

# [Strategic planning with the hoshin process](https://assignbuster.com/strategic-planning-with-the-hoshin-process/)

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D. Kenyon (1997), in his article “ Strategic Planning with the Hoshin Process”, claims that the Hoshin process makes strategic plans practicable and, at the same time, integrates and gives directions to bold initiatives, which he calls breakthrough activities. Breakthrough objectives, accomplished in a reasonable period, will enable the organization to move to the next level of success. Planning consists of cascading plans from the top tier of the hierarchy down to the bottom level activities.

This is reflected in the four coordinated matrices that detail the linkages between two of the major elements in a plan: mission to strategies, strategies to objectives, objectives togoalsand goals to team activities. In all matrices, each of the two major elements linked has an owner, a weight indicating its relative importance among other elements. Annually, a progress review of the plan is done and the direction is reversed with the bottom level activities done first with its results handed upwards.

This then forms part of that upper levels performance and so on, until it reaches the top tier with its breakthrough objectives. Modifications and alterations, or new goals, when necessary, are crafted. The same four tables form the core of the evaluation. Simultaneously, while planning strategically, the Hoshin Process requires that equal attention be given to the day-to-day business activities or business fundamentals. If necessary, loftier breakthrough goals are put in abeyance to ensure that day-to-day concerns are addressed.

Assessment Of course, any self respecting planner will always advise never to compromise day-to-day business functions, however, this could be just be lip service. The first instance of pressure from the day-to-day grind will be an excuse to abandon strategic objectives altogether. It does appear that the Hoshin process provides practicability to strategic plans. It puts a premium on bold and innovative initiatives, and has mechanisms and clear indicators to measure success andfailure.

It is structured in such a way that management is kept informed with data solicited from below, thereby empowering lower echelons because even the strategic objectives can come from initiatives or gleaned from information provided by the lower echelons. At the same time, it identifies individual accountabilities for each element in a plan. Its practice tends to foster learning, as one learns from the mistakes made apparent upon annual review of the plan, whereby plans are modified or changed altogether.

Conclusion Despite the aforementioned perceived shortcomings, the strengths of Hoshin make it very appealing. The process keeps managers informed and lower echelons empowered. Its greatest value is that it provides a venue for committed involvement from employees to the visions and objectives of the whole company.

Reference

Kenyon, David D. (1997, May). Strategic planning with the Hoshin process. e-mail Quality Digest. Retrieved March 8, 2008, from http://www. qualitydigest. com/may97/html/hoshin. html.