

DEVELOP THE ACTION PLAN AND EXECUTE

In their book *Execution: The Discipline of Getting Things Done*, Larry Bossidy and Ram Charan highlight the major reason most organizations fail in their attempts to implement strategy; they call it the “Execution Gap.”

Action Planning therefore must be a component of Execution. This step in the strategic planning process is the key to “operationalizing” the strategy that leadership has so adeptly fashioned. The best, most well-thought-out strategic plans are worthless if they cannot be implemented. The following outlines essential steps in this process.



STEP 3: Develop the Action Plan and Execute

DEVELOP STRATEGIES AND TACTICS

Strategies and Tactics tend to be actions that can be accomplished within a 12- to 18-month time frame. They should be tied to resources and specific milestones and deliverables in order to be monitored for progress/accomplishment. Strategies and Tactics are not static and may be modified as circumstances in the strategic environment change. They must, however, be tied closely to a goal or set of goals in the plan and provide some strategic value to the organization.

- **Strategies** are specific, quantifiable, assignable sets of actions or projects that lead to accomplishing a Goal over a specific time period.
- **Tactics** are specific tasks within a Strategy that can be assigned to an individual or team to accomplish over a short period of time.

DEVELOP STRATEGIES

The leadership group should involve mid-level and front-line organization members in generating a set of Strategies they know will effectively accomplish their Goals. Strategies can cover one or multiple Goals. Once identified, leaders assign responsibility to a division or team for each Strategy to be undertaken.

DEFINE TACTICS

Strategies should then be further broken down into Tactics by the division or team assigned responsibility. As the team identifies Tactics it should consider:

- **WHAT** ...the Strategy is intended to achieve;
- **WHY** ...achievement is important;
- **WHO** ...will participate in accomplishing the Strategy;
- **HOW** ...the Strategy will achieve the Goals;
- **WHEN** ...deliverables are needed to accomplish the Strategy.

ESTABLISH AN ACTION PLAN

As it formulates its list of Tactics, the planning team should assign each Tactic to a work team or individual along with a milestone date. After a few *catch-ball* or pass-back review and improve cycles, the Action Plan is *approved* by the leadership team in a manner appropriate for the unit.

The *Balanced* Strategic Plan

Comprehensive strategy and measurement balances:

- Past, present, and future performance;
- Near- and long-term strategic challenges;
- Strategic, operational, and tactical considerations;
- Perspectives of product and service, customer effectiveness, financial and budget, human resources, and organizational effectiveness.

A balanced strategic planning approach acknowledges that good strategy development requires a more holistic view of organizational performance.

ALLOCATE STRATEGIC RESOURCES

To deploy the strategy, the leaders should engage in a process to identify and allocate resources for strategy execution. A recommended methodology follows:

IDENTIFY NON-DISCRETIONARY FUNDING

1. The CO and the unit funds manager identify the non-discretionary funds available for Strategic Projects.
2. The planning team creates the ground rules for using the funds to execute Strategic Action Plans.

PRESENT DIVISION ACTION PLAN

1. Division heads present their proposed actions for meeting the goals and estimate the people and funding required to complete the action.
2. The group questions the assumptions and the validity of the proposed action in a facilitated discussion, including how each action may affect other divisions or planned actions.
3. After all have spoken, the group should break into sub-teams to further refine proposals.

REFINE ACTION PLANS AND RESOURCES

1. When groups reconvene, the facilitator should put the plans and resources into a strategic resource worksheet or spreadsheet for all to see.
2. The process continues through the questioning, refining, and reshaping cycle until consensus is reached (usually requires three to four cycles).
3. Document the final resource allocation in a strategic resource worksheet.

MONITORING PROGRESS AND EXECUTION

Monitoring and controlling progress involves collecting and disseminating performance information as well as issues and concerns that may negatively affect achieving a strategy or tactic. Leaders and other stakeholders need this information to make midcourse direction and resource corrections. It also provides a fact-based method to hold individuals accountable to achieve assigned strategies and tactics.

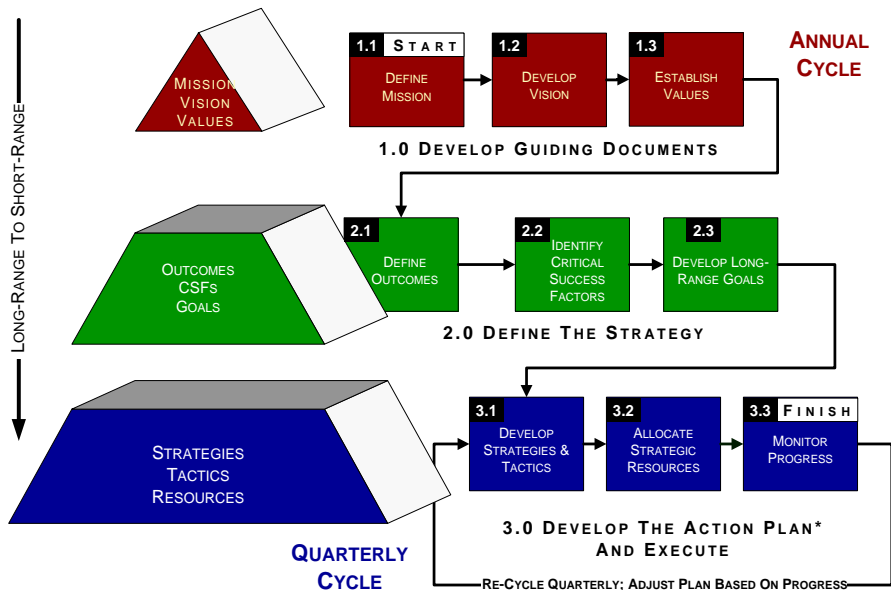
EXECUTING STRATEGIC PROJECTS

1. Some action may be more easily executed as a project. In these cases, proper planning should precede any quantifiable work. The assigned team or individual should develop and document the plan using whatever convention is customary. A project abstract and/or GANTT Chart usually suffice.
2. Whether a project or a single action item, the responsible individual or team shall work closely with a Leadership Champion or Sponsor to ensure the project requirements are being met, paying particular attention to deliverables and timelines.

CONDUCT STRATEGY/PROGRESS REVIEW MEETINGS

1. Responsible entities are accountable for all aspects of execution. They and their Leadership Champions shall confer on a regular basis in a mutually agreed manner. They shall keep stakeholders informed of progress.
2. Responsible entities should brief leaders during regularly scheduled, periodic strategic progress reviews. During these briefings, the responsible person explains current status, presents any new challenges and barriers to progress, and outlines next steps. Midcourse corrections arising from the review session shall be incorporated into the next update to the Action or Project Plan.

Strategy drives action:



Refer to the table of tool usage for additional planning tools.