

# Good strategic planning

[Business](#), [Strategy](#)



" Tomorrow is built today" - Each of us knows very well that our decisions and actions or non-actions of today will shape our future tomorrow. The collective consciousness of this fact and our efforts in the direction of a better future can definitively work in order to make the future what we like to see - the future can be provoked!

Mind rules not only heart and body but all the respective issues in this world. The strategies of life are created by man with his ideas and approaches. " Think twice before you speak" is a familiar term in day to day life, this statement has got a deep meaning within itself, i. e., before you are about to say something think about what you are going to speak and what would be its outcomes later on.

It is well said that if you want to achieve something in life, dream for it and plan how to achieve that goal or objective once getting started. Things always get complicated for a person if the tasks involved in it are not familiar to that very person who was supposed to finish it off. It's always said that, two are better always rather than working single because two people working together makes things possible easily and quickly, thinking about its outcomes in advance and the result that comes out is always systematic and best possible.

Some human beings follow others footsteps and some create their own ideas and work hard effectively and efficiently for attainment of their goals and objectives. Achievements never knock at the door after dreaming about them. One has to work out in real to achieve such tasks. As our day routine gets started we do look for a change so that the coming day should be better

in comparison to the previous one. The major aim of most of the people in today's world is profit(monetary) and goodwill and yes definitely a long term well know never ending name in the market place just not in their country but most of the parts of the world. Future remains in hand if a task or work is performed efficiently and effectively keeping in mind all the basic operations which are supposed to be included in that known task.

Life has changed a lot with real life competitions and challenges coming up day by day. Whatever step one moves should be effective and well balanced as the other could be smarter and experienced then what he/she is.

Challenges not only arise within individuals but also within group of people and competitors. Each and every movement should be well planned and then only should be undertaken for its progress. For the highest level of stability one has to adopt advance skills and objectives as these only help in attainment of goals and objectives.

## STRATEGIC PLANNING

Strategic planning is a management tool, period. As with any management tool, it is used for one purpose only: to help an organization do a better job - to focus its energy, to ensure that members of the organization are working toward the same goals, to assess and adjust the organization's direction in response to a changing environment. In short, strategic planning is a disciplined effort to produce fundamental decisions and actions that shape and guide what an organization is, what it does, and why it does it, with a focus on the future.

A word by word dissection of this definition provides the key elements that underlie the meaning and success of a strategic planning process: The process is strategic because it involves preparing the best way to respond to the circumstances of the organization's environment, whether or not its circumstances are known in advance; nonprofits often must respond to dynamic and even hostile environments. Being strategic, then, means being clear about the organization's objectives, being aware of the organization's resources, and incorporating both into being consciously responsive to a dynamic environment.

The process is about planning because it involves intentionally setting goals (i. e., choosing a desired future) and developing an approach to achieving those goals.

The process is disciplined in that it calls for a certain order and pattern to keep it focused and productive. The process raises a sequence of questions that helps planners examine experience, test assumptions, gather and incorporate information about the present, and anticipate the environment in which the organization will be working in the future. Finally, the process is about fundamental decisions and actions because choices must be made in order to answer the sequence of questions mentioned above.

The plan is ultimately no more, and no less, than a set of decisions about what to do, why to do it, and how to do it. Because it is impossible to do everything that needs to be done in this world, strategic planning implies that some organizational decisions and actions are more important than

others - and that much of the strategy lies in making the tough decisions about what is most important to achieving organizational success.

The strategic planning can be complex, challenging, and even messy, but it is always defined by the basic ideas outlined above - and you can always return to these basics for insight into your own strategic planning process.

Strategic planning is only useful if it supports strategic thinking and leads to strategic management - the basis for an effective organization. Strategic thinking means asking, " Are we doing the right thing?" Perhaps, more precisely, it means making that assessment using three key requirements about strategic thinking: a definite purpose be in mind; an understanding of the environment, particularly of the forces that affect or impede the fulfilment of that purpose; and creativity in developing effective responses to those forces.

Strategic planning has also been described as a tool - but it is not a substitute for the exercise of judgment by leadership. Ultimately, the leaders of any enterprise need to sit back and ask, and answer, " What are the most important issues to respond to?" and " How shall we respond?" Just as the hammer does not create the bookshelf, so the data analysis and decision-making tools of strategic planning do not make the organization work - they can only support the intuition, reasoning skills, and judgment that people bring to their organization.

Finally, strategic planning, though described as disciplined, does not typically flow smoothly from one step to the next. It is a creative process, and the

fresh insight arrived at today might very well alter the decision made yesterday. Inevitably the process moves forward and back several times before arriving at the final set of decisions.

WHAT DO YOU THINK THE FUTURE MIGHT BE?

WHAT KIND OF FUTURE WOULD YOU LIKE TO SEE?

Competitions and challenges in the market or in a working concern is the primary aspect . it bothers all the managers of a growing concern in way or the other. Whether, it is the product (which they deal in or going to launch in the market), price (what should be the price related with other substitutes available in the market), longevity (what would be its demands in future), uniqueness (how it would be different from the other products) and rather endless number of features. Production is concerned with costumers, their tastes, choices. Mood differs from one body to the other. Nobody have the same kind of needs or wants. Thereby products also vary in prices, weight and size. Production is always carried out keeping in mind the perfect market situation.

The basic aim of every individual is to earn profit and goodwill in the market. The stability and up-to-date growth is a must concern. To achieve all the goals and objectives all the plans are well made and accordingly strategies are designed. A strategy not only helps in a unique start of work but also gives the best outcomes of the efforts made for future. It takes years to earn goodwill in the market; therefore it is a must to make plans whatever is effective for the start-up of the work. End numbers of features are taken in

consideration by any of the famous well-known company or industry whoever are the known leaders in the market. Sum of the known features are:

\* **Members:** the number of people who are going to lead the environment and the owners of the business concern. Most of the business concerns have partners. They have to aim at the goals and objectives, moreover, decide what their future would be. They are the only leaders to decide the nature of their business and what would be the size and how globally it should be recognised. They look out for not just competitors but also have to follow some law and orders of the government. These owners employ experienced staff as managers to work under them and employees to work under managers known as subordinates. Owners are the decision makers.

\* **Capital:** investments or the amount to be engaged into the business is one of the important feature without which nothing could be worked out.

\* **Product:** plans are made regarding the product that has to be brought up in the market. number of issues are considered like, costumers and their choices, other resembling or same usage products that would come up or already exists in the market,. The managers have to decide, how their products would be unique and how it would be better then the rest of the companies' products available in the market. How it would be cheaper and what goodwill would it bring to the company. Whether it has the future or not in the major aspect considered.

\* Market: strategies relates to market size and its globalization as well. One has to think about customers and trends and fashions in the market. Managers have to plan out for the best market for their companies' products and its variations.

\* Machinery and equipments: new methods of production are used with new techniques available so that product could be easily made with less time consumption. Therefore, experienced and well defined staff is appointed and supervisors always motivates the employees and brings in new innovative ideas regarding production.

\* Available resources: A strategy not only helps in effective production but also helps in usage of resources available. Less wastage results in more profit and best outcome.

\* Employ welfare: Board of directors gives utmost respect to their employees and take care of their employees whether they are managers or subordinates by providing them with comforts and teaching them the new innovative ideas. They also give them bonus for their effective and efficient hard work they put on for production.

\* Exports-Imports: strategies are designed on the matter for exports of products and markets for trade are searched in a way or the other to earn profit and goodwill. They also take care of the importers from whom they have to buy the raw material and stuff for production. A strong relation could only be maintained if the company have well detailed strategies regarding their work performance.



\* Strengths and Weaknesses: managers or the board of directors make plans to overcome the weaknesses whatever they could be. The strategies are designed in such a way that it lasts long and have enough strength to overcome every declining effect. A long lasting performance can only be obtained if the growing concern gets hold of their weaknesses.

\* Web page: as internet has proved to be one of the best sources in business relationships of most business companies. Owners make it a point to design their company's web page in such a manner that each and every product and its features along with price details are easily understandable. Strategies are made to achieve goals and targets not only through internet but also globally.

Concluding with an Example:

Longview Solutions and Marks & Spencer Take Planning to New Heights

THIS IS MARKS & SPENCER

Marks & Spencer is one of the UK's leading retailers of clothing, foods, homeware and financial services. Operating within approximately 12.5 million square feet of selling space, serving ten million customers a week in over 340 UK stores, Marks & Spencer employs more than 67,000 people. The company also trades in wholly owned stores in the Republic of Ireland and Hong Kong, and has over 150 franchise stores in 28 countries operating through a network of partnerships. In 2002/2003, Group turnover was in excess of £1.8 billion.

## SITUATION

With extensive operations in the United Kingdom, Marks & Spencer required a financial planning, actual reporting, and reforecasting solution to be used by all stakeholders in the planning process across all business units, service areas, and stores. There was a requirement for consistent, cohesive data that could be viewed and reported upon at various levels of summarisation from individual budget holders to a consolidated Group position.

## BUSINESS CHALLENGE

The Marks & Spencer objective was to approach the planning process in a professional manner, passing accountability to individual commercial budget holders. The existing process was spreadsheet-driven and time-consuming with a heavy reliance upon the Finance Group to manipulate and consolidate the data, leaving less time for challenging and detailed analysis.

## SOLUTION

Marks & Spencer considered five critical factors in its decision process - Product, People, Policy, Principles, and Price. Marks & Spencer selected Corporate Performance Management (CPM) application Khalix(r) by Longview Solutions because it best met their needs on all five key performance criteria. Khalix was able to:

- \* Provide Marks & Spencer with a single, accurate version of the financial truth through one central repository of data

- \* Delegate ownership and accountability for budgets and plans back to the commercial budget holders
- \* Reduce the overall time required to achieve an approved, realistic budget
- \* Meet Marks & Spencer's need for a flexible solution that could adapt and grow with the company
- \* Perform " what-if" analysis during budget creation, to facilitate better decision-making and minimise risk
- \* Provide Marks & Spencer with a solution that would fit with their corporate technology standards and future requirements
- \* Achieve consistency of reporting across similar business units

## RESULTS

With Longview Solutions' Corporate Performance Management application, Marks & Spencer is able to provide excellent service to internal customers and has achieved the following results:

- \* Speedier and more accurate budgeting and planning process, with an overall reduction in process time.
- \* High visibility of consistent, accurate data which is accessible to all - " One version of the financial truth"

- \* Successful ownership for budget-setting to the appropriate level and clear visibility of ownership and accountability of planned performance at all levels of business
- \* Ability to spend time analysing and challenging the plan, removing risk, and exploiting opportunities to achieve a realistic plan
- \* Strong relationship between the Longview Solutions and Marks & Spencer teams, which has resulted in a high level strategic partnership that is helping shape future product direction
- \* Ease of maintenance for database changes and reporting

Thus Strategic planning brings in longevity and prosperity for modern corporations.

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