



IS YOUR STRATEGIC PLAN FAILING? Ten Guiding Principles That Will Get Your Growth Strategy Back on Track

By Dick Albu, President & Founder, Albu Consulting, Inc.

It is a well documented fact that 80% of strategic plans fail to realize their value. If you've invested in developing a strategic plan and wondered why it is not producing the results you expected, you might consider some of these guiding principles to put you back on track.

Undoubtedly, planning and implementing strategy can at times be quite frustrating, where obstacles seem to constantly get in the way of success. Over my years as a strategy consultant, dealing with middle market privately held and family businesses, I have experienced a wide range of situations from companies that have never developed an explicit strategy, to those that have attempted it on their own, to those that have retained a facilitator, all experiencing difficulty in achieving the goals they set out to achieve. As a result, I have come to realize the value of some guiding principles Presidents, Owners and their leadership teams could benefit from when planning and implementing their strategic plan process.

Success of any strategic plan does ultimately depend on the Chief Executive's commitment and leadership, as well as the skill and quality of the management team responsible for implementation. A skilled facilitator and strategist can increase the odds of success dramatically. With this in mind, here are ten guidelines that should help your company profit from its strategic plan.

1. **Focus on strategic issues and opportunities.** Don't get bogged down with volumes of data and details. Spend more time on strategic thinking. Gather only relevant information to support business decisions and get on with it. Too often managers lose interest and enthusiasm as a result of analysis paralysis. Keep the process moving to keep everyone's interest high and focus on discussing the real issues and opportunities.

2. **Leverage strengths.** Don't try to change the organization into something it is not. Conglomerates are dinosaurs. Companies need to focus on, and leverage, competitive advantages. Understand your core businesses, what is driving sales and profits, and leverage everything you can from it. Balance that with innovation that will reinforce the core and expand the business base to new products and markets that leverage strengths and capabilities.
3. **Communicate.** Be sure everyone in your organization understands what you are doing. Make your employees feel they are a part of the process and the success. Don't let rumors derail the efforts you are making. Keep your employees informed of your progress and invite comments and questions. Give your employees reasons to believe that the strategic plan will be beneficial to everyone.
4. **Raise the Energy Level.** Move the process along at a reasonably quick pace to create momentum and enthusiasm. Schedule progress meetings on a regular basis. Make strategic planning a priority and keep everyone interested and committed. Your people will become energized by their contribution to the process. Don't let their day-to-day activities prevent them from making progress on assigned strategic projects.
5. **Execute. Vision is nothing without action.** Weak or failed execution has to be two-thirds of the reason for failed strategies. Drive action with a specific implementation plan. Too often a strategic plan ends up on a dusty shelf and the organization goes back to doing things the same way they always did. Change happens when it is planned, monitored and made an important part of everyone's job. Make it happen right away. Develop a detailed action plan and hold managers accountable for its implementation.
6. **Remain Flexible.** The implementation plan is a living document. Be flexible. The implementation plan is not static; rather it is a "work in progress." Be prepared to make changes as competitors, customers and economic market conditions change. Regular monthly and quarterly strategy meetings will highlight these changes and you need to move quickly on key issues and opportunities.
7. **Be Prepared to deal with Conflict.** Be prepared to deal with resistance to change. On average one third of the organization will embrace change, one third will resist change and one third will be unsure of their position. Identify the "fearless" employees that have embraced the strategic plan. Acknowledged these leaders and allow them room to succeed. At the same time, encourage those that are unsure to get involved, ask questions and help them find reasons to support the plan.

8. **Make your people responsible and accountable.** Compensate employees based on achieving results. Make strategic initiatives the center piece of your compensation plan. Make clear that there are both positive and negative consequences depending on the attainment of specific and plainly stated goals. This will help to ensure that your employees understand the importance you place on the success of the strategic plan.
9. **Seek Feedback.** Talk about and challenge the strategic plan often and with as many qualified people as possible. Don't make the mistake of assuming your strategy is perfect. Use your network of respected business associates to question and challenge your strategic plan. Don't hesitate to ask others to help you make the strategy better.
10. **Invest in Outside Help.** Consider retaining a qualified outside resource to help facilitate the process. This opens the door for the Owner/CEO to participate in the process and provides an objective third party that can challenge assumptions and ask the tough questions. As companies grow, the need for broader experience becomes greater. An outside resource can provide credibility and invite creativity.

Without question, strategic planning is an essential part of every successful company. It provides the roadmap for profitable growth. Success ultimately depends upon senior management's ability to provide the kind of leadership to both a) develop a well thought out, fact based strategy, and to b) make execution of the strategy a priority by gaining the support of the organization. This creates a sense of ownership and commitment that will ensure its success.

Dick Albu is President and founder of [Albu Consulting, Inc.](#) based in Stamford, CT. Albu Consulting is a strategy consulting firm dedicated to helping middle market family and private companies achieve profitable growth. Mr. Albu has extensive experience in facilitating CEOs, Owners and Leadership Teams through a disciplined strategic planning process. The firm has assisted over two dozen companies develop and implement their strategic plans. Mr. Albu can be reached at 203-321-2147 or RALbu@AlbuConsulting.com.