

Eight elements of strategic planning

Putting in place a new generation of managers and owners is a time of great vulnerability for a company, as it is with any other major change. This is why the process should engage the successor in the continuation of the company, which is to say the process should take into consideration the past, the present, and the future prospects of the company.

A thorough strategic planning exercise outlines the company's main direction while at the same time defining its needs in terms of leadership quality and in terms of financing. Whether this exercise is performed by the owner-manager, the successor, the board of directors, or a management committee, the exercise comprises eight elements:

- 1. A reminder of the mission and values of the company.**
- 2. A focus on the company's current position.** From the outset, it is important to identify and analyse the current strengths and weaknesses of the company; to run a diagnostic.
- 3. The company's potential.** Where is it going? What are the business opportunities it could seize? Are they in line with the current mission and the values of the company?
- 4. The constraints, threats, and limits** that have an affect on its growth, whether they are market threats or threats from within the business.
- 5. The short, medium, and long term objectives.** Will it be time to reorganize the finances, to find new business opportunities, to develop new products, to export?
- 6. The means to achieve these objectives:** the financial resources, the technology, the equipment, the skills, etc.
- 7. Human resource management:** the skills and the means to encourage and increase the collaboration of employees; to encourage their involvement in achieving common goals.
- 8. Measuring the performance of the company:** timelines, criteria, and tools to measure the performance of the company, as well as identifying the factors that contribute to achieving that performance.