

# Strategic Planning

## Definition of Terms

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- *Vision* describes “what an organization would like to achieve”
  - Core ethos
  - Aspirational, long-term future
- *Mission* is a statement of the purpose of a company or organization
  - Its reason for existing and how it will accomplish its vision
- *Strategic Directives* are broad, high-level areas of focus that drive early discussions in the engagement process
- *Goals* are subcomponents of strategic directives, which include a specific target or achievement and are supported by measurable goal statements
- *Performance Goal Statements* describe the 5-year outcome(s) – the new “state” of the organization or characteristics – that will result from successfully implementing a goal and its objectives.
- *Objectives* are subcomponents of goals, define high-level actions over the life of the plan and drive time-bound tactics
- *Tactics* are time-bound activities tied to annual operating plans, resources and budgets and contain metrics
- *Metrics* are the internal measures that drive performance objectives and demonstrate to the external world that the strategic plan is successful in achieving the stated goals and objectives

## Distinguishing between “strategic” and “operational” activities

**Strategic plans:** Strategic planning establishes a *long-term* plan to achieve an organization’s specified vision and mission through the attainment of high-level strategic goals (as described above). A strategic plan looks out over an extended time horizon, three to five years or more. The plan establishes where the organization is currently, where leadership wants to go, how they will get there and how they will know when they have arrived.

**Operational plans:** To implement every long-term strategic plan there is a *short-term* operational plan. The activities (or tactics) in the operational plans are the *day-to-day business operations* that set short-term goals or milestones of one to 12 months, and they are updated annually according to the implementation status of the strategic plan goals and objectives. Operational plans guide individual and unit activities that support the strategic plan’s progress and provide validation and evidence of success toward achieving its goals.