

Translating Vision Into Action



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Strategic Process Management Consultants

Introduction

A vision is a clear and ideal picture of what your company will look like in the future. Many companies have a vision, for some it is represented by a vision statement, for others it is a written description. Regardless of how your company articulates its vision, one of the common challenges is translating that vision into action.

Although vision can be translated into action in a variety of ways, the most common way is through a 3-step process. This 3-step process assumes that you have already articulated your vision. The 3 steps are:

1. Develop strategic priorities,
2. Determine objectives within each strategic priority,
3. Establish action steps.

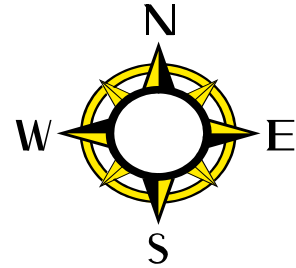
Step 1 - Develop Strategic Priorities

Strategic priorities are also called strategic thrusts, strategic focus, strategies and sometimes goals. Regardless of the term used, they are essentially high level, broad statements that outline something that needs to be achieved in order for the organization to move closer to experiencing its vision. They are also defined as those areas that the company intends to invest incremental resources beyond those required for day-to-day operations.

Generally there are between 3 and 5 strategic priorities for any company. This limit on the number of strategic priorities is often a source of confusion and frustration. This confusion and frustration is caused by the need to make choices about what the company *should focus on* and what it *should not focus on*. Setting strategic priorities are as much about deciding what the company won't do as it is about deciding what the company will do.

The reason for the limitation on the number of strategic priorities is due to the limitation on the available resources your company has at its disposal. With limited resources you can't do everything, so you have to choose. The reason for no more than 5 is because of the *cascade effect*. The cascade effect is explained after the sections on objectives and action steps.

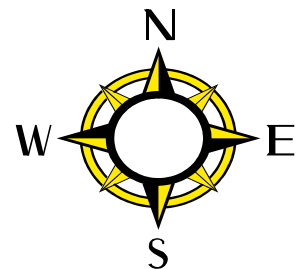
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**Strategic
priorities force
you to decide
what you will
and won't
allocate
resources to.**

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Step 2 - Determine Objectives

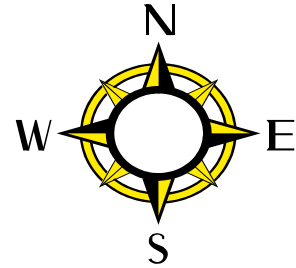
Objectives should be set within each strategic priority and provide a basis for measuring the company's success. These objectives help measure the company's progress towards fulfilling its strategic priorities.

Objectives are short concise statements that are realistic, time limited and measurable. For example, "increase sales by 15% in fiscal 2003" would meet these requirements as long as the 15% was considered a realistic stretch. On the other hand, "improving our image with our customers" would not be an objective because it doesn't have a time limit nor can it be objectively measured. In discussing if an objective is measurable it is important to know that most things can be measured either directly or indirectly, at a cost. For example, "improving our image with our customers" can be measured if you agree on the definition of customers, definition of image and undertake a standardized survey to benchmark the current status and then use the same survey to measure changes over time. This could be costly. So, in determining an objective, it is important to think about the cost of measuring it. The cost of measuring the objective shouldn't outweigh the benefit of that objective. Having said that it is also important not to measure only what's easy at the expense of measuring the right things. It is the balance between these forces of cost of measurement and measuring what's important that is the crux of the discussion regarding objectives.

Also, when setting objectives the measurement should be impartial. In other words anyone should be able to come along, repeat the process and come up with the same answer. If this can't be done, the results associated with each objective will lack credibility. Without credibility the result will be discounted and therefore will be of no to little value in helping measure whether your company is moving towards its vision or not.

Finally, please don't set 20 objectives. Having a large number of objectives is not the aim of the strategic management process. The aim of the strategic process is to help improve the performance of your company. Objectives help guide your actions and to measure your success along the way. The golden rule in setting objectives is don't have 2 when 1 will do. Having 20 objectives may be appropriate for a multi-divisional international corporation but for most companies a much smaller number is better. You should be spending your time building the company and improving its performance not just measuring it.

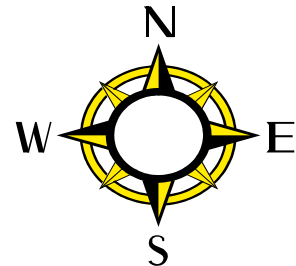
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**Objectives
should be time
limited,
impartially
measurable
and a realistic
stretch.**

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Step 3 - Establish Action Steps

Action steps are the specific tasks that individuals within your company will do to achieve each of the objectives that you outlined above. Action steps answer the 3 questions of “what specifically will be done”, “who will do it” and “when will it be done”?

It is important to assign an individual to be responsible for each action item (i.e. “who will do it”). Try to avoid the trap of saying management, research & development, accounting, sales, etc. It is individuals that will drive actions forward. We have found during the many hours we have spent assisting company’s develop their strategic thinking that the probability of success dramatically improves when a single individual is named and held responsible.

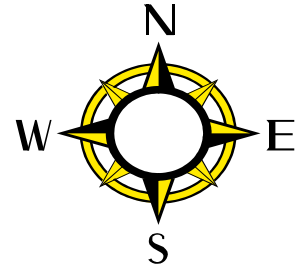
In determining the “when” it is best to put a specific date, i.e. day, month and year as opposed to end of the summer, the fall, etc. You would be surprised how many different interpretations you can get if you’re not specific. If you find establishing specific dates doesn’t work given the time period you’re working in then move to fiscal quarters; i.e. end of third quarter, etc.

The Cascade Effect

The cascade effect is the outcome of not saying no. Lets say, for example, that you don’t like the idea of limiting your company to 5 strategic priorities and instead decide that you want 10. Having 10 strategic priorities allows the company to do everything, or at least almost everything and keeps everyone happy. Now let’s say that you develop an average of 4 objectives for each strategic priority. This way you know if you’re making progress and moving the organization forward on each of those strategic priorities. So now you have 40 objectives (10 strategic priorities x 4 objectives) that are being measured.

The nice thing about measuring something is that people can be held accountable and as such are more likely to try and get it done. Next you develop your action steps, i.e. the “whats” that need to be done to achieve each of these 40 objectives. We have found that there is usually more than one action step associated with each objective. So for the purpose of this example let’s assume that there are only 2 action steps on average per objective. Even though some action steps may help achieve more than one objective, you are still looking at any-

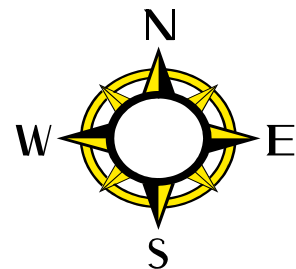
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Action steps
answer the
questions of
what, when
and who.

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from 40 to 80 action steps that need to be taken.

So with 10 strategic priorities, we end up with 40 objectives and up to 80 action steps. This is the *cascade effect* and it is dangerous if you have limited resources and want to make any meaningful accomplishments. Remember that the action steps that come out of the strategic management process often add to the work that is already being done on a day-to-day basis. You are far better off, making a meaningful improvement in two or three areas than having a minor or no effect on ten.

We developed a quote to help our clients keep certain points memorable. One key quote we use is “to plan is to prepare, to execute is to benefit, to manage is to improve©”. The point being that it is only those action items that you do something with; i.e. execute that provide benefit to your company. Sometimes less really is more!

Key Points to Remember

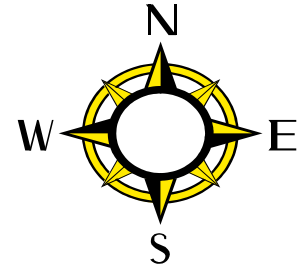
1. Keep the strategic priorities strategic; the fewer the better.
2. When setting objectives ensure they are realistic, time limited and measurable.
3. Only measure what you need, don't use two objectives when one will do.
4. When developing action steps, set specific dates and assign a single individual to be responsible for driving the process towards achievement of each action.

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To discuss our strategic management process consulting services, please contact Ron Robinson, President ABARIS Consulting Inc. at 519-472-9788 or by e-mail at rrobinson@abariconsulting.com.

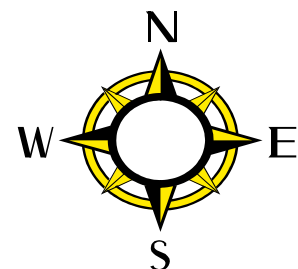
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