Strategic Planning Process

Shaun Bush (First M. Last)

School or Institution Name (University at Place or Town, State)

# Introduction

Strategic planning is a process followed by different organizations to achieve their organizational goals and objectives. It is an organizational management activity which involves setting goals and priorities and ensure that employees are working together towards a common goal. It also adjusts the organizational goals in the changing market environment. It also involves the leaders of an organization in coming up with different priorities for the organization. Strategic planning is very important for the success of an organization because it enables it to succeed in the changing market environment.

# Strategic Planning Process

Effective strategic planning not only articulates where an organization is going but it also helps in making progress towards its goals. A strategic plan is used to communicate the goals of an organization to its stakeholders and employees and strategic planning tools have been used by organizations in effective communication despite its nature (Marra et al., 2018). The strategic planning process includes some specific steps to be followed in order to succeed.

The first step in strategic planning is to do some background studies or analysis such as the SWOT and PESTLE analysis. These analytical tools help an organization in planning very well because it is able to access its current position and where it stands. The next step is to identify the long-term goals and objectives of a project or an organization, which is generally referred to as mission and vision. It is very important to develop goals so that the stakeholders know the pathway to follow and it will also help them to track if they are moving in the direction of goals or not. It also makes it easier to go on with having clear goals in mind. After the long-term goals are developed, the next step must be to develop short-term goals which make it easy to move towards the accomplishment of long-term goals. After the development of long-term and short-term goals, the next essential step is to identify different resources that will be required to meet the objectives of an organization.

The next step in strategic planning is to make strategic priorities, and tactics. The clearly developed goals related tasks are vital to achieving the goals and objectives as it will be easy for the stakeholder to contribute towards goal attainment. Prioritizing goals and tasks is the next step to be followed because it helps an organization to choose the best tasks and those which are more important in assisting the organization in the success of its goals. This step also involves making timelines and determining the completion time period for each task. An additional benefit of this would be in the form of identification of major phases and milestones.

The last steps in strategic planning involve a communication plan and an action plan. Communication plan is an essential part of strategic planning to communicate the strategic plan to the stakeholders and employees. It is also important to keep everyone informed of the strategic plans. An action plan helps in implantation of the strategic plan. Evaluation techniques are established to measure the progress of the project, which also assists in identifying gaps and taking the corrective action.

# Decision-Making Process, the Role of Manager in Decision Making

The decision-making process helps managers and leaders in making decisions aimed at achieving the strategic objectives of an organization. Generally, a decision-making process consists of seven steps. The first step is always to define the opportunity or an issue for which the decision has to be made. The next step is to gather the necessary information that can influence decision making. In addition, information is important to make informed decisions. Decision making must involve the development of various alternatives and weigh different options to choose the best one. After the best alternative is identified, the decision maker is ready to implement the alternative selected in the previous step. The last step is always to monitor the progress of decision (“Decision-making process - UMass Dartmouth,” n.d.). All the essential steps discussed in the strategic planning process must be followed in decision making. The strategic planning steps and decision-making steps must be integrated to make productive decisions while doing the planning for organizations.

Omitting any of the steps of these processes will impact the outcome for the organization. Leaders and managers play an important role in efficient decision making and the implementation of those decisions. A leader in every organization has to follow the systematic procedures in making decisions and they take the responsibility for their decisions. The personal attributes such as the wisdom of leaders and managers make a major contribution in result oriented and quality decision making (Alvi et al., 2018). The inability of a leader to take well informed and effective decisions result in the poor performance of the organization. When a leader has positive attributes and qualities it is reflected in the outcomes of his decisions. Effective leaders use their leadership skills and personal attributes such as experiences, communication skills, knowledge, time management skills, reliability and delegation (“10 Characteristics of an Effective Manager,” n.d.) To make quality decisions which makes their organizations succeed. These attributes also make other employees trust them and in this way the possibility of success of their decision increases.

# Impact of Strategic Planning Process and the Environmental Factors on Quality-Productivity-Profitability Link

Quality, profitability, and productivity are the most important factors for any organization. If concepts are integrated into decision making and planning, the outcome is always in the form of success of the company. Furthermore, the organization is able to perform its operations in a much better way. The impact of planning and environmental factors on quality and productivity is important because every organization aims to achieve the success which is not easy to have without considering these aspects. The factors involved in decision making have a direct impact on the profitability of an organization. The positive impact on profitability brings benefit for the organization.

The steps involved in the planning process determines productivity and profitability. These steps are able to influence decision making, for instance, time put in each and every step of planning can impact the productivity of the decision. If all these steps of strategic planning are followed in the right sequence the final outcome will be more productive and effective decisions. For instance, one of the steps in strategic planning is a communication of goals to the stakeholders, if these goals are not communicated well, the outcome will be on the quality and productivity of decisions. Environmental factors also impact productivity because if employees rely on the workplace environment, each of them will deliver different performance depending on the environment they get and their good performance will be dependent on the good environment. The planning process and environmental factors both impact productivity, quality, and final profitability.

# Conclusion

To sum up, strategic planning is a very important step in organizational success. The steps involved in the planning process enables a company to achieve its strategic objectives in the best possible way. All the essential steps of strategic planning and decision making must be followed by the managers and leaders to make sure that the final outcome is the success of the organization. Managers' personal and professional attributes also play a vital role in the attainment of organizational goals and objectives. In addition, they also impact the profitability, productivity, and quality of the decisions. The environment is also a significant factor which must not be denied because it impacts the final productivity of employees and quality of the eventual outcome.

# References

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