

Linking Leadership and Management with Powerful Strategic Planning

from *It Takes a Lot More than Attitude...to Lead a Stellar Organization* by Stever Robbins

Leaders set direction, decide acceptable behavior (values), and get people moving towards a common dream. Managers design systems, set goals, track progress, and generally make sure things get done. You need both to create a high-performing organization: knowing where to go, and knowing how to get there.

A lot can go wrong. Weak leadership and the organization can stagger in circles, incoherent and directionless. Weak management and an organization wastes time and money, duplicates effort, and produces far too much (or too little) paperwork. But even strong management and strong leadership can dissolve into chaos without a tight connection translating the leadership direction into management systems. A good strategic plan creates that connection and gives your business traction.

Leadership sets the destination

One company's vision statement¹ lays out the company's purpose, vision, and values:

"Our Business is the design and manufacture of impenetrable widgets for renewable energy source control plans. We aspire to become a leading worldwide player where customers love our products and service, and that these are provided at consistently good quality and a fair price."

Sounds like a great vision. It gives direction to new product development, displays values of customer-orientation and quality, and even lets us know the company's intended markets. And like most leadership documents, it's timeless. The company could be living this vision right now, or it could be hopelessly mired, years away from making the vision real. Or the vision might be just nice-sounding words on a boardroom wall, with no link to the business whatsoever.

Ideally, the vision drives strategy. Most business goals serve a higher-level goal. The sales goal "land 10 new clients" is part of the higher goal, "increase market share by 5%." **Strategy sets the**

highest level management goal. Its guidance comes straight from the vision and mission of the company—which is where leadership resides.

Strategy is a map for achieving the vision, but creating a realistic timetable and action plan requires a map *and* a route. To choose a route, you need both a destination *and* a starting point. Leadership sets the destination, and strategic assessment lets you know where you're starting.

Assessment tells where you are

The better you know your starting point, the better you're able to create an effective route to your destination. An assessment encompasses what you believe is important in navigating to your vision. Sure, market share and profit goals are common metrics, but aligning an organization must include internal and external assessments:

- what organizational capabilities exist?
- what's your competitive positioning?
- are partnerships in place? the right ones?
- do you attract and retain the right employees?
- does your culture support those employees?
- do your profitable customers stay with you?
- does your financial strategy deliver funding when it's needed?
- are operational systems delivering product and service properly?

Organizational learning boosts impact

A destination and starting point are enough to chart a course, but they aren't enough to form the most effective plans. As the highest-leverage activity in a company, strategic planning is where organizational learning has the greatest impact.

When Intuit launched the Quicken VISA card, the software-only company learned a lot about what it takes to run an operational service business. The business's infrastructure was revamped multiple times to make use of lessons learned about reliability, security, and customer service.



Stever Robbins is CEO of The Stever Robbins Company. He can be reached at:
P.O. Box 400158
Cambridge, MA 02140-0002
+1 (617) 491-7638

No one wants to repeat past mistakes and everyone likes to repeat successes. Most organizations learn a lot, but the learning gets lost. If your strategic planning group spends time sharing lessons of prior years, you'll end up with goals and plans that bring learning forward.

Well-scoped goals drive success

Set yourself up for success in your goals. If people feel chronically overworked, "stretch" goals may be stretching people too far. Be realistic about what's possible in a year. Get productivity from ruthless focus on goals that make the most difference, not from ruthless overwork on low-value initiatives.

Productivity goes down under too much stress or too little sleep. If 283 initiatives are essential to reaching goals, change the goals, because you can be sure they're hopeless. People will be too stressed to do a good job, and consider 283 status meetings each week ... it's simply too horrible to think about.

Underpromise and overdeliver—even when promising yourself.

Plans transition you into management

When it's finally time to make plans, the transition to management is in full swing. It's time for management to take the ball and run with it¹. All the standard planning rules apply:

- have lots of measurable milestones
- schedule regular re-planning sessions
- know your critical paths
- communicate success criteria clearly
- coordinate between different groups
- monitor your plan and adjust as necessary

Leadership remains important

Once the strategic plan is in action, the leadership direction is well on its way to becoming reality. But leadership isn't over by any stretch of imagination. The leadership job becomes keeping a powerful presence, reminding people of the company's ultimate destination, values, and reason for existing.

People will get demotivated; the leader re-inspires them. Plans will drift or the world will change; the leader calls for re-examining whether the organization is still on course. The leaders provide the stability of direction and values that free everyone else to make it happen.

Even if the world is wildly different than expected, sound strategic planning will provide the map that aligns your organization behind the leaders' vision. An aligned, energized organization is more likely to reach the vision, and it will be more fun and more motivating along the way. And at the end of the day, aren't our lives and work are as much about the journey as the destination?

Putting it into action

- Do the people in your company share a common idea of the business's direction? If not, choose a direction and start going for it!
- Look around at the initiatives and projects that are under way. Do all have a clear link to your company's vision/mission? If not, fix it.
- Do people seem overworked? Do the research to discover whether goals are poorly scoped, whether the plans to reach those goals are simply bad plans, and whether productivity is suffering from plain old overload. Incorporate that learning into your next planning session.
- The next time you start planning, ask yourself whether you know your goals and your current situation, measured along *all* relevant external and internal dimensions.
- Above all, think, then jump. Planning is important, and so is execution. Most of us prefer one or the other, and we get mired in endless plans or senseless execution. Really think about yourself and your organization and make sure you're striking the right balance. A week of planning is more valuable than a year of action in the wrong direction.

Stever Robbins is CEO of The Stever Robbins Company, providing business and personal coaching, consulting, and speaking. The author of "It Takes a Lot More than Attitude...to Lead a Stellar Organization," he has appeared on CNN-FN, in the Wall Street Journal, and in the Harvard Business Review. You can reach him online at www.SteverRobbins.com or by phone at +1-617-491-7638. ●

1. Can something be in full swing and then run with the ball? Refreshing, to pause and ponder such imponderables.