

SIGMA

Leadership Series



Great Leaders Are Strategic



GREAT LEADERS ARE STRATEGIC

“ Effort and courage are not enough without purpose and direction. For, as Socrates told us, ‘If a man does not know to what port he is sailing, no wind is favorable.’

— John F. Kennedy

Having an effective strategic plan in place can help companies shape the future direction of their organization and focus employee efforts. Without direction, organizations can become consumed by day-to-day priorities and miss out on valuable opportunities for growth and innovation. As such, organizations require leaders to be skilled at developing and implementing strategic plans.

Strategic planning involves establishing a long-range direction for the organization or team, setting goals that align with the direction, and identifying how to reach those goals. Leaders who can effectively develop strategic plans can better make decisions that guide their team towards achieving these objectives. Leaders who plan strategically are also able to monitor and adjust these plans in response to changing circumstances.

In assessing your ability to set and pursue strategic goals, ask yourself the following questions:

- Have I considered my organization’s unique circumstances?
- Do I regularly set aside time to focus on the organization’s strategic goals?
- How can I ensure my plan is flexible enough to adapt to changing circumstances?
- Have I documented my organization’s strategic plan in writing?
- How can my team contribute to the strategic planning process?
- How will I monitor progress and ensure the organization is on track?

Improve Your Strategic Planning

One size does not fit all: When developing a strategic plan, it is necessary to consider your organization’s unique circumstances. Critically analyze how your organization sets itself apart from others in the industry. Examine what external opportunities may be available and where you could improve. Additionally, anticipate potential obstacles to your organization’s goals, such as competitor innovations or downward market trends. The most effective strategic plan for your company will be one that has accounted for the unique context of your organization.

Dedicate time to your long-term goals: It is easy to become caught up in the urgency of day-to-day operations and lose sight of your organization’s long-term goals. However, if you do not schedule time for long-term objectives, achieving them will be more difficult. Be sure to balance these activities with those that contribute to your organization’s mission. Some experts recommend that leaders try to divide their time according to the 80/20 rule: focus 80% of your time on daily operations and 20% on strategic goals.¹

Your strategic plan should be flexible: Sometimes it is necessary to deviate from the original plan in order to adapt to changing conditions. Although vision and direction are essential, strategic plans that are too rigid make it challenging to respond to shifts in economic trends or capitalize on time-sensitive opportunities. Research shows that a balance of planning and flexibility is ideal for innovation², which helps your organization adjust to changes in the industry. Being prepared to overcome obstacles can go a long way towards keeping your strategic plan on track.

Start Doing These 3 Things Now to Become More Strategic

The following steps can help you become better at setting strategic goals:

- 1. Formalize your plan in writing.** The first step in documenting your strategic plan is to clearly state the organization’s mission and goals. Then work backwards to translate these goals into actionable steps with specific deadlines and measurable outcomes. The strategic plan should contain more than a list of steps—it is important to identify how each action contributes to the organization’s strategic goals. Additionally, make sure that the language is clear, specific, and easy to understand.
- 2. Get your team on board.** Before you begin the execution of your strategic plan, it is essential to get buy-in from your team. Engaged employees perform better and are more motivated to work toward the organization’s goals.⁴ One way to engage your team is to solicit their input during the planning process and make it clear how their actions fit into the organization’s larger goals. Their work should support you and move the company’s vision forward. If you and your team are on the same page, then they will work more effectively³, and ultimately contribute more to the organization’s larger goals.
- 3. Monitor your progress.** As with short-term goal-setting, it is important to keep track of your organization’s progress. Every few months, reflect on your organization’s direction. Identify what is working or if there are any roadblocks. Evaluating your progress involves reviewing key performance indicators (KPIs), checking if you are on track to meet your goals, and adjusting the strategic plan accordingly. Focus on what specific actions can be taken to improve future performance or overcome obstacles. It is better to make changes sooner rather than further down the road, when the discrepancy between the plan and the goal may be larger.

Resources



Why the Secret to Success is Setting the Right Goals



The Seven Keys to Successful Strategic Planning



Develop your ability to plan strategically by taking advantage of SIGMA's coaching services.

Contact SIGMA for coaching on developing your skills as a leader.

SIGMA Assessment Systems, Inc.

Email: support@SigmaHR.com

Call: 800-265-1285

References

¹ McChesney, C., Covey, S., & Huling, J. (2012). *The 4 disciplines of execution: Achieving your wildly important goals*. Free Press: New York, NY.

² Dibrell, C., Craig, J., & Neubaum, D. (2014). Linking the formal strategic planning process, planning flexibility, and innovativeness to firm performance. *Journal of Business Research*, 67, 2000–2007. doi:10.1016/j.jbusres.2013.10.011

³ van Der Hoek, M., Groeneveld, S., & Kuipers, B. (2018). Goal setting in teams: Goal clarity and team performance in the public sector. *Review of Public Personnel Administration*, 38, 472–493. doi.org:10.1177/0734371X16682815

⁴ Lee Whittington, J., & Galpin, T. (2010). The engagement factor: Building a high-commitment organization in a low-commitment world. *Journal of Business Strategy*, 31, 14–24. doi:10.1108/02756661011076282