guidance provided by this handbook and your own organizational culture.

Each of the organizations profiled offers a different strength. [Naval Air Station, Barbers Point](#), which is scheduled for closure, undertook strategic planning to help its people deal with issues related to closure, reduction in size, and transitioning. [Naval Air Facility Washington](#) has a mature process for utilizing teams for implementation efforts. [U.S. Military Entrance Processing Command](#) used their formal policy deployment system to outline detailed implementation plans, including roles and responsibilities. [Center for Veterinary Medicine](#) employed a unique approach for communicating their strategic plan to the workforce.

Within each case study are quotes taken from interviews with the senior leaders and strategic planning coordinators. These insightful comments provide a taste of their experiences, thoughts, and feelings—in their own words. Our intent is not to judge their efforts, but to learn from them.

CASE STUDY:

NAVAL AIR STATION, BARBERS POINT

BACKGROUND

The Naval Air Station Barbers Point (NASBP) has been placed on the Base Realignment and Closure (BRAC) list. The senior leadership of the command undertook strategic planning to help its people deal with BRAC-related issues. They needed to include closure in their mission, reducing their size and transitioning much of their remaining activity to Marine Corps Base Hawaii at Kaneohe Bay.

“Our closure date is July ‘99. We’re moving all the operational units and a lot of the air station assets and personnel over to Kaneohe Bay, just across the island. The strategic plan helped focus attention on that and we are well on our way in working toward the move because of it.”

Their goals and objectives reflect their desire to become a model for maintaining the quality and continuity of their service to the operating forces and supporting and improving the quality of life for their personnel while transitioning to closure.

STRATEGIC PLANNING PROCESS

In a 3-day offsite in December 1994, the senior leadership of NASBP developed its mission, vision, guiding principles, and broad goal areas using the DON strategic planning model and guided by a strategic planning facilitation team from the TQL Training Team Pacific. The participants, numbering about 20, were the department heads and special assistants—all people with a stake in operating and, ultimately, closing the base.

“The 3-day offsite really got us together as a team and focused our common efforts on what was significant for our organization—transitioning to closure.”

Following the initial strategic planning offsite, the Base Transition Steering Committee (BTSC) was formed as an Executive Steering Committee to oversee completion and implementation of the plan. There was a delay

in completing the strategic plan and no structured activity on deploying the plan for a number of months.

“The transition process for the base had not yet been determined. We didn’t know what was happening with the operational units, whether the air station would close up, whether we would move, or what the time line was. So a strategic plan to carry us through for who knows how long or for what goals—we figured that we’d better wait to finish it until we got the word on what was happening.”

The mission, vision, and guiding principles below were provided by the TQL Coordinator from the unpublished NAS Barbers Point strategic plan:

Mission

Close NAS Barbers Point consistent with public law.
Maintain quality service to the operating forces.
Tailor support infrastructure.
Continue quality of life support.

Vision

A good neighbor
Environmental steward
Model for transition to a successfully integrated community

Guiding Principles

To inspire an attitude of excellence we will:

Encourage and embrace innovation and change.
Work together with mutual respect, trust, and
accountability for our actions.
Keep people informed at all levels and maintain strong
community relationships.
Allow all personnel to provide input to the transition
process while being sensitive to their personal needs and
professional growth.

PHASE I Deployment: Completing the Strategic Plan

Work on the plan resumed after the unanswered questions about the BRAC were resolved.

“We got the word about our realignment and transition from the Commander-in-Chief, Pacific Fleet, in October ‘95 and we started picking up again where we left off on the strategic plan.”

Early efforts to use QMBs to further develop the goals were not very successful.

“We really didn’t get anywhere because the QMBs generally didn’t have time to meet. They were so cross-functional that they almost got in the way of the daily routine.”

One of the principle mission areas is tailoring the infrastructure (the numbers of people and facilities needed to support the fleet). The process owners developed their own POA&Ms for tailoring their infrastructure. These were reviewed by the BTSC and merged into a common POA&M for the base.

The senior leaders decided to give the draft plan to the mid-level managers—the chief petty officers (CPOs)—to review and validate. The chiefs met in January 1995 in a facilitated, closed-door session. The Command Master Chief, who is a member of the BTSC, acted as a downlink. This “Chiefs’ Round Table” made positive contributions to the completion and further deployment of the strategic plan.

“The chiefs took the goals and came up with some great objectives and elements. They really put more action into the plan.”

- ✓ The chiefs reviewed, validated, and augmented the strategic plan.
- ✓ The chiefs’ buy-in to the plan was obtained.
- ✓ The chiefs contributed a work-oriented perspective to the plan.
- ✓ The session resulted in team-building within the mid-level management group.
- ✓ The chiefs were exposed to TQL processes.

PHASE II Deployment: Communicating the Strategic Plan

"Up until then, we'd had a lot of resistance from the chiefs about taking formal TQL training. But they got some training from the facilitator, and they used it, and it was effective. We actually got some converts, guys who said, 'I guess this TQL stuff works.'"

The BTSC met and completed the plan based on the inputs from the Chiefs' Round Table and subsequent BTSC meetings.

At the Chiefs' Round Table, the draft plan was presented to the mid-level management group by the Command Master Chief in an environment where they could make unreserved inputs without negative consequences.

"The reason why [the Commanding Officer] didn't present the plan was that he didn't want the chiefs to get the impression that this was his plan, that if they changed it, they were changing the skipper's plan. He didn't want any intimidation."

The plan has been communicated to the workforce via the department heads or division officers.

"We feel it's important to have it come down from the bosses. That way people know that the boss thinks it's important."

Now that the strategic plan has been completed, plans for communicating it both internally and externally are being developed:

- ✓ Department heads will hold formal briefings on the plan for their people.
- ✓ The plan will be covered in the command's General Military Training sessions.
- ✓ The Public Affairs Office communication plan will be implemented to disseminate information to station personnel, residents, the chain-of-command, and the community using face-to-face presentations and print and electronic media.

The completed strategic plan is being shared with the base that NASBP is transitioning to at Kaneohe Bay.

IMPLEMENTING THE STRATEGIC PLAN

The mission, vision, and guiding principles have been published and communicated to the next level up in the chain-of-command.

The goals were recently communicated up the chain-of-command in response to a request for the command's goals for 1996. Using its strategic plan as the baseline, the BTSC synthesized a list of goals from the plan.

"They were able to do that because we have been using our strategic plan as our roadmap to the future. We have our POA&Ms all laid out. Putting together the goals for '96 was just a cakewalk for us."

"One of the major processes we need to complete within the next couple of years is closing down the base and transitioning all the operational activities to the Marine Corps Base Hawaii at Kaneohe Bay."

A combined relocation team has been established at the senior leadership level. It will meet every week to work through the base closure and transition process.

NASBP senior leadership sat in on the Marine Corps strategic planning sessions and is working to coordinate the NASBP plan with the Marine Corps plan.

A BRAC Office was opened to get started on the new mission of closing the base.

"The BRAC Office was instrumental in coordinating a number of actions that came out of the strategic plan and that were in the command POA&M. In fact, it was one of the people from the BRAC office who took the individual department POA&Ms and merged them into the command one."

Tailoring the infrastructure has resulted in a reduction in military end-strength requirements by 200, or almost one-third of the enlisted workforce.

“The process owners all accomplished a lot moving us toward tailoring our infrastructure. We wanted to know what we could downsize to and still support the fleet.”

The principal strategy used for end-strength reduction has been elimination of redundant functions.

“Can we partner with the local weapons magazine to reduce the number of ordnance men we have on station? Can we partner with local supply centers to reduce the number of supply personnel we have on board? If you restructure your aircraft intermediate maintenance department, how many people do you really need?”

Strategies were implemented to reduce the impact on the civilian workforce of tailoring the infrastructure. For example, the new partnership with the local supply center made it possible to eliminate 18 (almost a third) of the civilian positions in the supply department. The workers were placed in other jobs made available by attrition or offered early retirement with a bonus.

“We were able to do that because we developed a plan on how to do it, planned well out into the future, and got everybody working by the plan.”

Without having the strategic plan fully implemented, work on the goals has stayed mostly at the department head level.

“Each individual member of the BTSC was expected to talk to the various people in his or her area of responsibility and, in the interim, work toward the basic goals.”

The strategic plan directs the chartering of QMBs for initiating and monitoring implementation in the areas of personnel and readiness, base realignment and closure, and quality of life. Membership is currently being defined and identified.

“We are having the various functional areas review their processes and identify where their products and services impact the strategic goals. The BTSC will come back together, collate the inputs, and identify members for the various QMBs.”

Significant accomplishments and the major items being worked on are briefed to the BTSC quarterly. The BTSC periodically reviews the POA&Ms and discusses modifications.

“Every department has had a lot of accomplishments, substantive ones that show we’re doing things more efficiently, with fewer people, doing things that were right for closure and for operating the base at the same time.”

The BTSC periodically reviews accomplishments. While they are not specifically tying metrics to the plan, they see results.

“I haven’t got any measurements on hand that will tell you that our backlogs in maintenance have been reduced. But, even though we’re reducing our maintenance personnel significantly, our backlogs have never been lower. That, I think, is just a result of good plans and good management.”

Evidence that the guiding principles are having an impact:

“Innovation is welcome because of the possibilities for improvement. There is a realization that changes are going to be made and now is the time to look over everything with a view to innovation.”

“People are looking at how we can do things better as we rebuild over at the Marine Corps Base at Kaneohe.”

“The department heads work with each other, looking at the process, trying to come up with better ways of doing things, rather than just individually trying to fix a problem or put out a fire.”

“Since the Round Table, the department heads are working more with the CPOs.”

“There seems to be a good flow of interdepartmental communication.”

“Our legal problems on base have dropped over the past year.”

“The command is holding a quality of life conference.”

The command's Ohana (Hawaiian for "family") Quality of Life Conference is tied in with the guiding principles as well as one of the mission areas: continuing quality of life support even though the base is moving.

"We're going to review all the concerns about quality of life, prioritize what people think are the most important issues for quality of life, and then develop an action plan."

Participants will be delegates from the air station and from all of the tenant commands who are customers.

"The delegates will be coming up with the most important quality of life issues. Everybody has a chance to suggest ideas and offer solutions. They are all part of the process. It's not just a bunch of Captains or Morale Welfare and Recreation Directors saying how we improved quality of life around here; it's the deckplate level."

The delegates will separate into focus groups and meet to review inputs received from the extended naval community—the military personnel, their family members, retirees, and civilian workers.

"This process goes to the deckplate level to find out what they really want, what the families want, what the customers want. It's not just a town meeting where people are throwing up their individual agenda items; it's a way for this group to come to consensus on the five highest priority quality of life issues."

Each focus group will brief the five items most needing improvement in their topic area to the Commander of the Naval Base and the installation commanders. Issues that are Navy-wide will get forwarded to the Chief of Naval Operation's Quality of Life Panel, but most are expected to be installation-specific.

"When you talk about enhancing quality of life, that is the process. It's a TQL process. It's a strategic process. It's everything rolled into one, and it really works."

LESSONS LEARNED

“You need to include people at all levels throughout the command so they feel that they’ve been part of the process and have a stake in the plan; so they will support the plan.”

“We senior leaders are only comfortable getting to the goals in an offsite. We provide the leadership and guidance. We’re mission, vision, and goals people. The CPOs, the mid-level managers—they are the doers. They’re the ones to develop the objectives and elements.”

“As you get further down through the tasks and elements developing action plans, it’s important to get input and participation from the people who are going to be implementing the plans. They are the ones who best know their jobs and what’s needed.”

“The Commanding Officer needs to ensure that people are aware that leadership backs the plan and expects people to conduct business in accordance with the plan.”

“Having the mid-level managers (the CPOs) validate our strategic plan and then fully develop the objectives was a powerful process. It helped them gel as a team. It helped them get on board and buy into the mission, vision, and goals.”

“The plan won’t go anywhere unless the process owners are on board with the goals and working as a team to accomplish them. Their leadership is needed to guide the people beneath them. That’s why we call it TQL.”

“The key to success is the linkage between the strategic plan and the existing processes—not having two different organizations, or two ways of managing things, but linking them. For instance, the facilities and environment QMB is linked to the Facilities Planning Board. It’s an existing process that is tailored to accomplish the goals of the plan. If you don’t have that linkage, you may not get buy-in.”

“The quality of life conference is a powerful tool. This is the way to go when you’re figuring out prioritizing what customers want for quality of life.”

“Don’t try to force feed the strategic plan. Take it slow and make sure that the right people are in the right place.”

“When everybody in the room feels good about the other guys’ achievements—they’re not competing with each other, but proud of their performance as a group—then the teamwork just keeps going.”

“When the strategic plan is put on paper, people may treat it as just another flyer. The mission, vision, and goals statements mean a lot to the people who developed them, but may not mean a lot to the people who are reading it. The department heads who communicate on a daily basis with the troops are the ones who will take the strategic plan and make it part of their lives.”

“The reality is, if you don’t have an input into a process, you don’t focus on it. That’s why having the workforce make inputs to the Ohana Quality of Life Conference is so important. You’re getting down to the stuff that really matters to the troops.”

“Implementing the plan would go smoother if more people had a better background in what a strategic plan is all about and why we need to go in that direction.”

“The skipper has emphasized that if we don’t make this plan work for us, we’ve wasted all the effort we put into it. It’s not just to make us look good.”

“You need to ensure that people at all levels who are going to be working the plan have a feedback mechanism to change the plan, if necessary, to make it better.”

“We found it crucial to have a trained strategic planning facilitator assist with the strategic planning process. The facilitator provided training in strategic planning, process management, and team skills in addition to guiding the attendees towards completion of a draft plan. Any other command just starting the strategic planning process is strongly advised to use a trained facilitator.”

CASE STUDY:

NAVAL AIR FACILITY WASHINGTON

BACKGROUND

Naval Air Facility Washington (NAF Washington) is a tenant command at Andrews Air Force Base, Maryland. It employs nearly 600 military and civilian personnel in 10 departments. The organization had done some strategic planning and had been attempting to implement TQL with little success for about a year and a half when a new Commanding Officer came on board. He found that the work of the QMBs was not coordinated and had mostly come to a standstill. There was no real plan for implementing the goals that the organization had established. And there was little buy-in to the strategic plan.

STRATEGIC PLANNING PROCESS

Fortunately, the NAF's senior leadership recognized the problems and accepted an invitation to participate in the DON Strategic Planning Facilitator Development Program in the Fall of 1993. The key members of the command—18 senior leaders, including the department heads, the Commanding Officer, and his special assistants—participated in a 3-day offsite retreat. They completed the mission, vision, guiding principles, and goals, leaving the strategies and objectives to be completed following the offsite. Because their strategic plan has been revisited periodically, the goals referred to in this case study are from the 19 April 1995 iteration of the plan.

"The strategic planning retreat breathed new life into TQL in our organization."

The following mission, vision, and guiding principles are quoted from the pocket-sized cards given by NAF Washington to all new personnel and other interested parties.

Mission

*The mission of [NAF Washington] is to optimize
Total Force readiness by providing:*

Logistics and maintenance support to local squadrons . . . and distinguished visitors.

Training and training support for reserve augment units and tenant commands.

A wide range of materiel, facilities, and support services to reserve units and active duty personnel of the National Capitol Region.

Specialized and responsive fleet support.

Vision

We are Naval Air Facility Washington.

We are the premier Naval Reserve command providing a model community in partnership with our customers in pursuit of quality.

We cultivate an innovative, proactive, process-oriented organization that makes us the customer's provider of choice.

We leverage our joint location at Andrews to maximize capabilities for our customer's benefit.

We capitalize on our demographics to complement our growth potential.

We employ emerging technology to provide flexible, timely, and cost effective training to meet the changing needs of our customers.

We pursue opportunities to provide specialized and responsive fleet support.

We ensure optimal resource utilization through dynamic planning and systems management.

Guiding Principles

In pursuit of continuously improving quality, we are committed to:

Honesty, integrity, professionalism, and the highest standards of conduct.

Safely accomplishing our mission through teamwork and dedication.

Being good citizens.

Treating people with trust . . . equality, and respect, providing opportunities . . . to excel.

Acknowledging personal efforts and team contributions.

Being good stewards of taxpayer dollars.

Promoting process ownership by involving workers and supervisors in decision making.

Providing quality customer service through communication and feedback.

Safeguarding people, resources, and the environment.

Empowering personnel by delegating authority and responsibility . . .

Being innovative in meeting present and future requirements.

Providing professional training [and] equal opportunity, and encouraging personal development and growth.

Relying on data, knowledge, and communication to make informed decisions and measure progress.

PHASE I Deployment: Completing the Strategic Plan

Following the strategic planning offsite, the Commanding Officer formed a new Executive Steering Committee (ESC), selecting the six people from the planning group who control most of the money and personnel resources. This group completed the plan.

"I wanted an ESC that was small enough to make decisions and still provide a broad input. I knew the work was going to be time-consuming, and I didn't want to tie up 18 people. I also knew that the more people I had, the more time-consuming it was going to be."

PHASE II Deployment: Communicating the Strategic Plan

While completing the NAF strategic plan, the ESC checked it against the strategic plan of its immediate supervisor, the Commander, Naval Air Reserve Force, to see how they aligned.

The planning team was not disbanded. Once the objectives and tasks were developed, the ESC cross-briefed the plan to the planning team. The ESC meets with the full team two or three times a year.

The ESC meets for 4 hours each week. It has evolved into a “board of directors,” working on decisions, such as mid-year reviews, policy decisions for the organization, and budget planning for the next year. Half of each meeting is devoted to training for the ESC.

The ESC developed a timeline for the tasks, indicating when each would be completed and how each would support goal attainment.

In the command indoctrination session, everyone is introduced to the goals and given a TQL handbook containing the mission, vision, and guiding principles.

“We have a one-day introductory course for people newly checking on board. People know up front that we’re a TQL organization when they get their sponsor package.”

Laminated, pocket-sized cards printed with the mission, vision, and guiding principles are handed out to each person who joins the command and to other interested parties.

“After we published the plan, we developed these handy little ID versions of it, which we give out all the time.”

The strategic goals are displayed on posters throughout the command.

“I framed about 50 of them and put them around the spaces, so the people see them all the time.”

Articles about strategic plan activities have appeared in the station newspaper.

IMPLEMENTING THE STRATEGIC PLAN

The Commanding Officer addresses the strategic plan at the Captain's Call, which is held once a month with different groups, and discusses strategic plan activity at Quarters on a fairly regular basis.

"When we do something that ties into one of our strategic goals, I'll mention that at Quarters."

The strategic plan was sent to Commander, Naval Air Reserve Force.

As part of the implementation plan, the ESC identified when dollars would be required to go against tasks, but not the amount, since that was unknown.

The ESC established a timeline for accomplishing the goals, objectives, and tasks.

The ESC establishes teams to work on the tasks and provides them with a charter.

The Commanding Officer sends letters to team members asking for their participation, communicating the need for their expertise and commitment, asking them to keep their department heads advised of their schedule and assignments, and thanking them for their help.

The charters were written in accordance with the following guidance. A sample charter also follows.

Guidance for Chartering Teams

Charter: A mission statement given to a team that effectively identifies a process for improvement based upon the organization's strategic plan. The charter tells the team why it has come together and what it is to accomplish. The charter should:

- ✓ Identify the process/systems selected for improvement
- ✓ Provide background information on why the process has been selected
- ✓ Set boundaries and limitations
- ✓ Provide a clear idea of where to begin
- ✓ Tell the team exactly what is expected of it
- ✓ Provide guidance on reporting criteria to the chartering team
- ✓ Define limits of authority
- ✓ Identify team members

Questions to ask before releasing the charter to the team, and the questions the team should ask itself:

- ✓ Is the team's charter clear (i.e., do you know what management expects you to do?)
- ✓ Does the tasking cover the entire process or only part of it?
- ✓ Where does the team fit in?
- ✓ Where does our process start and end?
- ✓ What are the specific boundaries?
- ✓ What will be outside our jurisdiction?
- ✓ What improvement goals have been set and are they realistic?
- ✓ What resources (inside and outside the department) will be needed?
- ✓ Has management committed these resources to the team?
- ✓ Do we have the right people on the team to analyze the process and accomplish our objective?
- ✓ What people not on the team are critical to our success?
- ✓ Who can we expect to support the team's efforts, and who may be opposed?
- ✓ What are the potential roadblocks to this process improvement?
- ✓ What strategies can we use to minimize opposition to the team's efforts?
- ✓ Can countermeasures to these roadblocks be identified?

While these questions are not exhaustive, they provide a starting point for the team to gain an understanding into the process they have been chartered to improve. It is very important that the downward linking-pin be present at the first few meetings to ensure the team has a firm grasp of the process.

SAMPLE of a CHARTER for a PROCESS ACTION TEAM

1. Purpose: The purpose of this team is to identify all training and education resources for professional growth and personal development that may be available to members assigned to NAF Washington. This data will be used to conduct an analysis of opportunities versus needs/desires as compiled by a survey of personnel assigned to NAF Washington.
2. Background: The Executive Steering Committee is working on implementing the NAF Strategic Plan. One of the goals specifically deals with Professional Growth and Personal Development (see enclosure 1: Strategic Plan [not included]). There is a requirement to compile what training and education resources are available. This compilation should include all types of training and education that will assist a member in growing professionally and developing personally.
3. Guidance:
 - a. For purposes of this team, enclosure (2) [not included] is a list of customers and stakeholders.
 - b. The final list must contain type of training, availability, cost per student, and how it applies to the member, i.e., professional growth toward NEC for rating . . . or personal development in what regard.
 - c. This information will be applied against the needs/wants data gathered from the military and civilian members assigned to NAF Washington. The survey is provided as enclosure (3) [not included].
 - d. The team will have the latitude to seek outside expertise.
 - e. The information will be in such a format as to allow easy comparison to the data from the survey with respect to satisfaction of wants and needs.
 - f. This information will be presented to the ESC by 4 April 1996.
 - g. This team may be dissolved upon completion and acceptance of the information by the ESC.

Downward Linking Pin: _____

Quality Advisor: _____

Membership: _____

IMPLEMENTATION RESULTS

Implementation progress is monitored through team reports to the ESC. The ESC establishes time lines for accomplishing tasks and reviews them every 90 days.

"We ask ourselves, have we been too ambitious? Have we been overly cautious? Are we going to meet the milestones that we've set? If not, by consensus, we will adjust the time frame."

"In trying to decide where they would spend money, where they would put resources, the ESC has committed to doing it in a way that will support the strategic plan."

NAF Washington has a goal to administer a survey dealing with professional development and personal growth. The survey was given out to every person, both civilian and military, at work on the base on the day of the survey. Two-thirds (433) of the command's personnel responded. The ESC intends to prioritize resources against the educational wants and needs expressed in the survey responses.

"We're into gap analysis. Now the workforce is waiting to see how we act on the information they gave us."

The command's training process has been expanded to educate people about the strategic plan and how to implement it using TQL.

The ESC decided to use the *Systems Approach to Process Improvement* model as the approach for implementing its strategic plan using TQL methods.

Just-in-time training in team skills and in use of the tools is provided to teams before they work on their assignments.

"That seems to work fairly well because the team members get the training together. They have already gotten accustomed to working together before they actually attack the problem."

To implement their goal of cultivating a culture founded in TQL, the NAF undertook an intensive period of workforce training using the DON

Teams Skills and Fundamentals of TQL courses. Approximately 80 percent of the organization was trained.

An *Introduction to TQL* class is held once a month for personnel who either missed the earlier training or are newly assigned.

“After they complete the course, a letter stating that they attended a one-day introductory TQL course is sent to the personnel department for their training records.”

Another goal states NAF’s commitment to maximizing its contribution to the Total Force by identifying new missions and exploring products, services, and ideas to serve customers better. As part of the budgeting process, money was allocated for additional ADP technological capability. As a result, the NAF is now the data site for two initiatives:

- ✓ A local area network was instituted in the field.
- ✓ Work on multi technology reader cards with the Office of the Secretary of Defense.

“We went from very little ADP capability to a lot. I don’t think we could have done those things if we hadn’t implemented such a strong program to purchase computer hardware and software.”

- ✓ A computer training lab, with an instructor available to all the command’s people, civilian and military, is being established.

In pursuit of partnering with other organizations to seek joint opportunities and reduce duplication of effort, the NAF developed a memorandum of understanding with the Air Force to consolidate security forces on Andrews Air Force Base.

“One part of our strategic plan was to look for ways to stop duplication with the Air Force. We came up with the idea of blending our security forces in with theirs.”

The ESC has encouraged departments to do planning, establish goals, and work more closely with other departments that are their customers and suppliers.

LESSONS LEARNED

"The plan has enabled us to coordinate efforts and focus like a laser on certain processes that are critical to the NAF's operation."

"In implementing the strategic plan, take a long view of things, try not to get bogged down in the weeds, and avoid flash-in-the-pan successes."

"Publicizing your goals and getting people involved to build a critical mass are very important. You can't underestimate the value of lots of publicity."

"Each organization has to find out for itself the ideal number of key players. You may have ten people who are very important, but you probably can get by with only six on your ESC as long as you cover the spectrum of services performed by your organization."

"When you have a large ESC, you may never come to consensus, or you may have false consensus. You may have one person who is just waiting to ambush you."

"The process of getting to consensus can be tedious. But you have to go through it."

"You have to be very careful about 'groupthink' in your team. That causes some problems to go unmentioned."

"To make the strategic plan and TQL work, the senior leaders have to make it evident that they believe this is not just an optional way to do business, but the only way. Not only do they have to support it, they have to embrace it enthusiastically and sincerely."

"If people are given any way to go around the system, or to continue doing things the way they did in the past, the process won't change. When that option is removed, and they are told from the top that this is how we do business, then TQL works wonders."

"It's a long process to get to the measurement part of how you're doing. It has taken us well into our second year before we're ready to start measuring our initial moves."

“To allay fear and alleviate peoples’ concerns about privacy, surveys have to be administered in a very deliberate manner. It’s a balancing act between how specific the information will be and giving people the feeling that they can’t be picked out, that there aren’t going to be any repercussions.”

“When you form teams it’s got to be a top-down approach. People need to know that they have the full support of the Commanding Officer, that everyone is behind it, that their jobs won’t suffer because they’re serving on a team. They need to know that supporting the strategic plan is part of their everyday work.”

“When chartering a team, set a reasonable period of time for it to complete its task. When the task is over, the team is over.”

“Training people before they have an opportunity to use what they’ve learned is a waste. They forget what they learned and they get frustrated because there’s no way to practice it.”



CASE STUDY: UNITED STATES MILITARY ENTRANCE PROCESSING COMMAND

BACKGROUND

USMEPCOM, the United States Military Entrance Processing Command, is headquartered in North Chicago, Illinois, where it employs approximately 280 civilian and military personnel. Reporting to the headquarters are two sector commands, each with approximately 25 personnel, who oversee 65 Military Entrance Processing Stations (MEPS) having 24 to 54 personnel each.

The impetus behind USMEPCOM's strategic planning and management efforts is twofold. First, according to USMEPCOM's *Strategic Planning for the 21st Century—Ensuring the Quality of the Force*, the Corporate Information Management Initiative requires all DoD managers to identify and implement process improvements in their functional areas of responsibility. Since all process redesign begins with mission and action plans, each organization must have a clear mission statement and a strategic plan that lays out goals and objectives. Functional Process Improvement is a key component of defense policy that is guiding the restructuring and reorganization of the DoD. Second, the Government Performance and Results Act requires all Federal agencies to do strategic planning and performance measurement. The strategic plan developed by the command's senior leadership will cause USMEPCOM to identify and implement functional process improvements and performance measurements. It will expand USMEPCOM's presence throughout the Federal Government and put it on a course that transforms the organization into a higher performing system.

USMEPCOM hired a consultant who used the DON Strategic Planning Model to guide them through the process. The pre-planning and organizational assessment phases were completed and, in July 1995, the 12-person senior leadership group met for a 3-day session at which they crafted the mission, vision, guiding principles, strategic goals, strategies, and draft objectives. Their mission, vision, and guiding principles follow.

"The process that [the consultant] brought allowed us to brainstorm problems . . . and whittle them down into something workable."

"A lot of what we are doing is based on consensus. That is the most impressive thing about the process."

Mission

(We) qualify applicants and ship recruits who meet service standards, and . . . conduct the DoD student testing program. We are a partner in the success of the recruiting, qualifying, and training triad during peacetime and mobilization.

Vision

USMEPCOM is a major partner in the accession process, ensuring the Quality of the Force into the 21st Century. We are a unique, innovative accession command and the . . . model for entry-level qualification into the federal system . . . We excel at providing accurate, timely, cost-effective evaluation of applicants . . . We are the nucleus for managing information pertinent to accession processing.

Guiding Principles

Our whole existence depends on customer trust and our competence. We must remain independent and impartial in the accession process.

We constantly evaluate and improve how we do business by optimizing resources, being . . . innovative, promoting teamwork, and working in partnership with our customers.

We respect each other and have the moral courage to be open and honest. We conduct ourselves with pride and hold ourselves accountable in the performance of our mission.

PHASE I Deployment: Completing the Strategic Plan

"The action planning, time-phasing, and resource estimation is the hard part. Coming up with the goals for the strategic plan and then the strategies and objectives to support those goals went pretty well."

Following the initial strategic planning session, the Commander held an all-hands meeting to talk about strategic planning and describe the draft plan. Informal feedback was received.

"We did a good job telling the workforce that we were working on a strategic plan. Initially that was met with a great deal of skepticism, given the command's past failure to come up with a workable strategic plan."

A month later the senior leadership group met again, considered the informal feedback, and finalized the objectives.

Directorate heads briefed the draft plan to their mid-level managers and invited them to a feedback session the following month.

A one-day feedback session was held for approximately 70 mid-level managers. The senior leadership team briefly clarified the vision, mission, and guiding principles. Then the mid-level managers were assigned to randomly selected groups of about 20 that met in turn with each of the goal groups in separate rooms. In these facilitated goal group sessions, detailed feedback on the goals, strategies, and objectives was gathered.

"One day was not enough for the mid-level managers' feedback session. If it hadn't been facilitated, it would have turned into a big gripe session and very little would have come out of it."

The goal groups affinitized the mid-level managers' feedback, decided which items to incorporate in the draft plan, and compiled the feedback with annotations: whether incorporated, where, and if not incorporated, why not.

"The feedback session was valuable because it gave the mid-level managers the feeling that they were involved. They contributed some good ideas that we were able to incorporate in the plan. The benefits far outweighed the cost."

PHASE II Deployment: Communicating the Strategic Plan

The plan was updated and distributed, with the annotated feedback, to the senior leadership.

Then the Commander met with feedback session participants and distributed the draft plan and the annotated feedback.

"Feedback was more positive than it has ever been. People were saying, 'They are serious this time. We have a plan, a written plan, and while it is not perfect, it's more than we've ever had before.'"

The senior leadership team met again to finalize the plan and develop its deployment and implementation strategies.

"There is a tendency to feel a little tired and burned out and frustrated. It is important for the group to get together again to reinforce the importance of the plan, where it is, and the ability to get there."

The Commander briefed the plan to everyone at headquarters in a second all-hands meeting. At the same time, the sector commanders and MEPS commanders presented the plan to their personnel at locations across the country.

The strategic plan was published as USMEPCOM Order 96-1 on 31 October 1995.

"I think the fact that we stayed on course and published a strategic plan on the target date of 31 Oct 95 impressed the workforce. They were impressed by what they saw."

Following publication, a personalized copy of the strategic plan was given to each employee at headquarters.

The Messenger, the command magazine that goes to every individual in the command, dedicated an issue to the strategic plan, explaining progress in executing the goals. In addition, the command plans to dedicate the January/February 1997 issue exclusively to the strategic plan.

IMPLEMENTING THE STRATEGIC PLAN

STRATEGIC PLANNING TEAM

To deploy the plan outside the command, copies were mailed to the chain-of-command; personally handed to the Commander's boss; and mailed to the command's customers and partners, the recruiting commands, the MEPS, and the training centers.

Future deployment initiatives are to:

- ✓ Review successes in meeting the strategic plan at command-wide meetings.
- ✓ Establish a column addressing the strategic plan that will appear in every issue of *The Messenger*.
- ✓ Use e-mail and award ceremonies as vehicles to keep the idea fresh in everyone's mind that the organization's successes are almost always tied in some way to the accomplishment of the strategic plan.

"We need to keep the plan in front of the workforce."

- ✓ Obtain the strategic plans of partners and customers, primarily the recruiting services, to study them and attempt to bring theirs and USMEPCOM's closer.

Shown below are responsibilities of senior leadership and management for implementation as outlined in USMEPCOM Order 96-01.

- ✓ Remains intact
- ✓ Chartered to oversee implementation of strategic plan
- ✓ Meets formally every 2 months to:
 - review status of implementation activities
 - discuss and reach consensus on implementation needs
- ✓ Provides leadership and guidance to the Command
- ✓ Meets annually or as needed to formally revise the strategic plan

Goal Groups

- ✓ Remain intact
- ✓ Oversee implementation of goal area
- ✓ Meet formally at least every 2 months with objective leaders to review progress and provide guidance

Goal Group Leaders

- ✓ Convene goal group meetings
- ✓ Work with USMEPCOM facilitator assigned to goal group to establish meeting agendas, etc.
- ✓ Keep record of goal area implementation activity
- ✓ Brief status of goal area implementation to planning group at monthly Staff Call
- ✓ Provide guidance and leadership to objective leaders

Objective Leaders

- ✓ Convene objective implementation teams
- ✓ Keep record of objective implementation activity
- ✓ Brief status of objective implementation to goal group and also to planning group as required
- ✓ Work with facilitator to establish meeting agendas, etc.
- ✓ Lead objective implementation

Objective Implementation Teams

- ✓ Chartered by goal groups (they develop their own charters that are approved by goal group)
- ✓ Develop and implement implementation plans for objectives (tasks, responsibilities, time lines, resources required)

Deputy Commander/Chief of Staff

- ✓ Oversees plan implementation activity
- ✓ Retains tasking authority for all facets of the strategic plan
- ✓ Coordinates implementation issues requiring immediate attention with the Commander
- ✓ Requires updated Officer Evaluation Report (OER) support forms and civilian support forms from planning group members that reflect strategic plan implementation responsibilities

	✓ Requires training plans from planning group members that reflect receiving training in areas associated with strategic plan implementation ✓ Briefs new members of the staff on the strategic plan
COMMANDER	✓ Provides overall leadership and guidance to Command regarding strategic plan implementation ✓ Convenes planning group meetings ✓ Works with facilitator to establish agendas, etc. ✓ Shares guidance from higher echelons with planning group members and ensures that guidance is reflected in the strategic plan as appropriate ✓ Champions the strategic plan to stakeholders and customers ✓ Holds “all-hands” meetings to share plan implementation progress with Command ✓ Briefs new Commander regarding the strategic plan
DIRECTOR, RESOURCE MANAGEMENT	✓ Provides advice to Commander through the Program Budget Advisory Committee (PBAC) process for the strategic plan ✓ Provides for facilitation support
DIRECTOR, PROGRAM ANALYSIS AND EVALUATION	✓ Maintains strategic plan documentation as the central point of contact ✓ Updates the strategic plan documentation as appropriate ✓ Provides Goal Group support
INDIVIDUAL PLANNING GROUP MEMBERS	✓ Participate fully in strategic plan development and implementation as planning group and goal group members ✓ Champion the strategic plan within own areas of responsibilities ✓ Develop job standards that include strategic plan responsibilities and amend OERs ✓ Develop training plans to address training in the areas of the strategic plan

Each goal group met with its objective leaders to outline their responsibilities, select objective implementation teams, discuss charter and implementation plan development, and establish a timeline for goal group review.

"It's difficult to come up with implementation plans and timelines, and allocate resources, when you are trying to look 5 to 15 years ahead."

"Implementation is managed at the goal level. The goal group leaders are responsible for keeping the senior leadership informed on the status of the strategies and objectives that support the goals."

The strategies and objectives are listed in action plan format, and the goal group leaders or objective leaders report their status to the deputy commander.

"On a monthly basis, we are requiring them to give a subjective evaluation of the impact of the accomplishments they are making."

At weekly command-wide meetings, the Commander informally shares the status of strategic plan efforts.

"You can't do this without command-wide involvement, but you also need involvement of the senior leader in major areas."

The action plans for the objectives submitted by the goal groups have been reviewed and approved or disapproved.

"On some of them we've said, 'Well, this sounds good, we can do it. Let's proceed two steps at a time.' On some others we've said, 'Well, it was a great idea but we can't do it and here's why.'"

Every 2 months, the senior leadership team meets for a facilitated half-day session to do a detailed review of plan implementation, modify the plan if necessary, and obtain consensus when needed.

"The process we are using enables us to refine the strategic plan as we go along. We will not give up on the plan and call it a

IMPLEMENTATION RESULTS

failure, but refine it to something that remains manageable and workable.”

“One of the MEPS commanders tied all of her major accomplishments to the four goals of the strategic plan when she submitted input for her annual evaluation report. If we can make that the standard, we can really start to institutionalize the strategic plan.”

Some mid-level managers are requiring their civilian employees to tie what they are doing to the strategic plan.

“If you say, ‘We’re going to start measuring processes,’ and your employees say, ‘Why? We’ve never done that before,’ you can say, ‘Because this is one of the steps involved in accomplishing the goals in the strategic plan.’”

There’s been some change in behavior—people working together, trying to solve problems, trying to make sure that they look after each other and that everybody is credible.

“The camaraderie and morale are better because there’s a published strategic plan that people can look at and say, ‘I can identify with this.’ But we need to be farther down the road before we can say people really believe in the guiding principles and practice them every day.”

The civilian award system is being reevaluated and that is attributable to the strategic plan.

“As you implement the strategic plan, you are institutionalizing the guiding principles, vision, and the accomplishment of the goals.”

STRATEGIC MEASUREMENT

One of the goals of the plan is to establish quantifiable performance measures that are tied to accomplishing objectives.

“We’re still struggling with the measurement part.”

Goal group leaders track progress on objectives using action plans to check off objectives which are accomplished.

Feedback from customers on whether service is better is gathered, both orally and by letter.

"How do you measure whether you are giving good customer service? I don't know any other way but talking to the people you are serving and going by what they say."

LESSONS LEARNED

"We may be trying to do too much too fast. It looks like we are trying to do everything at once because we have short timelines with early start times."

"Resource managers or budget managers have to be part of the planning team. As you make the strategic plan more forward-looking—when you start looking at undertaking new areas of business or giving up areas of business or taking on new programs—you have to program money or it will never happen."

"The strategic plan has to be linked to the budget process because you only get so many dollars. If you are looking to do improvements—which of course we all are—you've got to tie that to dollars."

"It is very difficult to think strategically 10 to 15 years out if you have a lot of near-term things that need to be fixed first—things like cultural problems, the evaluation system, customer relations, and performance improvement measurements."

"It is difficult to replace subjective evaluations with quantifiable performance measurements. The goals that deal with changing the command culture and improving customer relationships and satisfaction are a bit hard to measure."

"You don't get rid of mistrust overnight. Following the plan makes people believe—that the leadership is serious, that it is a real plan, that we can adjust it, but basically this is our guidance for the future."

“Successful implementation requires commitment to the plan. If somebody says, ‘Let’s go off and do this,’ you can say, ‘Show me how that supports the strategic plan.’ You have to continue to focus on the plan, although occasionally you may have to step outside of it.”

“Communication is absolutely essential to successful implementation. As long as we continue to emphasize the plan and communicate what we’re accomplishing, people continue to believe we are serious. Keeping the plan visible to the leadership and the workforce, using whatever resources you have available, is probably the key to implementation success.”

“We need to go back periodically and recapture the closeness that we had after we finished our initial strategic planning session. It just takes stepping outside of the day-to-day environment from time to time, sitting back, rehashing, talking to each other, reaffirming our teamwork principle.”



CASE STUDY:

CENTER FOR VETERINARY MEDICINE

BACKGROUND

The Center for Veterinary Medicine (CVM), part of the Food and Drug Administration, is an organization of approximately 250 people with facilities in Rockville and Beltsville, Maryland. CVM initiated the strategic planning process in response to demands for speeding up the review and approval of new animal drugs while increasing vigilance in protecting the public against unsafe and fraudulent products. Workload was increasing in a period of declining resources. They saw the need to shift from focusing solely on protecting the public from unsafe animal products and fraud to ensuring that safe and effective drugs needed for use in animals could gain access to the market in a timely manner.

“We needed to rethink what we actually did in terms of the service we provide to the taxpayers. That’s what started us out in our strategic planning process.”

STRATEGIC PLANNING PROCESS

The CVM hired a consultant to guide them through the strategic planning process. She assessed the organization by interviewing the 30-member senior leadership team that formed the planning group as well as focus groups of employees. The resulting data package was used as the basis for the strategic planning undertaken at a 3-day offsite in November 1994. The senior leadership team developed the mission, vision, and guiding principles, and affinitized the issues into five broad goal categories.

“It was a very long three days. We worked from 8 in the morning to almost midnight every night.”

CVM’s mission, vision, and guiding principles follow:

Mission

[CVM] is a public health organization that enables the marketing of effective animal drugs, food additives, feed ingredients, and animal devices that are safe to animals, humans, and the environment. We, in partnership with Federal and state agencies and other Center customers, ensure animal health and the safety of food derived from animals. We . . . take regulatory actions . . . perform research, monitor product safety and efficacy, and continually strive to improve the quality of our processes.

Vision

We are an internationally recognized public health organization responsible for the evaluation, approval and/or surveillance of animal drugs, food additives, feed ingredients, and animal devices. We are proactive in our efforts to increase the availability and diversity of safe and effective products that relieve animal pain and suffering, sustain their health, improve animal productivity, and do not compromise public health. We . . . [use] state of the art science and technologies to . . . accomplish our mission. People . . . work cooperatively as an integrated team. We foster open and collegial partnerships with our constituencies . . . We all live by, and our managers exemplify, the Center's guiding principles . . .

Guiding Principles

Health Protection: We honor our role in protecting the health of man and other animals, and value the principles . . . of the supporting laws and regulations.

Integrity: We conduct ourselves with honesty. . . recognizing that upholding the public trust requires the highest standards of moral and ethical conduct.

Quality: We achieve excellence through continuous. . . improvement in all our processes . . . we recognize the value . . . of science in reaching regulatory decisions.

Teamwork: Everyone's contribution is important. Working together, we place the mission of the Center first and align our contributions . . . toward that end.

Communication: We communicate information, ideas, and decisions, both internally and externally, in a candid, timely, and comprehensible manner.

Equity: We treat our customers and each other with fairness, courtesy, respect, and compassion while fostering an atmosphere of mutual trust.

Diversity: We promote cultural and gender diversity in the workforce to strengthen and enrich the Center.

Innovation: We apply new concepts, ideas, and creative approaches to improve current operations and meet the challenges of the future.

PHASE I DEPLOYMENT: COMPLETING THE STRATEGIC PLAN

In response to the interest that had been generated after the first offsite, the senior leadership decided to include a broader representation of the workforce in the strategic planning process. Consequently, a lottery was held in December 1994, and 20 additional people were chosen for the planning team, including scientific and technical staff, clerical employees, and managers.

“[We] felt that the plan should really be coming from the organization, rather than being dictated down from management. We were talking about restructuring the processes by which we do work, and the people who know how to do that are the people who actually do the work.”

At a second facilitated offsite, the now 50-person planning team formed goal groups; finalized the goals and presented them to the planning team for consensus; and developed the strategies and objectives for reaching those goals. Each goal group was made responsible for prioritizing the strategies and objectives for its goal.

“With 50 people on the planning team, driving for consensus is very hard work. But we think that including more employees encourages ownership of the plan throughout the Center and produces a lot of good ideas. Our plan will be better because we brought in as many people as possible.”

After the second offsite, a copy of the draft plan was sent to every employee in the Center with a request for comments.

“The mission, vision, guiding principles, goals, strategies, and objectives—everything we had was put in front of the employees.”

At an all-hands meeting for everyone in the Center, each of the five goal groups gave a 20-minute briefing on what its goal was all about and what that goal was intended to accomplish.

The draft plan was made available on e-mail and a special e-mail account was set up just to collect comments.

Boxes were placed at three different locations to collect anonymous comments.

PHASE II Deployment: Communicating The Strategic Plan

About 15 percent of the employees commented in some manner.

A third facilitated offsite produced time frames and milestones covering a 5-year period. The issue of resources was left to executive action.

The Center staged an innovative kick-off event for the published strategic plan.

In the late morning of September 20, 1995, the Center Director gathered the employees from both facilities and told them that he was closing the whole Center for the rest of the day. He gave each employee a copy of the new strategic plan and told them to go away for two hours to think about how they'd like to fit into the organization envisioned in the plan and become involved in attaining the vision.

When the employees came back, the Center Director described his vision of the "new" Center and how the strategic plan was going to be implemented. Then he invited all of the employees to come back into the building and take the rest of the day to meet the goal groups and find out more about the plan.

While the employees were gone, the goal groups had set up booths with posters to explain their goals, and balloons and snacks to attract attention. As the employees visited each booth, they were invited to work on the objectives.

To encourage the employees to learn about all of the goals, each person was given a ticket to get punched by each goal group visited. Tickets punched by all five goal groups were put in a hat for a drawing for about 20 small prizes.

"All of this made a nice, fair-like atmosphere. People had a good time while they were learning about the strategic plan and how it was going to be implemented."

There was also a photo contest and the pictures were displayed for about 3 months so that people could vote on them. Winners were announced in six categories.

IMPLEMENTING THE STRATEGIC PLAN

“We had a lot of participation, a lot of pictures that we displayed. We kept interest up that way. We kept it in front of people.”

The Center publishes a newsletter about strategic planning activities every other month.

A version of the plan was tailored for external distribution without the time frames, names, and some other details. This was distributed, with a letter asking for comments, to the Center’s customers, stakeholders, and various offices in FDA. Verbal feedback was received, but no written comments.

“We specifically asked these groups for their comments so they would feel they were part of the process, but we didn’t get a lot of feedback.”

The plan was addressed in speeches and written up in the trade journals.

FDA management gave approval to go ahead with the plan.

“We now have a roadmap for becoming the organization that we say we want to become in our vision statement.”

An executive board was created to manage implementation actions and monitor implementation progress. One of its first acts was to take the priorities of the individual goal groups and make a master priority list of things that needed to be accomplished.

The executive board is a subset of the strategic planning team consisting of 16 members: each of the five goal group leaders, the Deputy Center Director, the directors of each of the four offices, and a nonmanagement member from each of the goal groups.

At its monthly meetings, the first order of business is for the goal groups to report what they’ve been doing and tie this to the milestone chart. If they are not able to complete a specific objective by the date designated in the plan, they must formally request an extension from the executive board.

The executive board reviews goal group reports and makes recommendations to the Center Director.

A six-member planning staff supports the executive board and is charged with monitoring progress in relation to the time horizon of 5 years, tracking the percentage of the goals that have been accomplished, and making sure that milestones are met. The head of this staff is the permanent secretary to the executive board and sees that anything that needs to be done gets on the board's agenda.

To develop the plans for implementing the specific strategies and objectives under those goals, strategic implementation groups (SIGs), were formed. Planning team members may or may not be members of SIGs.

"Anybody in the organization can volunteer and sign up to participate in any one of the SIGs. That's how we actually get the work done."

A schedule of when the various goal groups and SIGs are meeting is published every week and this is displayed in the hallway.

Advertisements for people to participate in the SIGs are published when work on objectives is about to be initiated according to the schedule.

Once a quarter, the normal work of the Center is shut down for two days, and activities are dedicated totally to the strategic plan. The executive board meets to make sure that strategic planning activities are on track and that things aren't being allowed to slide. Employees who are involved in a goal group or SIG put aside their regular work and dedicate their time to strategic planning activities. Those who elect not to be part of these activities are expected to do their normal work.

"The fact that we shut down all normal work for those periods of time is a reminder to everybody that the plan is alive and there's activity on it."

When a goal group comes to the executive board saying they want to implement an objective, the executive board passes that request on to the Center Director. Then the Center Director sends it to whatever office is going to be in charge of doing the implementation asking whether re-

IMPLEMENTATION RESULTS

sources are available. Based on the response, the Director makes a decision on whether those resources should be used to accomplish that specific objective.

"I [the Center Director] say, 'Here is what is proposed for your organization to do. You do the cost analysis, and tell me whether or not you can afford to do this; if not, why not; if not now, when?' Then I make the decision."

"People have more ownership in the organization because they're participating in the plan. It's their plan. It's not the Center Director's plan. It's not management's plan. It's the organization's plan. They own it."

The plan has had an impact on behavior. The employees want to have input into the direction of the Center, the work activities, and other aspects of work at the Center.

"Before the plan, people were only concerned with what they were doing and what was happening in their own particular area. Now they're looking more at the big picture."

The senior staff is now stopping to think before they take an action to make sure that it fits with the plan.

"Management asks, 'How does it fit in with the strategic plan? Is it in accord with the guiding principles? Does it help us reach the vision? Does it support the mission?'"

Teamwork as a way to conduct activities is one of the guiding principles. In recognition that "everyone's contribution is important," membership on teams is open to everyone interested in serving.

Teamwork is also a goal. Training on how to use teams has been conducted. People have been trained to facilitate teams and their services are made available to all teams.

Communication of information and decisions, both inside and outside CVM, in a candid and timely manner is one of the guiding principles.

Results indicating that this principle is becoming part of the culture include:

- ✓ A guidance policy has been developed concerning written documentation of all substantive internal and external communication that relates to regulated products.
- ✓ Significant efforts are being made to communicate to customers the need for improving the quality of drug approval submissions to speed up the review process.
- ✓ The end-of-week “significant events” report, which is prepared by each of the four offices, is now available to everybody, rather than to only a few.

Training announcements, advertisements for SIG participants, and other announcements are now available to everybody on e-mail.

“People are certainly informed, and some people are even complaining about too much e-mail!”

Schedules of team meetings are posted in the hallways.

“When people walk by, they can immediately see when and where these groups are scheduled. They can see that the goals and objectives are being worked on.”

Day-to-day business is combined with work on the plan.

“The Director has said that we could slip deadlines and put off up to 20 percent of the day-to-day work in order to meet the strategic plan milestones.”

About 10 of the 170 objectives in the plan have been completed and an additional 3 process improvements have cleared the approval process and are about to be implemented.

The strategic plan will be “revisited” in the summer of 1996.

“I think that the initial plan was the first cut. Now we’re going to fine-tune it and focus it.”

STRATEGIC MEASUREMENT

LESSONS LEARNED

"We really haven't grappled with how to measure the impact. That will be one part of the revisit to the plan."

"You have no way of knowing in advance what kind of resources it's going to take to do the things you want to do. You have to constantly adjust to maintain a proper balance between the strategic planning process and the actual day-to-day output of what your organization is supposed to be doing."

"Understandably, the managers say that they need more resources to do something, or we've got to slow implementation down, or we have to make some adjustments in the plan."

"We need to go back and revisit the plan."

"The strategic plan didn't deal with all the strategic issues of the Center. We don't want to throw away anything that's in the plan; what we need to do is add some things. All the things that are currently in the plan are important to getting to the vision. It's just that some pieces were left out."

"It's important to include mid-level managers in the planning process, to get their alignment and support."

"We probably didn't prioritize to the extent that we should have and sometimes we feel overwhelmed. Some of the problems we're having arise from the fact that we just have too much on our plates."

"The strategic plan needs to be an integral part of the budget development and resource allocation process."

"There are things that come up that have to do with the plan that no one wants to fund."

"Everybody has to recognize that there is no turning back. It takes as many people as possible to be behind it pushing it, not just the senior leadership."

"We constantly reaffirm the message that there is no Plan B. We're going forward with this. We say, 'Make it as good as you can because this is the way we plan to move into the future.'"

“Make sure that strategic plan work is highly visible, that people are talking about it every day. You can’t really be very successful in implementing the strategic plan unless you get a majority of the employees involved in it.”

“Throwing the spotlight on a few successful efforts usually goes a long way toward getting buy-in, commitment, and everybody pushing the plan.”



SECTION III:

Appendix



Glossary

The following terminology is defined in the context of strategic management.

BASELINE: Current performance level of performance indicators.

CHARTER: A written document that describes the boundaries, expected results, and resources to be used by a quality improvement team.

CONSENSUS: A decision by a group that is acceptable to them, but is not unanimous nor arrived at by a vote. All members support the decision, even without universal agreement.

CROSS-BRIEFING: A process used by a working group to report their progress to the decision making team.

CROSS-FUNCTIONAL TEAM: A team whose membership includes those from more than one organizational function and who have responsibility for some portion of an identified process.

CUSTOMER: The person or group who establishes the requirements of a process and receives or uses the output of that process.

DATA COLLECTION PLAN: A plan that provides guidance for gathering information. It establishes the why, who, what, how, where, and when of data collection.

DEPLOYMENT: The introduction and communication of the strategic plan to the members of the organization. It has two phases. In Phase I, the plan is completed and published. In Phase II, the plan is communicated to all members of the organization.

ENVIRONMENTAL SCAN: The act of monitoring internal and external conditions of the organization. The information is typically classified as internal strengths and weaknesses and external opportunities and threats.

FEEDBACK: Communicating information about a system or process to the system or process owner. If the feedback is negative, it is intended to correct behavior of the system. If the feedback is positive, it is intended to reinforce behavior of the system.

FOCUS GROUP: A group gathered to provide input on specific issues. May include suppliers, customers, process owners, etc.

GAP ANALYSIS: The difference between what an organization is doing today to accomplish its mission and what needs to change to achieve its vision.

GOAL GROUP: A cross-functional team made up of senior leadership group members that develops the strategies and objectives for accomplishing a goal. This team also can be used to oversee implementation of strategic goals.

GUIDING PRINCIPLES : The values and philosophy of an organization that guide the behavior of its members.

IMPLEMENTATION: Taking the necessary actions to accomplish the goals, strategies, objectives, and action plans.

INPUT: Materials or information used to produce a product or service.

INPUT MEASURE: Describes the resources used by the organization. These measures include funding, time, and staffing.

MEASUREMENT: A criterion, basis, or standard for comparison.

MEASUREMENT FEEDBACK SYSTEM: A coordinated set of processes that include action plan tracking, results analysis and communication, and rewards. It is designed to provide information to the participants and owner of the system.

MISSION: An enduring statement of purpose. Describes what the organization does, who it does it for, and how it does it.

OBJECTIVES : Specific, measurable, short-term and mid-term performance targets necessary for achieving long-term goals; describes who will do what by when.

OPERATIONAL DEFINITION: Agreed upon meanings of terms and concepts stated so they can be specifically measured.

OUTCOME: Something that follows as a result or consequence [Merriam-Webster, Inc., 1983].

OUTCOME MEASURE: Indicator of how well the product or service satisfied end-users' needs.

OUTCOME MEASUREMENT: An assessment of the results of a program compared to its intended purpose.

OUTPUT: The products or services produced by a process.

OUTPUT MEASURE: Describes the goods and services that are produced. These measures could include product units or hours of service provided.

PERFORMANCE INDICATOR: The key evidence with which to measure performance.

PLAN OF ACTION AND MILESTONES (POA&M): A tool used to provide a clear focus on the tasks that need to be accomplished; shows responsibility and resource requirements, includes measures; provides a method for tracking the status of actions.

PROCESS MEASURES: Measure the amount of control there is over the internal processes by detailing how well the process is functioning.

QUALITY ADVISOR: A TQL support position within a DON organization. This person assists QMBs and PATs in data collection, analysis, and interpretation. The advisor also trains these teams in the use of methods and tools for process improvement.

STAKEHOLDERS: The groups and individuals inside or outside the organization who affect and are affected by the achievement of the organization's vision, mission, goals, and strategies.

STRATEGIC GOAL: A long-range change target that guides an organization's efforts in moving toward a desired future state.

STRATEGIC MANAGEMENT: *A systems approach to identifying and making the necessary changes and measuring the organization's performance as it moves towards its vision. It has been defined as a ". . . management . . . system . . . that links strategic planning and decision making with the day-to-day business of operational management" [Gluck, Kaufman, and Walleck, 1982].*

STRATEGIC MEASUREMENT: The identification, development, communication, collection, and assessment of selected outcome measures that are directly linked to the organization's performance of its mission and attainment of its vision.

STRATEGIC MEASURES: Operational definitions of the outcomes of mission effectiveness now and into the future.

STRATEGIC PLANNING: The process by which the guiding members of an organization envision its future and develop the necessary procedures and operations to achieve that future [Goodstein, Nolan, and Pfeiffer, 1992].

STRATEGIC PLANNING FACILITATOR: An individual who can enhance the quality of strategic planning meetings by providing strategic planning guidance and facilitation support to the team leader and team members.

STRATEGY: A means for achieving a long-range strategic goal; explains how the goal will be attained.

SUPPLIER: The person or group who provides an input to a process [cf. Moen et al., 1991].

SURROGATE MEASURE (OR PROXY MEASURE): Measurement of a related variable rather than of the target variable [Thor, 1994].

TOTAL QUALITY: An extension of the quality concept to include improvement of all of the quality characteristics that influence customer-perceived quality. This includes sources of variation from incoming supplies, all of the significant processes within an organization, and all those that can influence customer satisfaction, needs, or expectations when the product or service has left the organization.

TOTAL QUALITY LEADERSHIP (TQL): The application of quantitative methods and the knowledge of people to assess and improve: materials and services supplied to the organization; all significant processes within the organization; and meeting the needs of the end-user, now and in the future [Department of the Navy, 1991].

TQL COORDINATOR: A person selected by the commanding officer to assist in the implementation of process management.

Vision: An idealized view of a desirable and potentially achievable future state.



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Denise Lindsey Wells is the Director of the Executive Support Division of the Total Quality Leadership Office, Office of the Under Secretary of the Navy. Her primary responsibility is supporting Navy and Marine Corps leadership in implementing Total Quality Leadership (TQL), principally through strategic planning and strategic management.

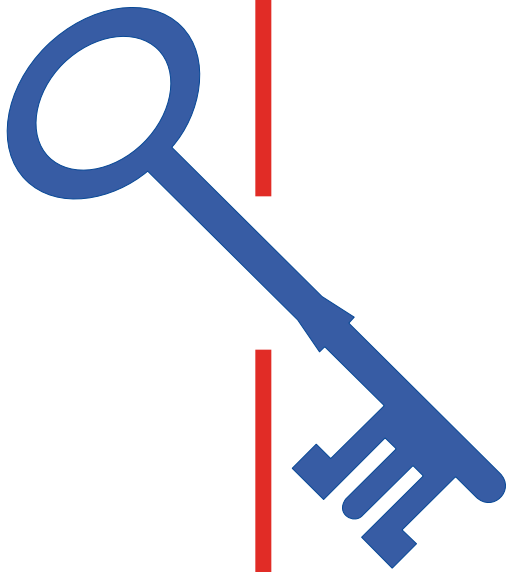
Ms. Wells is a native of Pennsylvania who spent most of her life in South Carolina. After graduating as valedictorian from Beaufort High School in 1965, she graduated from Winthrop University in 1968 with a Bachelor of Arts in English. She began her career with the Air Force, spending almost four years in Industrial Engineering before “retiring” to become the mother of two children, Dana and Michael.

She re-entered government service in 1978 at Charleston Naval Shipyard, working first in production engineering and later on the staff of the Shipyard Commander. In that position, she managed the first Model Installation Program within a naval shipyard, thereby establishing the prototype for others. Relocating to Washington, DC, in 1987, Ms. Wells spent eighteen months at the Naval Sea Systems Command and a year with the Assistant Secretary of the Navy (Shipbuilding and Logistics).

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