

BUSINESS PLANNING AND STRATEGY AND THE SIX CRITICAL QUESTIONS

Factsheet 2



Six Critical Questions is a simple approach to the process of thinking about Business Planning and the process of writing a Business Plan (this could also equally be your organisational Strategy).

By answering these six questions, organisations can begin to unpick why they exist, and how they best want to serve their beneficiaries. The questions should ideally be undertaken and discussed as a collegiate process, and should include Trustees, Staff and Volunteers if possible. The Questions are drawn from Patrick Lencioni's book entitled *The Advantage: Why organisational health trumps Everything else in Business*.

How much clarity does your organisation have right now?

Clarity is what makes the difference between reactive firefighting and purposeful action, between frustrated tail-chasing and playful, productive momentum, between giving up and getting back up (source: Grace Marshall).

Why does your organisation exist?



Our core purpose is what gets us out of bed, lights us up inside, keeps us inspired through the rollercoaster ride and rewards us with that immense sense of satisfaction when we work towards it. It's for individuals, but also for organisations that employ individuals. The aim from Question 1 is to achieve a simple line or two which effectively defines your overarching Mission Position. Organisations need to give this some considerable thought though. It's not always as simple as it sounds. If you truly know why you exist though, then answering the other five questions is made much easier.

How do we behave? (What are our values and how do we live them out?)



Values are who we are. Not who we would like to be, not who we think we should be, but who we are in our lives, right now. And the essence of who we are is captured in the way we behave and how we do business. What are your core values? What are your organisational beliefs? How do they translate into the workplace?

By understanding these values, organisations begin to understand who they are. List them all and add them as a starting point for your Business Plan or Strategy.

What do we do?



Can you describe that clearly and accurately, in a way your prospective clients, networking contacts or a five-year-old child can understand? (Source: Grace Marshall).

This sounds simple, but you will be surprised at how many organisations struggle to define what they do. A great starting point is to list your projects and activities. In the process of listing, you begin to gain organisational understanding. These lists can then become part of your Business Plan or Strategy.

How will we succeed?



This is your effective and operational Business Plan or Strategy (they are largely one and the same thing in essence). There are many paths to success, and strategy is about choosing yours. Rather than having every detail mapped out, Lencioni suggests having three 'strategic anchors' that inform day to day decisions. Lencioni provides some guidance:

Southwest Airlines strategic anchors are to keep fair prices low, create fanatically loyal customers and make sure the planes are on time. On this basis would they invest in the latest reclining seats or a fancier on-board menu?

If both of those provisions led to higher fares, then the answer would probably be NO.

One of your organisational strategic anchors might be to build personal relationships. Another might be to provide a voice for those who are seldom heard. Another could be to work in partnership with others to maximise your opportunities. Think about 3 Anchors which fit your organisational profile and make sense to all.

When we are clear on our strategy, it's much easier to distinguish between opportunities and distractions, decide what's important and what's not, make day to day decisions and filter down from a myriad of all the things we should do to what you are choosing to focus on and do exceptionally well.

So, organisations need to give time and thought to this concept of Strategic Anchors and decide Just how clear are they?

What's most important right now?



When organisations have different teams pursuing different agendas, the result is chaos, frustration and confusion and the effects are demoralising.

Organisations can do anything they wish, but they cannot do everything right now. And that's a massively important point. So, what are you going to FOCUS on? and What's going to make the biggest impact towards your core purpose?

Even jugglers focus on one ball at a time. Get it in the air before moving onto the next one. Release and catch. One and then another.

So, what are you choosing to commit to first? and What's most important right now?

Who must do what?



In an organisation this is about roles and responsibilities. Trustees and CEOs generally make the important decisions, but do not forget staff and volunteers in this process. It's the sum of the parts which is important. As a CEO there are things you must do: These are known as the BIG ROCKS: There are also the IDEALS – These are the Nice to haves. CEOs must think about who does what? If not enough attention is paid to this chaos can ensue.

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