

INTEGRATED PROCESS STRATEGIC PLAN

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ABSTRACT

A strategic plan provides the road map for making an organization's vision a reality by translating future goals into the means necessary to achieve the ends. The business sets the vision and strategies, and each functional organization then identifies its own strategies and initiatives to support the business plan. Such an approach is not effective in the collaborative work environment of today.

This project provides a methodology for the development and maintenance of an integrated process strategic plan (IPSP). It incorporates hoshin planning and balanced scorecard techniques to identify process strategies, and then manage the infrastructure, technology and process initiatives supporting them. The methodology provides the means for the identification of process objectives and strategies and ensures coordination with the company's business plan (product requirements). Data to evaluate the effectiveness of this project was collected via a survey and interviews of those involved in the planning process.

Introduction

The future arrives whether or not we are ready for it. Businesses and institutions plan for their future, albeit some better than others. Without a vision, there can be no destination or direction. In today's ever-increasing competitive business environment, it is difficult to succeed in the long term without a plan. Strategic objectives are translated into those initiatives necessary for the organization to accomplish its strategies.

In a product/process organization, the business organization traditionally leads the development of the strategies and subsequent strategic plan, which is product focused. Once the strategies have been developed, they are to be flowed down to the process organizations. This forms the basis for a process organization's strategic plan. Initiatives are identified which support each organization's strategic objectives, which are in alignment with the company's strategies. Initiatives might support process improvements, new technology development and/or system/infrastructure needs.

Problem Statement

Process organizations have been unsuccessful in developing an integrated process strategic plan to satisfy their company's strategies. Without the ability to cross the functional boundaries imposed by these organizations, alignment with the company's vision and linkage with the product strategies becomes incomplete. This project provides a methodology for the development and maintenance of an integrated process strategic plan.

Review of Related Literature

An in-depth review of related literature was completed. The review covered the areas of strategic management, strategic planning, organizational vision, mission, and core competencies. Also, hoshin

planning and balanced scorecard techniques were reviewed. Due to the three-page limitation, the review of literature is not included.

Methodology

The methodology was developed based upon the integration of basic strategic planning practices identified from the literature. Requirements were gathered through the use of interviews and focus groups. Cross-functional teams were employed to use the methodology to develop an integrated process strategic plan. Feedback from the participants was obtained via surveys and interviews. To ensure development of a practical plan, interviews and focus groups were used at different stages of plan progression. Everyone interviewed during the course of this project was aware of its nature and was amenable to participating.

Data Analysis

Likert scale data from the survey was analyzed to determine the range of attitudes expressed as a percentage of total responses provided for each statement. Responses to each open-ended question from the survey and interview were first grouped based upon similarity. A summary statement reflecting the intent of each group of responses was formed. The results were reviewed for consistency and content.

Summary

Leadership creates the vision, and communicates it to the rest of the organization. However, without effective communication of the vision, focus and direction are minimized. A clearly communicated vision enables employees to guide their day-to-day activities in support of the big picture. From the vision come the mission, strategies and core competencies. Strategies move the organization towards attaining the vision. Strategic planning provides the framework by which the various functions within an organization develop the plans to achieve the strategies, and in the long-term, attain the vision.

Traditionally, strategic planning has been done in parallel—the business sets the vision and strategies, and then each functional organization identifies its own strategies and initiatives to support the plan. However, this approach is not very effective in today's collaborative work environment.

The goal of this project was to provide a methodology for the development and maintenance of an integrated process strategic plan (IPSP). Product organizations prioritized their most important requirements as identified in their business plans. The strategic planning methodologies of hoshin planning and balanced scorecard were utilized to identify process strategies and manage and maintain the infrastructure, process and technology initiatives supporting them.

The survey and interview results confirm the need for integrated strategic planning. This methodology provided the means for the identification of process objectives and strategies and coordination of initiatives in support of the company's business plan (product requirements). It opened the lines of communication within and between process organizations, and across the product and process organizations. Roadmaps provided a good format for organizing scope, the means to understand the relationship between initiatives/projects within an objective, and a multi-year perspective indicating funding sources and project deliverables. The synergistic investment model was beneficial in guiding the selection of projects that provided the greatest leverage across programs/products.

The success of the planning methodology was demonstrated by respondents' understanding of the alignment between the process organizations' vision and strategic objectives. This was further substantiated by the belief the respondents could direct their daily activities based upon the information provided by the plan. Every respondent indicated that they would participate in this planning process in the future.

Conclusions

The IPSP facilitated process organizations working together at the division level on a common strategy and plan to introduce change. In addition, it initiated communication between functional organizations and product teams, and between product organizations.

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