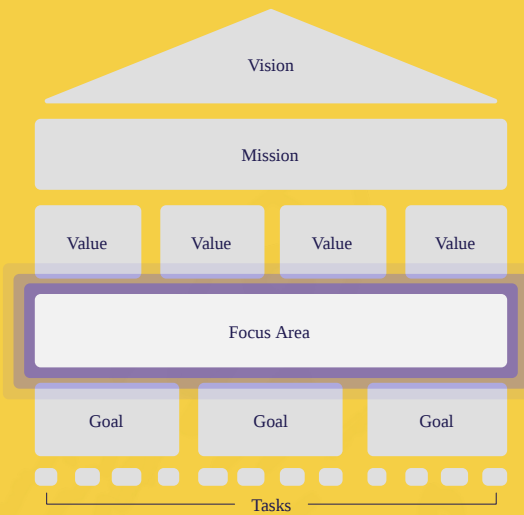


# How to Write a Strategic Plan

## The Cascade Model





**The best  
strategic  
planning  
process  
I've ever  
used."**



Kobus Van Zyl - CEO, Mercedes Benz Africa



# Planning Overview

Writing a strategic plan can be a daunting process, even for seasoned strategy professionals. However, if you have an intimate knowledge of your business, and have a clear strategic model to follow, writing a strategic plan is actually surprisingly easy.

This guide will teach you how to write a strategic plan using a simple model that will help you to define precisely what you want to achieve and how you're going to get there. Whether or not you're using a strategic planning software like Cascade, or going old-school with Excel (or even pen and paper!) - simply follow the steps outlined here and you'll have written a strategic plan to be proud of before you know it.

This article is part one of our mini-series 'How to Write a Strategic Plan'. This first article will focus on giving you a solid strategy model for your plan. Think of it as the foundation for your awesome new strategy. Subsequent parts of the series will show you how to actually create the content for your strategic plan.

Before creating your strategic plan, you need to decide on the structure you will use. There are literally hundreds if not thousands of ways to structure a strategic plan. You've likely heard of famous strategic models such as OKRs. But beyond the well-known ones, there's also a myriad of other models ranging from extremely simple, to bewilderingly complicated.





# Planning Overview

The trouble with many of the strategic models out there, is that they work reasonably well on-paper, but when it comes to reality, they don't actually walk you through exactly how to write a strategic plan - or at least one that is truly meaningful to your organization. Here are just a few of the issues we see which affect many of the popular strategic models:

- They're too complicated. People get lost in terminology rather than focusing on execution
- They don't scale. They work well for small organizations but fail when you try to extend them across multiple teams.
- They're too rigid. They force people to add layers for the sake of layers.
- They're neither tangible nor measurable. They're great at stating outcomes but lousy at helping you measure success.

In this guide, we'll show you a simpler, more effective way to write a strategic plan. We call it the Cascade Strategy Model. Whilst not dissimilar to some of the most popular strategy models - we find that this approach to the strategic model is simply more effective when it comes to execution than any other model we've tried. That holds true for small organizations right through to multinationals trying to figure out how to write a strategic plan. It's easy to use, and it works.



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# The Cascade model

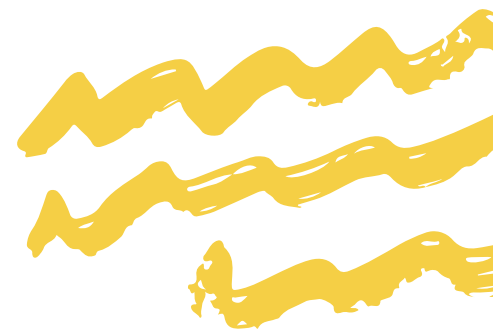
To give you an idea of how a strategic plan following the Cascade Model will look once finished, we've created a simple diagram below. It's fairly self-explanatory, but we'll explore the individual components in a moment.

Think of your strategy as a flow chart that reads from top to bottom, with each step being mandatory before going down to the next. There is a reason that we called our product 'Cascade' - and that is that strategy needs to not only cascade down throughout your organization but it itself needs to cascade from a Vision Statement to Values, Focus Areas, Objectives, etc.

Most of all, the Cascade Model is designed to be execution ready - in other words, it's been tried and tested in delivering success far beyond the strategic planning phase.

## Core Elements of Your Strategic Plan

Before we get into how to write a strategic plan, we first need to explore the different components of one.





# Vision

Your vision statement defines where you want to get to. Do not start your strategic plan without defining your Vision Statement! Lots of articles have been written about the value of a good Vision Statement - but we'll summarize as follows:

- Your Vision Statement is the anchor that stops you from getting lost at sea.
- It will help to tunnel your strategy towards the outcomes that matter the most to your organization.
- Every single thing that you write into your plan from this point onward, will ultimately be helping you to get closer to your Vision.

One of the biggest blockers to the successful execution of a strategic plan is when it tries to achieve too much in one go. Creating a Vision Statement will help you to avoid that trap right from the start. Not only that - but a truly well-written Vision Statement will provide guidance and inspiration for your people. It might even help you to attract talent and investment into your organization.

A bike manufacturing company may have a vision statement such as:

'To be the premier bike manufacturer in the Pacific Northwest'.

This vision statement clearly articulates where the organization would like to be, and the value of the organization.





# Values

Unfortunately, the notion of 'corporate values' has been abused to the point of ridicule over the past century or so. Volkswagen's corporate values include: 'Integrity & Accountability'. When it comes to how to write a strategic plan - values represent how you'll behave as an organization as you work towards your vision.

Too often, organizations simply throw out words that they think will sound good in a glossy marketing brochure but have little relevance to anything else. Our take on 'Value' is subtly different and hopefully somewhat more pragmatic. Think of Values as the 'enablers' to your Vision Statement. Don't be afraid, to be honest about how you want your people to act and think.

It can be easy to become over-focused on outcomes. Outcomes matter, but if the way in which you go about achieving them is wrong, the outcomes themselves risk becoming irrelevant. Not only that - but organizations are ultimately nothing more than the sum of the people within them. The need for basic rules about how you want those people to work together is no different as to why the game of soccer needs rules. They exist to give a common purpose to your team (scoring goals) and to provide boundaries as to what people can do achieve that purpose (no foul play).

Using the bike manufacturing example from earlier, some good values would include:

- Innovative.
- Passionate
- Accountable
- Compassionate



These values reflect the organization's beliefs to strive to be the leading bike manufacture - but not at any cost. How they get there is also important, and treating employees, customers, and all other stakeholders with compassion and staying accountable is vitally important.





# Focus areas

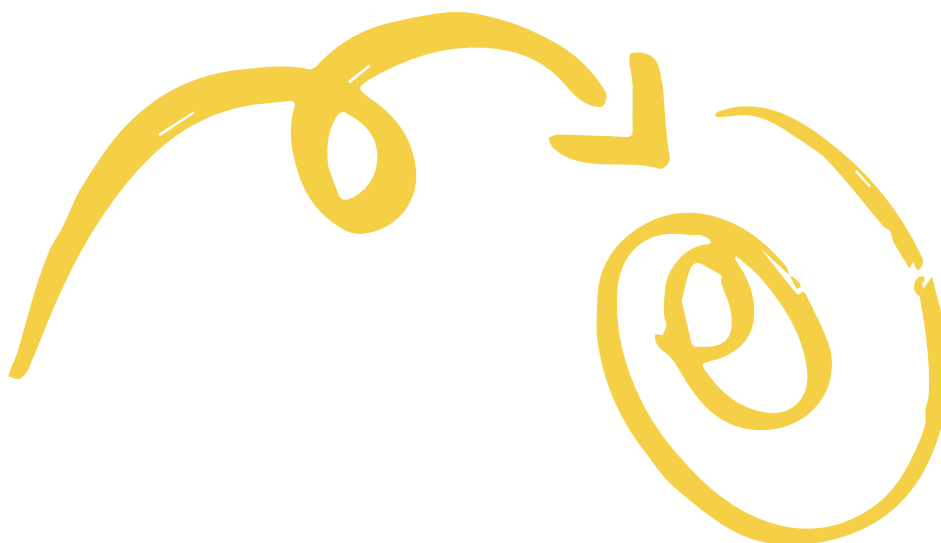
Your focus areas are the high-level things that you'll be focusing your efforts towards as you strive towards your vision. Focus Areas should be tighter in definition than your Vision Statement - but not to the level of having any particular metric or deadline. Following our manufacturing example above, some good Focus Areas might include:

- Aggressive Growth
- Nation's Best Bikes
- Modern Manufacturer
- Top Place To Work

We usually suggest creating between 3 to 5 Focus Areas. Any fewer and they will probably be too vague. Any more, and well.....I for one certainly can't focus on more than 5 things at once!

You absolutely want your people to feel empowered to come up with innovative and creative ways to be successful. But for the same reason that you're reading this guide right now - giving them a framework within which to do so, will be hugely helpful.

Well-written Focus Areas can themselves be inspiring and motivational. Once again, they will help to unite your organization behind a common purpose - and bring a sense of togetherness and belonging which should help to ease the tensions that can sometimes arise between teams and colleagues.





# Strategic objectives

Strategic Objectives represent what you want to accomplish - they're reasonably high level, but should still have a deadline attached. Your Strategic Objectives should align to one or more of your Focus Areas. Typically you'll have between 3-6 objectives for each focus area.

It's here that for the first time in our journey so far, that we need to start being a bit more specific. How specific? Let's take a look at an example of a well written Strategic Objective:

- Continue top line growth that outpaces the industry by 31st Dec 2020

This is too specific to be a Focus Area. Whilst it's still very high level, it indicates what they want to accomplish, and includes a clear deadline. Both these aspects are critical to a good Strategic Objective.

To be honest - your Strategic Objectives are the heart and soul of your plan - without them, you have no plan!

More helpfully perhaps, the reason they're important as distinct to your Projects (see below) is that jumping straight into Actions is a sure-fire way to either (a) miss opportunities or (b) lose the connection between your Actions and your Vision Statement.





# Projects

Projects describe what you will do to accomplish your objectives. They must be extremely specific and contain a deadline and a clear articulation of your actions. Your projects should align to at least one of your strategic objectives and describe how you will actually achieve your strategic objective. Typically you will create multiple projects for each Strategic Objective.

Let's take a look at an example of a well-written project continuing on with our bike manufacturing company. Using the strategic objective from above -

'Continue top-line growth that outpaces the industry by 31st Dec 2020'

A good project that would link to this could be -

'Expand into the fixed gear market by 31st December 2020'

This is much more specific than the objective it links to, and it clearly details what you will do to achieve the objective.

Projects are the layer of the strategic plan that outlines the tangible actions that people in the organization will take to actually achieve outcomes. Another common problem area for strategic plans is that they never quite get down to the detail of what you're actually going to do. It's way too easy to simply state 'we need to grow our business' - without concrete projects, those plans will sit forevermore within their PowerPoint templates, never to see the light of day after their initial creation / review.





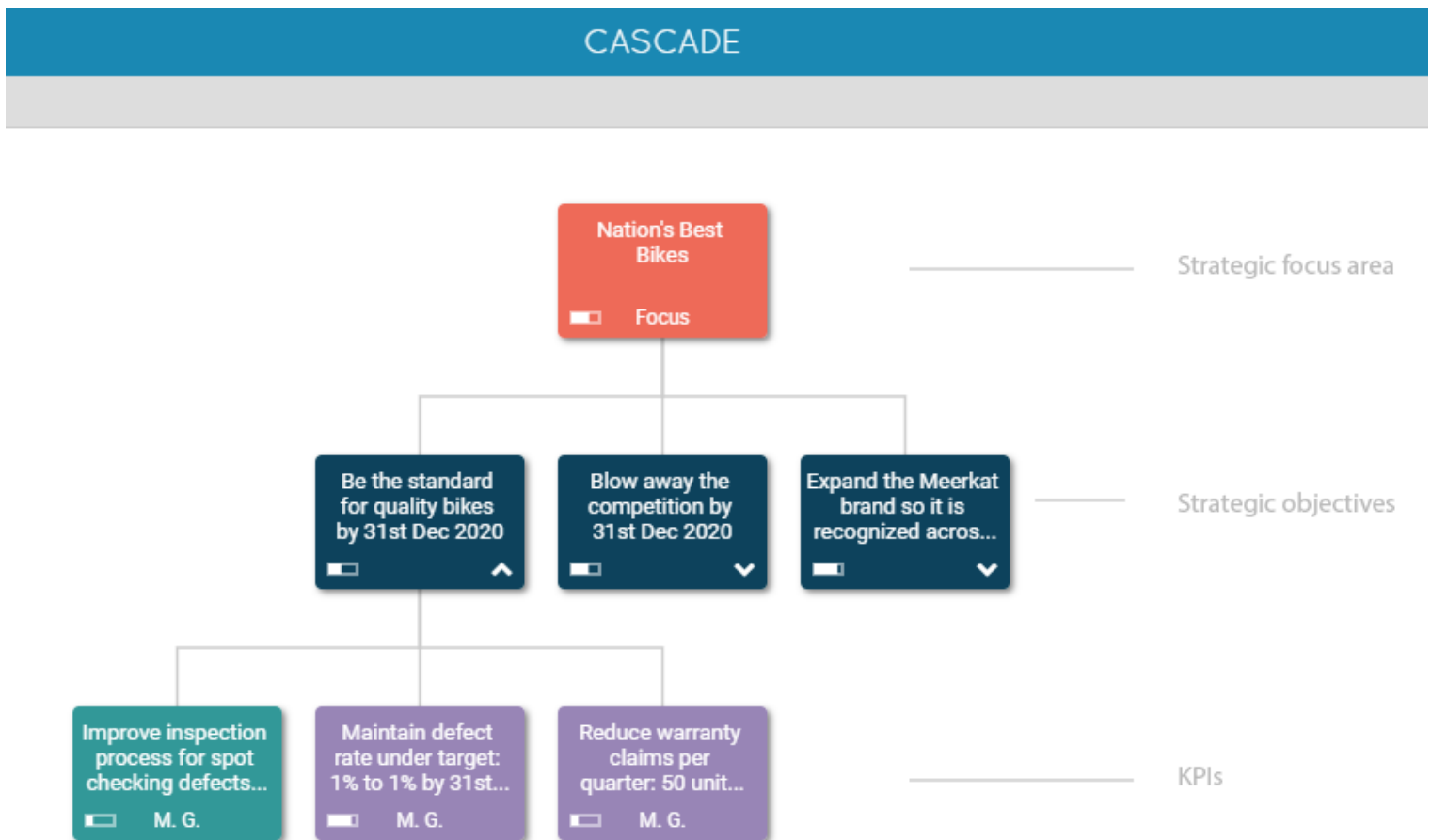
# KPIs

KPI's are how you will measure progress towards your strategic objectives. They're measurable values that show your organization's progress towards achieving key business objectives.

KPIs should be developed to contribute to achieving a specific goal or objective. If they're not developed with a specific objective in mind, they run the risk of stealing attention, time, and money from KPIs that actually help to achieve strategic objectives. You'll ideally want to include a mixture of both leading and lagging KPIs for each of your objectives.

Key performance indicators are a form of communication in an organization. They allow you to determine whether you're behind, on track, ahead or have achieved your objectives. They inform business leaders of their organization's progress towards reaching key business objectives. KPIs are able to provide this information because they actually track the most important performance measures, which can be taken together to represent how successful you are in achieving an objective.

Let's take a look at a real-life example of how this all fits together:





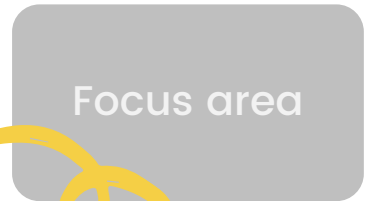
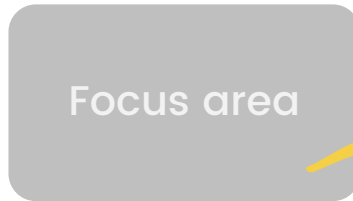
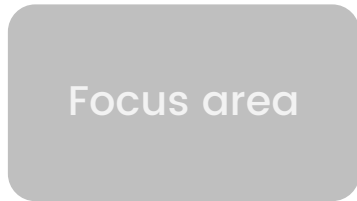
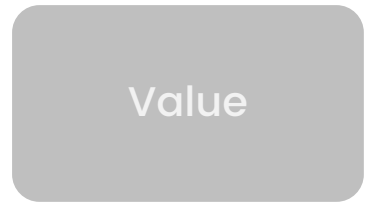
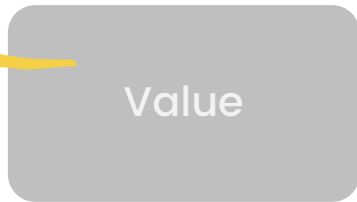
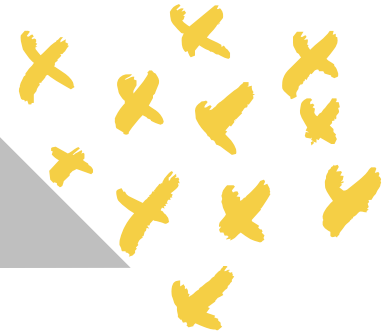
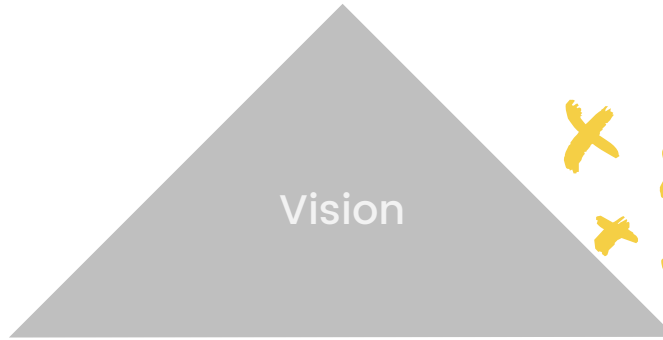
# Cascade Model Infographic

Here's a quick info graphic to help you remember how everything connects and why each element is critical to creating an effective strategic plan:



Every significant action in your organization going forward will ultimately be contributing towards this...!

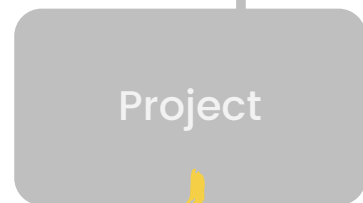
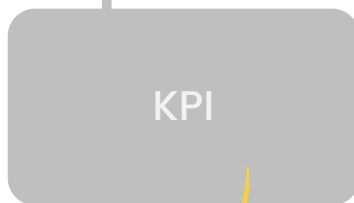
Values help unite your organization through a tight sets of core beliefs that everyone shares and embraces.



These define what your organization wants to achieve and are more specific than focus areas, in that they have a deadline.



High-level categories that your organization will be focused on as you work toward your vision.



How your organization will measure their progress towards their objectives. They should clearly indicate a metric, value, and a timeline.

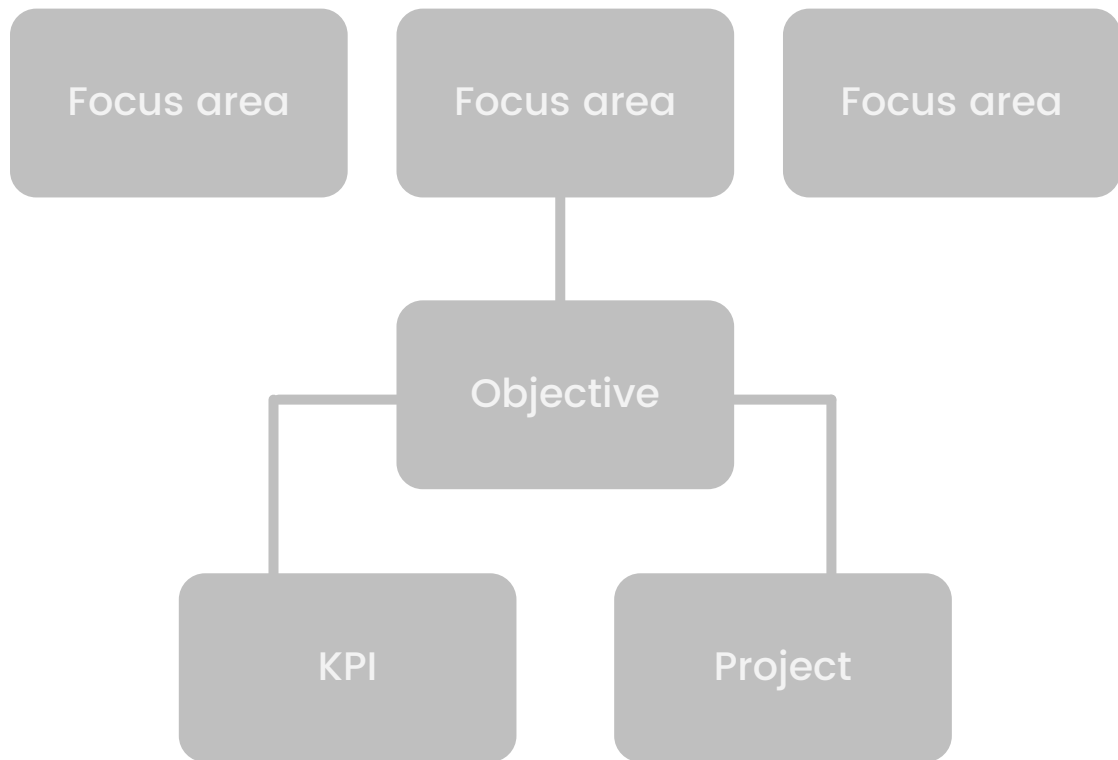
The plans and activities your organization will execute to achieve the objectives.



# Scaling The Cascade Framework

One of the issues we highlighted with other strategic models is that they often fail to effectively describe how to scale the model across multiple teams or through multiple layers of the organization. In other words, how to effectively cascade the strategic model throughout your organization.

In an ideal world, you want to have a maximum of 2 layers of detail underneath each of your focus areas. That means you'll have a focus area - followed by a layer of objectives - followed by projects and KPIs on the same layer as each other, directly underneath the objectives.





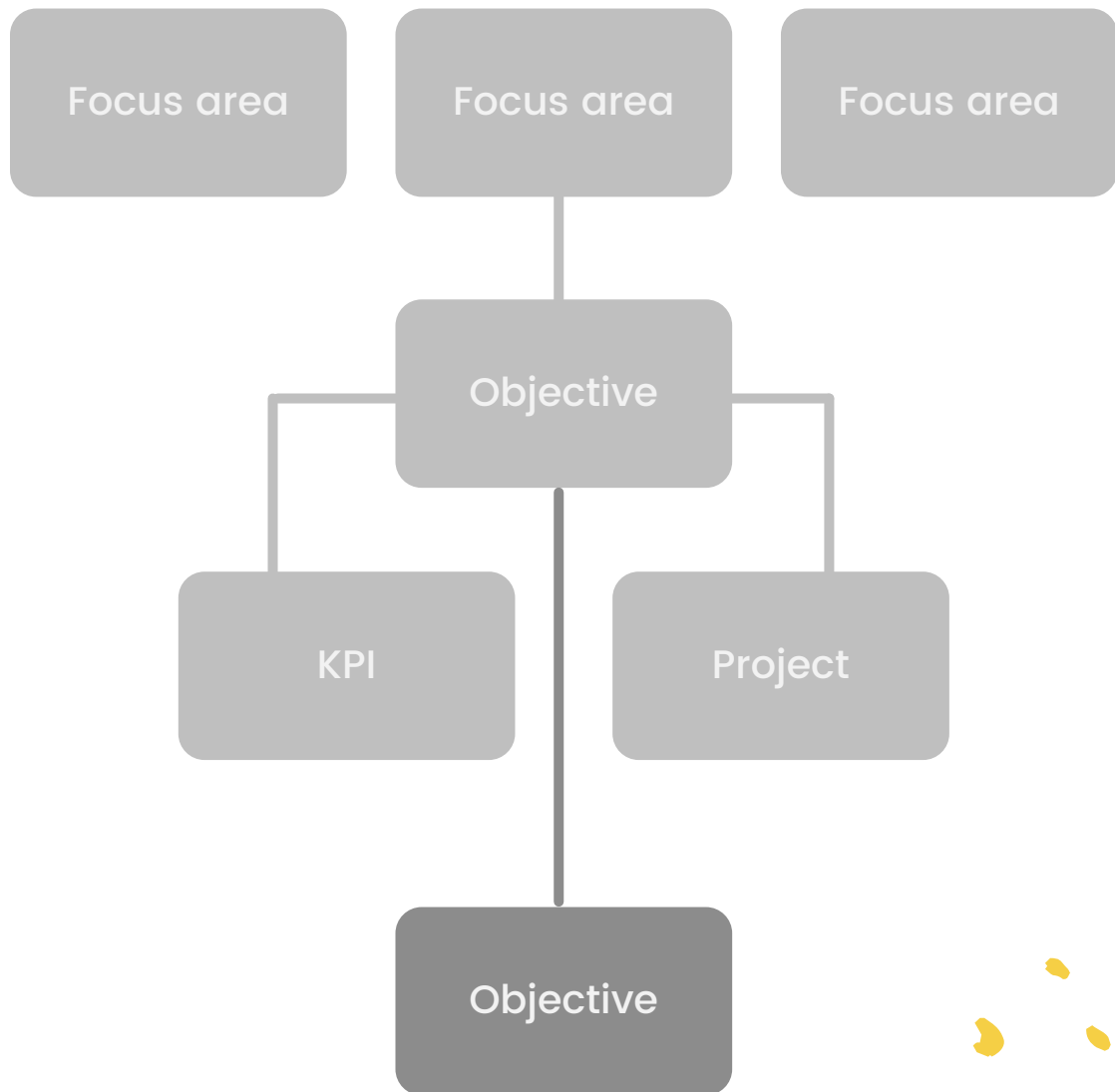
# Scaling The Cascade Framework

This works well for a single team, but if you want to implement a strategic plan across multiple teams (let's say for example you have an HR team, under which is a Recruitment team), what do you do?

Depending on how much time you want to invest in strategic planning, there are two approaches that you can take:

Option 1: Create aligned cascading objectives

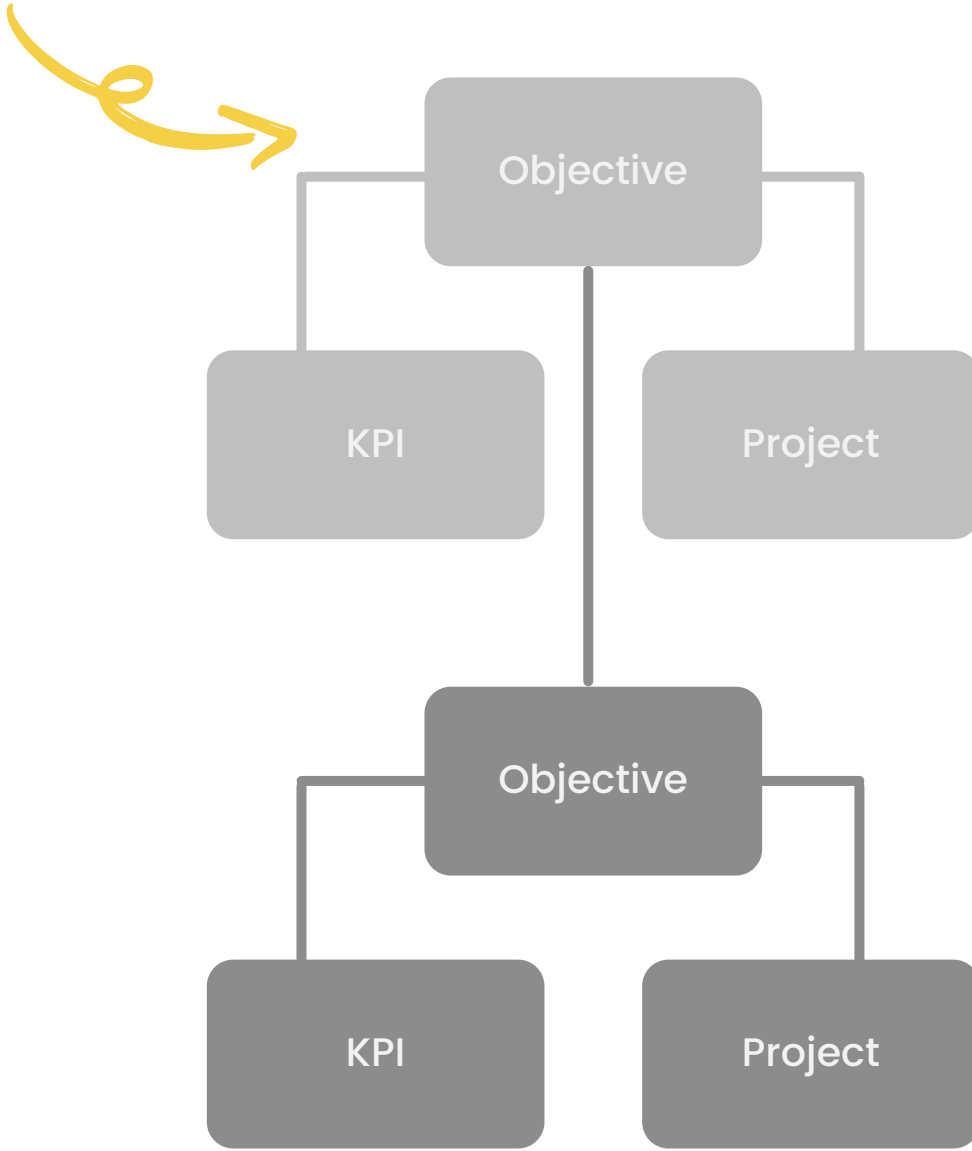
This approach involves simply adding lower-level objectives that link to your higher-level objectives, like this:





# Scaling The Cascade Framework

For each lower level objective, you simply repeat the Objective - Project - KPI structure as follows:







# Scaling The Cascade Framework

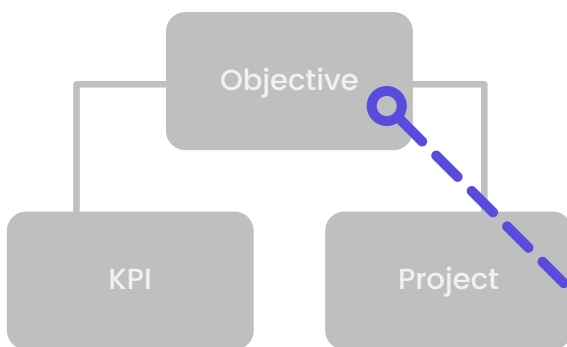
You can keep doing this as many times as you like, but do be aware that if you have a lot of layers, your strategic plan can get quite messy. Furthermore, the owners of the objectives towards the 'bottom' of the plan are managing things that are very far 'downstream' from the focus areas they link to. That could create an engagement problem with people struggling to really understand how they contribute to the top levels of the strategic plan.

Because of these challenges, this approach is best suited to smaller organizations that only need to add a couple of extra layers of objectives to their plan to get down to the level of detail they want.

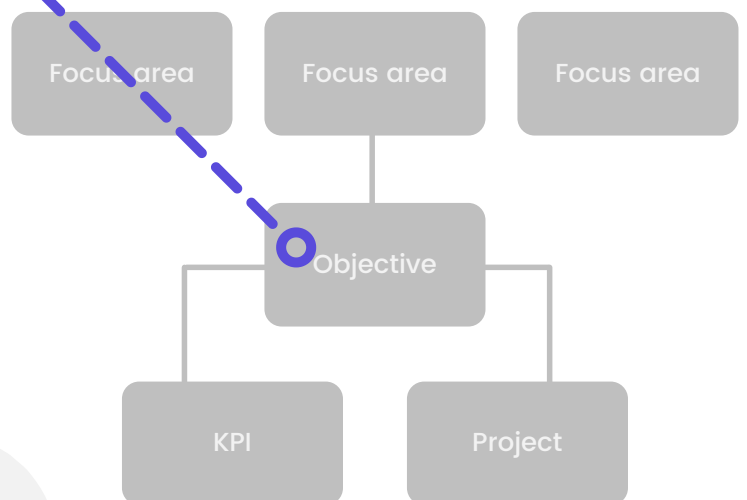
## Option 2: Created aligned/nested strategic plans

This approach involves creating a network of aligned strategic plans for each team within your organization. Each plan contains a set of focus areas, one single layer of objectives, each with its own set of projects and KPIs. Something like this:

### Main strategic plan



### IT strategic plan





# Framework

The key to making this successful is to ensure that the objectives of each of your lower level strategic plans, links directly to the objectives in the plan above it. Doing so ensures that you maintain alignment throughout your organization, but still allows you to cascade your strategy as deep as you want, across a near-infinite number of people.

The other major benefit to this approach is that typically you'll see much higher levels of engagement in the strategy throughout your organization, as objective owners will be able to clearly see the links between the objectives they own and the focus areas of their 'nearest' strategic plan.

# Scaling The Cascade



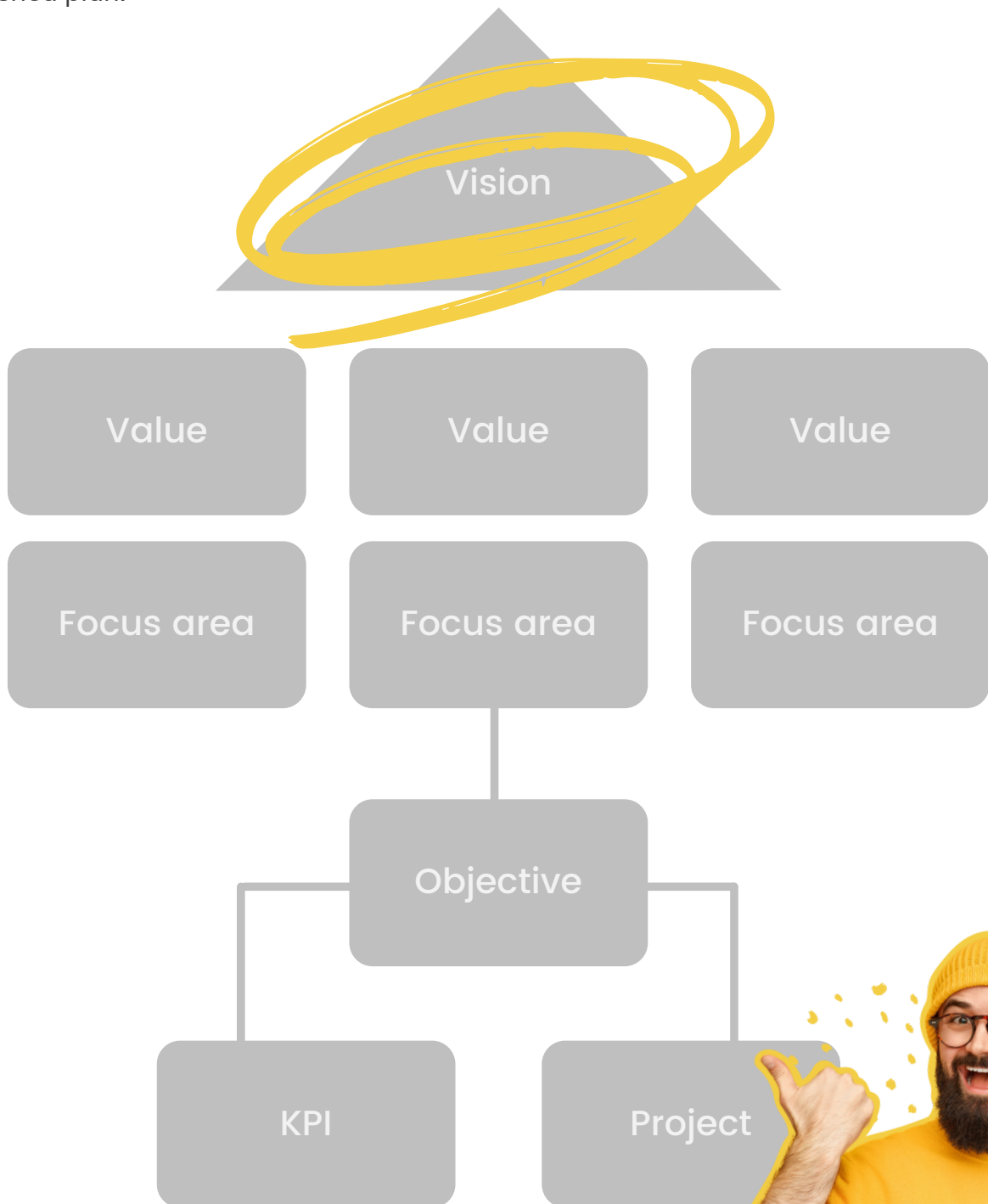


# How To Write A Vision Statement

A vision statement is the anchor point of any strategic plan. It outlines what an organization would like to ultimately achieve and gives purpose to the existence of the organization. A good vision statement should be short, simple, specific to your business, leave nothing open to interpretation. It should also have some ambition.

This comprehensive guide will take you through the entire process of writing a good vision statement, with examples and resources to help along the way.

Let's start off by reminding ourselves of what our end-game looks like in terms of our finished plan:





# How To Write A Vision Statement

Here's a quick reminder of what we're trying to achieve when writing a good vision statement (not everything will apply to every organization, but you'll get the gist...)

- Creating the pinnacle of the funnel, which every significant action we do going forward will ultimately be contributing towards.
- A memorable and inspirational summary that describes our reason for existence as an organization - one that will help to motivate existing employees and even attract high-quality new ones.
- A succinct statement about what our organization is trying to achieve to help third parties such as investors or the media better understand us.
- A 'limiter' that helps us to rule out certain opportunities that do not ultimately contribute to our vision.

## What a good Vision Statement SHOULD be:

There are a few common rules that pretty much every good Vision Statement will follow:

- They should be short - two sentences at an absolute maximum. It's fine to expand on your vision statement with more detail, but you need a version that is punchy and easily memorable.
- They need to be specific to your business and describe a unique outcome that only you can provide. Generic vision statements that could apply to any organization won't cut it (see our examples below for more on this point).
- Do not use words that are open to interpretation. For example, saying you will 'maximize shareholder return' doesn't actually mean anything unless you specify what it actually looks like.
- Keep it simple enough for people both inside and outside your organization to understand. No technical jargon, no metaphors, and no business buzz-words if at all possible!
- It should be ambitious enough to be exciting but not too ambitious that it seems unachievable. It's not really a matter of time-framing your vision, because that will vary by organization, but certainly, anything that has a timeframe outside of 3 to 10 years should be challenged as to whether it's appropriate.



# How To Write A Vision Statement

- It needs to align with the company values that you want your people to exhibit as they perform their work. We talk more about company values in this article - but once you've created those company values later on, revisit your Vision to see how well they gel.

Following these rules should give you a pretty good starting point for creating a good vision statement. To help refine things further, we'll now look at some examples of vision statements that did not follow these rules. We've also created a free PDF eBook that you can download: [100 of the World's Greatest Vision Statements](#).

## Some not-so-good Vision Statements (and why):

Here are some examples of real-life vision statements that in our opinion, could do with a little tweaking. For each one, we'll try to justify our thinking...

### Example 1:

Our company vision is to make every brand more inspiring and the world more intelligent.

Well, this one gets a tick on the 'ambitious' test if nothing else. But.....is it realistic that 'every brand' will use the services of this company? How about 'making the world more intelligent.' Let's try to quantify what that might actually look like. Or let's not. Because it's impossible. Not to be too harsh though - there are strong elements here; 'making brands more inspiring' makes a lot of sense and has some depth.

### Example 2:

Provide maximum value for our shareholders whilst helping our customers to fulfill their dreams.

This 'vision' could pretty much apply to any company, anywhere (it's an insurance company in this case - but would you have guessed that?). It's sort of like saying 'Our Vision is to succeed as a business'. Not wrong - but certainly not inspiring or unique.

### Last example:

We are committed to achieving new standards of excellence by providing superior human capital management services and maximizing the potential of all stakeholders - clients, candidates, and employees - through the delivery of the most reliable, responsive...[and it goes on, but that's probably enough]...



# How To Write A Vision Statement

It would be quite hard to write a vision statement filled with less tangibility and more subjectivity than this one. 'New standards of excellence'. 'Superior human capital management'. 'Maximizing the potential'. There are simply far too many buzzwords, intangibles, and vagueness here for this to be either memorable or inspiring.

We are of course being rather harsh. But hopefully, the above examples illustrate well some of the pitfalls to avoid when creating your own vision.

## What is the Process of Writing a Good Vision Statement?

There are literally hundreds of articles out there that give examples of bad and good vision statements. There's also plenty of articles that give a high-level overview of what to consider when creating your own. However, what we noticed was lacking was a concrete process to go through to help you create one. As such, we've outlined a process that we have used with clients in Cascade that might work for you too.

There are plenty of great vision statements out there that will not conform to the process below. But if you're struggling or just need a place to start, then hopefully this will help.

### Step 1: Define what you do as an output

Start by being exceptionally clear about what it is your organization actually does. Be careful to remain 'output focused' rather than 'input focused'. For example, Microsoft famously had a vision statement to Put a Microsoft powered computer on every desk in the world (slightly paraphrased). Strictly speaking what Microsoft 'do' is make computer software, but for the purposes of their Vision, they looked forward to the actual outcome of this process - i.e. computers on desks.

Let's look at some other hypothetical examples:

A bakery makes bread. But the outcome is consumers enjoying that bread.

A consulting company gives advice. But the outcome is the success of others based on that advice.

A government department does...lots of things. But the outcome is better lives for the citizens they serve.





# How To Write A Vision Statement

Whilst this process may seem obvious - you would be surprised by how rarely organizations actually go through this process in a formal, written way. Doing so will take you a long way towards creating your vision statement - BUT it's not enough alone! If it was, all bakeries, for example, would have the same vision statement - which is hardly inspiring!

## Step 2: Define what unique twist your organization brings to the above outcome

Very few products or services these days are truly new - most are more like reinventions of something that exists already, but with a different approach, focus or spin.

At some point in your organization's lifespan - someone will have believed that the reason that THIS organization would be successful where others have failed, was because of.....something.

You need to define that something!

Let's take our bakery example. So far, our vision statement is looking pretty generic, along with the lines of customers enjoying our bread. But why will they enjoy our bread MORE than the bread from the place next door? Is it because we use centuries-old traditions passed through generations of our family? Because we only use premium grade locally sourced ingredients? Whatever your unique selling point is - let it shine through in your vision statement.

## Step 3: Apply some high-level quantification

A common problem with a not so good vision statement is ironic, that it's too visionary! With no possible end in sight (or a totally unrealistic one) - the initial inspiration derived from a good vision statement can quickly turn to frustration or even cynicism among employees and customers.

That said - don't be too specific or apply specific metrics at this stage (they will come later in our planning process).

Sticking with our bakery example - we might want to refine our target audience to 'every customer who walks through the door' - that's fine, or maybe we want to be bolder: 'every customer within walking distance of a store'.

The quantification we apply could also be industry-specific if you're a B2B - are you shooting for SMEs or multinationals for example?.



# How To Write A Vision Statement

## Step 4: Add relatable, human, 'real world' aspects

OK, your vision statement by this point should be getting pretty close to finished. But one final trick you can apply to help make it even more memorable is to add a real-life aspect. This will allow people to conjure up a solid mental image to associate with your vision statement. Let's look at an example - which of the following statements is likely to be more memorable:

a) To have every working person in the world using Microsoft product.

or...

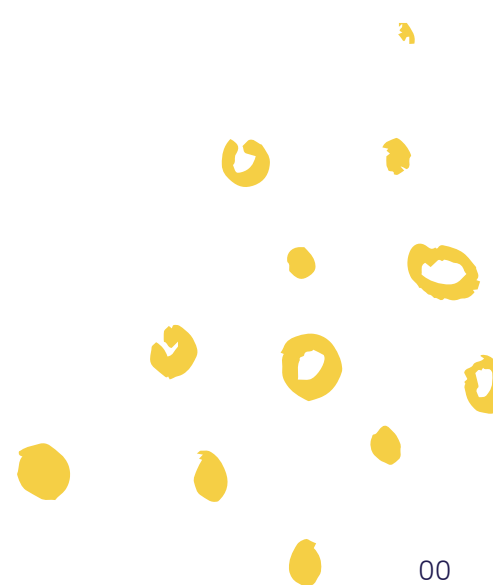
b) A Microsoft powered computer on every desk.

I would argue that (b) is more memorable because as I read this, I'm actually visualizing a computer (in my case) sitting on a wooden desk in a room. There's nothing wrong with (a) but it's highly conceptual and thus difficult to transform into a mental picture. Let's look at another example:

Ensure that every customer who leaves our store does so smiling.

Here, using the word 'smiling' as opposed to 'happy' is powerful, because it conjures a mental image of a person smiling.

It won't always be possible to bring this level of tangibility to a good vision statement - but if it is, I would strongly encourage doing so.







# How To Write A Vision Statement

## How to Bring your Vision Statement Together

Let's finish off with a look at what a completed good vision statement could look like for our bakery. Based on the above:

Producing and selling locally sourced cakes and pies that are so delicious and satisfying, that every customer who leaves our store does so with a smile.

If we deconstruct this into our various steps, we can see each at work as follows:

Producing and selling locally sourced cakes and pies that are so delicious and satisfying, that every customer who leaves our store does so with a smile.

- Step 1 - The output
- Step 2 - The twist
- Step 3 - The quantification
- Step 4 - The human connection

Let me reiterate - there are other ways to write a good vision statement. Even if yours doesn't look like this at the end, following the process above will help you to bring structure and purpose to your effort.



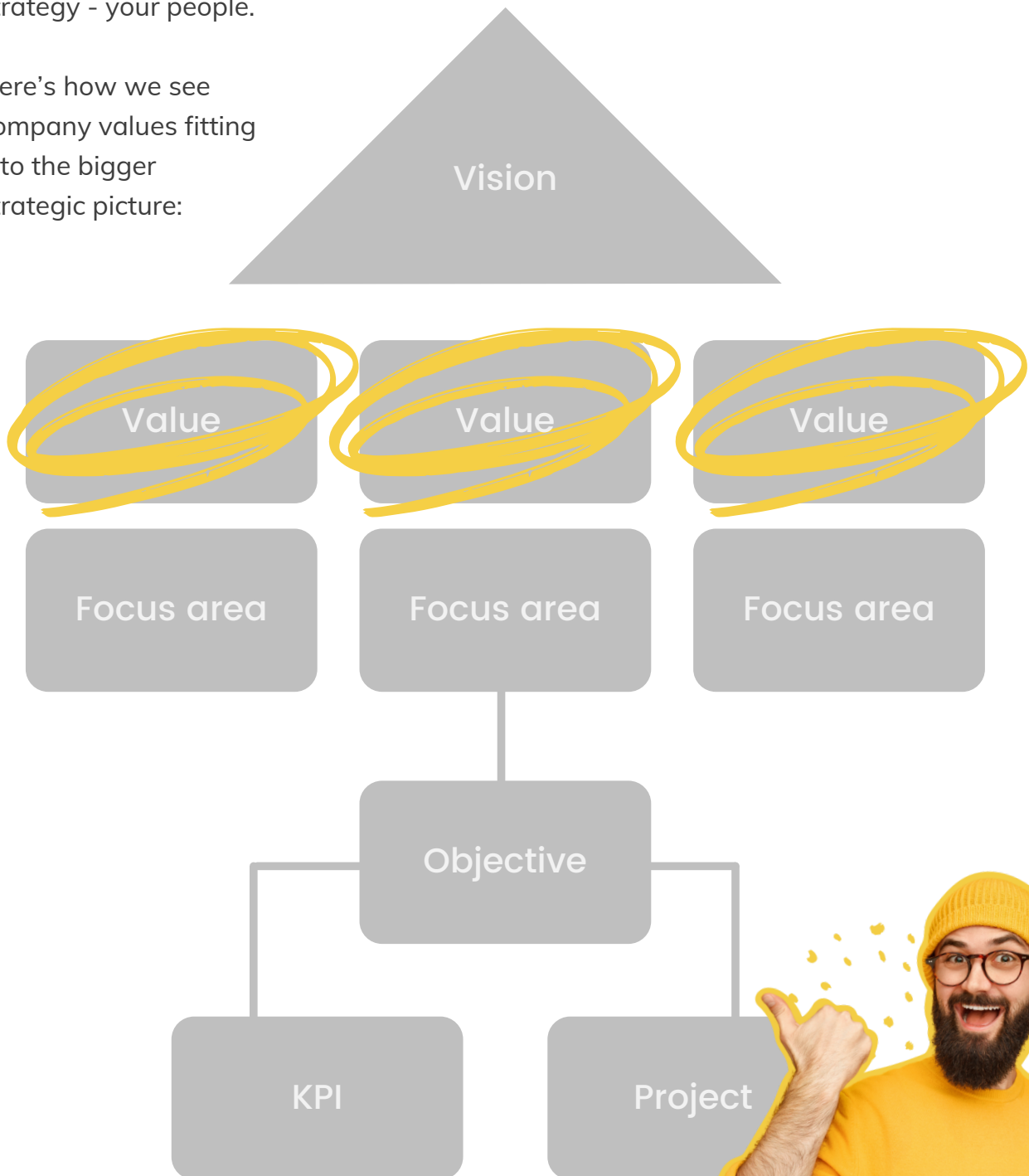
# How To Create Company Values

## Know your People

In this section, we'll be examining the art of creating company values that are powerful and relevant. Company Values that will unlock the potential and passion of your people, and will help to bring your vision statement and strategic plan to life.

Company Values are sometimes viewed as superfluous. In many cases, employees and customers alike dismiss them as mere marketing gimmicks. Our view is different - we see company values as a critical part of the strategic planning process - the reason being, that they go right to the heart of the most important ingredient of your strategy - your people.

Here's how we see company values fitting into the bigger strategic picture:





## Internal vs External Company Values

This is the difference between creating company values intended for your own people, vs values aimed at your customers or other stakeholders. We're going to go out-on-a-limb here and say that in our own experiences, internal values are almost always more powerful for helping you to execute your plan, than external ones.

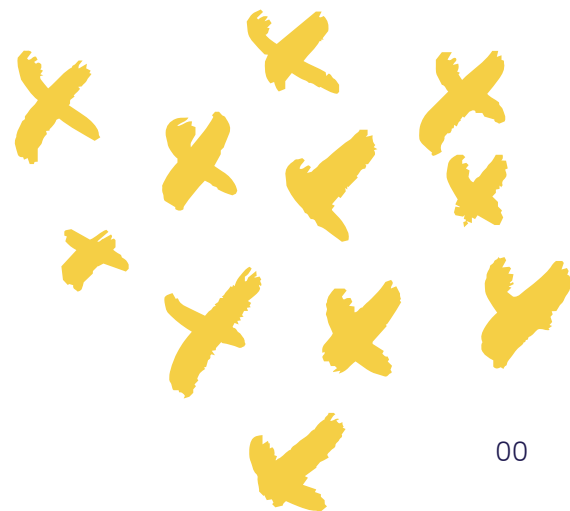
External values are always more prone to being gimmicky and marketing oriented. Not that there cannot be cross-over, or indeed a single set of values that apply to both - but for the purpose of this article, we're going to skew heavily towards internal company values and how best to devise them.

## Avoiding fluffy, vacuous values

Perhaps the single biggest reason that company values are so often seen as gimmicky is because they didn't emerge 'naturally'. In a perfect world, your values should really write themselves, as they should reflect the qualities and traits of the people you have already hired. Whenever we make decisions about whether to hire or work with someone, we unconsciously assess their values as part of that process.

Look at the people around you - those who the organization's success truly relies upon - and ask yourself what it was that made you decide to work with them. With any luck, you'll be able to identify shared and consistent values among those people. Shared values help to create synergy - and a team of people working synergistically together will always be stronger than a group of disconnected individuals - no matter how smart they may individually be. It's not a matter of dismissing individuality, but rather one of recognizing the power of a tight set of core beliefs that everyone shares, understands, and embraces.

If you go through this exercise and still find it hard to tease out common themes (perhaps you're still in the early hiring phase, or maybe you want to make broader changes) - don't worry, there's another way of looking at things that should get you to the same result.





Think about your next hire:

- What type of behaviors and mindset are you looking for?
- What personality traits help the new person to work well with the rest of the team?
- What type of individual potential will be most useful for the greater good of the organization?

## Creating Company Values: The Process in Action

To give a tangible example, we wanted to share with you our internal set of company values here at Cascade Strategy. In other articles in the series, we've used a hypothetical bike manufacturing company for our examples - but company values are simply too personal to be anything other than the genuine article. Here's how we went about creating company values that we still stand by today:

### Value 1: Passion

Why?

We're a small but growing organization. We need our people to output exponentially compared to more established businesses. The two most important drivers of this are:

- a) a passion for what you do and
- b) the ability to genuinely enjoy your work and embrace it as a positive aspect of your life.

In the long term, the only thing that can consistently deliver both a) and b) are a process of continued challenge and learning. Why do we enjoy games (sports, video games, board games, you name it...)? - We enjoy them because they're challenging, and as we learn and improve, we apply that knowledge to move continuously forward - our reward is progress - and that progress gives a sense of pleasure. We applied exactly the same principle in devising our first Company Value.

### How do we bring it to life?

We encourage and fully allow people to discover and work with the tools and technologies they want to learn. Empower them to implement the processes or techniques they wish to try and research new ways of doing things. We allow them to change their minds and we never rebuke 'failure'.



# How To Create Company Values

## Value 2: Curiosity

Why?

Curiosity is arguably a prerequisite for passion. We need people who have the mental agility to find interest in almost anything. Whether that's the structure of of technology stack, or the strategic goals of one of our clients.

How do we bring it to life?

We share everything. Our team meetings include literally everyone in the company (both in person and via video conferences). And we share Project and KPI updates from each team with the entire meeting. People are encouraged to ask questions about topics that have nothing to do with their day to day role.

## Value 3: Integrity

Why?

Integrity encompasses so many different things. From basic honesty with others through to the ability to self reflect and be honest with yourself about when you've done a bad job - or a good one. Whilst we may disagree with one another on tactics - the one thing we should never question in each other is the integrity of our intentions and the integrity of our delivery of feedback and messaging.





# How To Create Company Values

## How do we bring it to life?

We never criticise failure of outcomes. But we're quick to call-out failure of attitude, honesty, or openness. We encourage our leaders to show humility and not afraid to be vulnerable. We reinforce positive behaviors through praise, promotions, and financial reward. And do the reverse with anything that goes against the value of integrity.

## A Summary of the key steps you need to take

1. Analyze the behavioral traits of those around you and identify themes
2. Ask yourself what traits you will be looking for in your next hires
3. Understand your own strengths and weaknesses as an organization - and try to create company values that will play to your strengths and mitigate your weaknesses
4. Bring these things together in a set of values that are short both in number and in length (we suggest between 3 and 5 values as a rule of thumb - each no more than just a few words)
5. Test these values by asking whether or not they resonate with your people - they must!
6. Revisit your Vision Statement - are your values consistent with your strategic vision? Will they take you closer to making it a reality?
7. Don't stop there - write down on a piece of paper why each company value is important and tangibly what you will do to live it as an organization

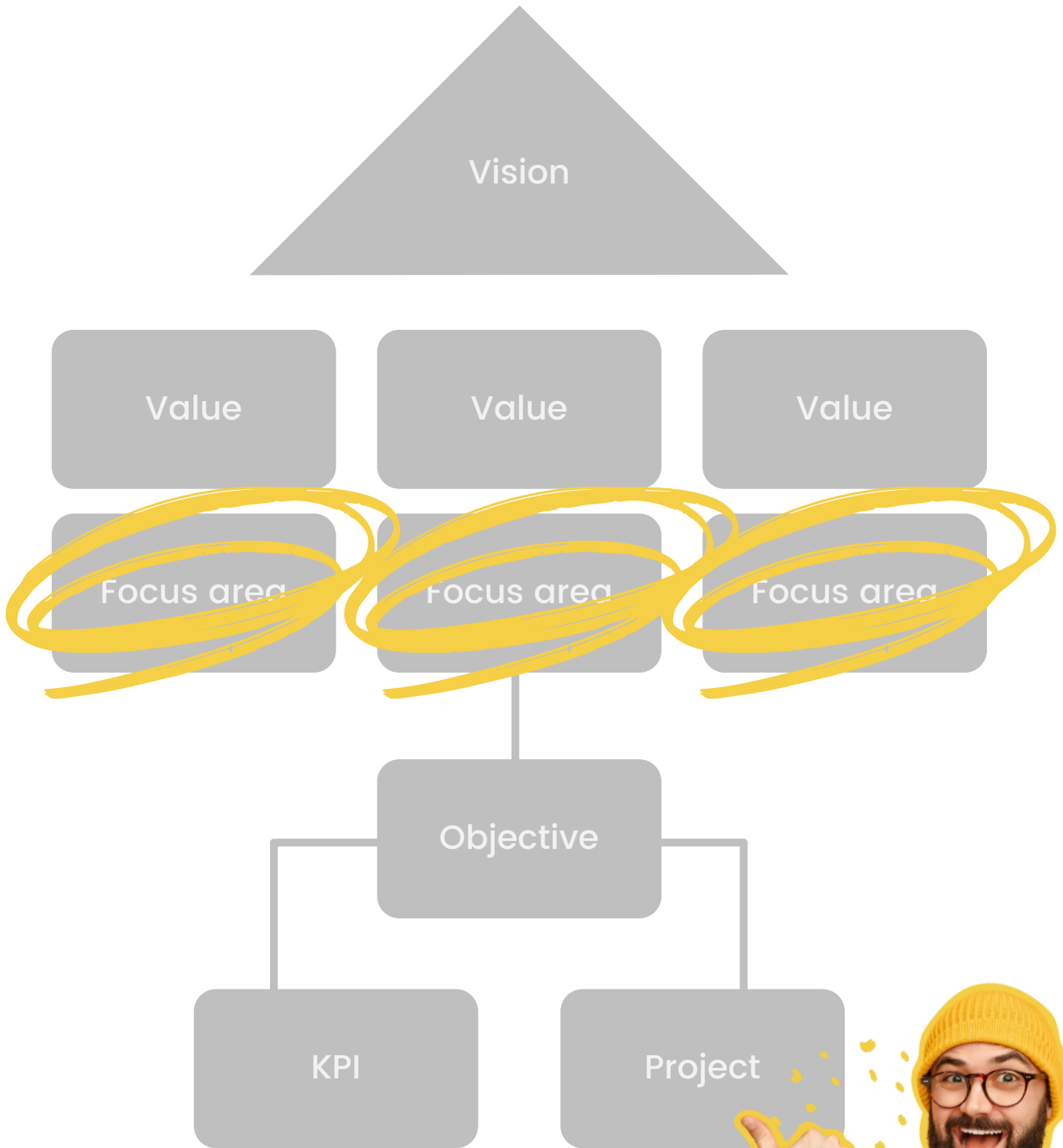
To conclude, creating company values should be easy: it should come out naturally. If you're finding the process hard, it probably means you need to spend a bit more time getting to know your people, or even yourself!





# Creating Strategic Focus Areas

It's now time to move on to the specifics of our plan, starting with how to create strategic focus areas. As always, we'll start with a quick refresher on how our complete strategic plan will look:





## What is a Strategic Focus Area?

Focus areas are the foundation stones of your strategy. They expand on your Vision Statement and start to create some structure around how to actually get your organization to achieve its goals. In past articles, we've used the example of a bike manufacturer to illustrate aspects of a solid strategic plan - we'll continue that theme here. To recap:

### Our Vision:

"To be the premier bike manufacturer in the Pacific Northwest."

### Our Values:

- Innovative
- Passionate
- Accountability
- Compassionate

### Our Focus Areas:

- Aggressive Growth
- Nation's Best Bikes
- Modern Manufacturer
- Top Places To Work

A common question we receive from organizations using our cloud system Cascade is 'How many Focus Areas should we create'? The answer is in the question. How many things can you and your people realistically focus on at one time? In our experience, 3 to 6 is probably a reasonable range. Focus Areas should be easy enough to remember so that any employee you bump into in a corridor should be able to easily recap them. Any more than 6 Focus Areas runs the risk of you being, well....unfocused!

One of the hardest things about creating strategic focus areas for your organization is deciding what to leave out. You probably have a thousand things that you want to achieve, but one of the key outcomes of this process is to refine these things down to those that really matter in the here and now for your organization. The rule is, if an activity does not fit into one of your focus areas - it shouldn't be happening - at least not right now. Sure there may be 'emergency exceptions' here and there - but it's important to commit to the process of refinement wholeheartedly, so spend enough time creating your focus areas to ensure they cover the gambit of everything you want to achieve.





## Some Rules of Thumb for Creating Strategic Focus Areas

To help you while creating strategic focus areas, we've devised the following checklist that by-and-large, all your focus areas should conform to:

### 1) No longer than 6 words each

Long-winded strategic focus areas are an oxymoron - if you can't distill your focus into 6 words or less, keep refining it until you can - it needs to be simple and memorable.

### 2) Not too broad

Don't cheat by creating strategic focus areas that are too broad, like 'Be profitable'. Unless this really is a specific focus (e.g. for new startups) - this defeats the point of the exercise and doesn't help you to focus at all!

### 3) No jargon

Avoid ambiguous terms like 'maximize' or 'succeed' - state what you are trying to achieve as an outcome, not how you are going to do it.

### 4) No metrics

Conversely, it might be tempting to add specific targets or metrics to your focus areas - avoid this. Metrics will absolutely come into play for your plan, but not at this stage. Keep things high level for now, but still outcome-focused.

## How to Get Started

In truth, when we distill the various focus areas of clients we work within Cascade, we can surmise that the vast majority fit into one of the following broad business objective categories. If you're struggling for inspiration, think about which of the following categories you want your organization to focus on and start creating strategic focus areas from there:

- Expansion / Growth - e.g. Expand network to the Asia Pacific
- Revenue / Cost / Margin - e.g. Increase sales
- Customer Satisfaction - e.g. Repeat business from customers
- Compliance - e.g. Zero regulatory issues
- Innovation - e.g. Launch new product lines
- Engagement with a Stakeholder Group - e.g. Engage with our community
- Employee Happiness - e.g. Proud & Happy Staff



You may well create strategic focus areas that don't fit into any of the categories above, but hopefully, this list gives you a good starting point. The methodology is not dissimilar from ones such as the Balanced Scorecard and most other strategic frameworks for that matter.

## Linking Focus Areas to your Vision Statement & Values

The key outcome that we're trying to achieve when creating strategic focus areas, is to realize our Vision Statement. Ask yourself, if you succeed on each of your focus areas, will you realize your Vision in full?

If your gut tells you 'no' - then you've got a couple of options. Either revisit your focus areas or revisit your vision statement. Either approach is valid - one of the key rules around creating our vision statement was to incorporate an element of pragmatism (not too much though!). If your focus areas encompass the entirety of what you think your organization can realistically achieve (even with any growth that forms part of your plan), and they still won't realize your vision - don't be afraid to go back a couple of steps and make some tweaks.

When it comes to aligning our strategic focus areas to our company values, this is equally important albeit for a different reason. Well written company values should encompass our desired organizational culture. Our culture is the environment, or if you prefer the enabler for our activities. There are no hard and fast rules about how company values and focus areas should fit together - but a couple of obvious examples might be:

(Value) Energy - [Focus Area] Expand our business internationally

(Value) Empathy - [Focus Area] Responding to Customer Feedback

(Value) Continuous Learning - [Focus Area] Staff Training & Empowerment

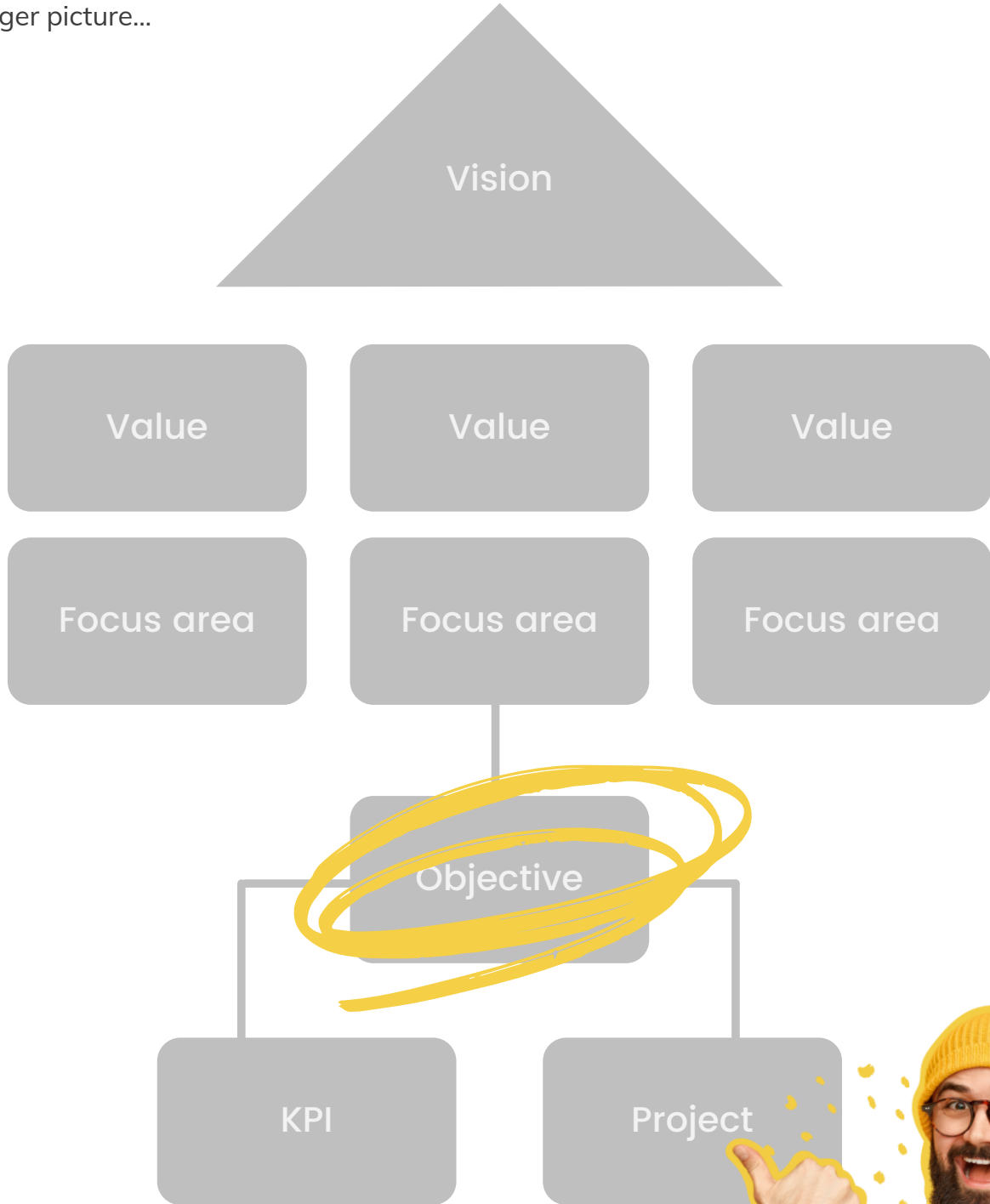
In much the same way as for your Vision and Values - we would strongly encourage you to involve your key team members in the process of creating strategic focus areas. As always, the more involved people are in the creation process, the more empowered they will be to deliver them. There are many ways to do this, from running Focus Groups, issuing Surveys and simply being responsive to ideas and suggestions as they come up as part of business-as-usual. However, nothing beats a culture of open and honest communication where such discussions occur naturally as a result of people's pride and passion for the organization.



# How to Write Strategic Objectives

Writing Strategic Objectives is probably the most fun and exciting part of creating your strategic plan. This guide will show you how to breathe life into your vision and your strategy by writing the perfect set of strategic objectives. There is also a link at the bottom of the article that includes examples of good strategic objectives you can follow and use to help you as you write your own strategic objectives.

Below is a quick recap of the Cascade Strategy Model and how this post fits into the bigger picture...





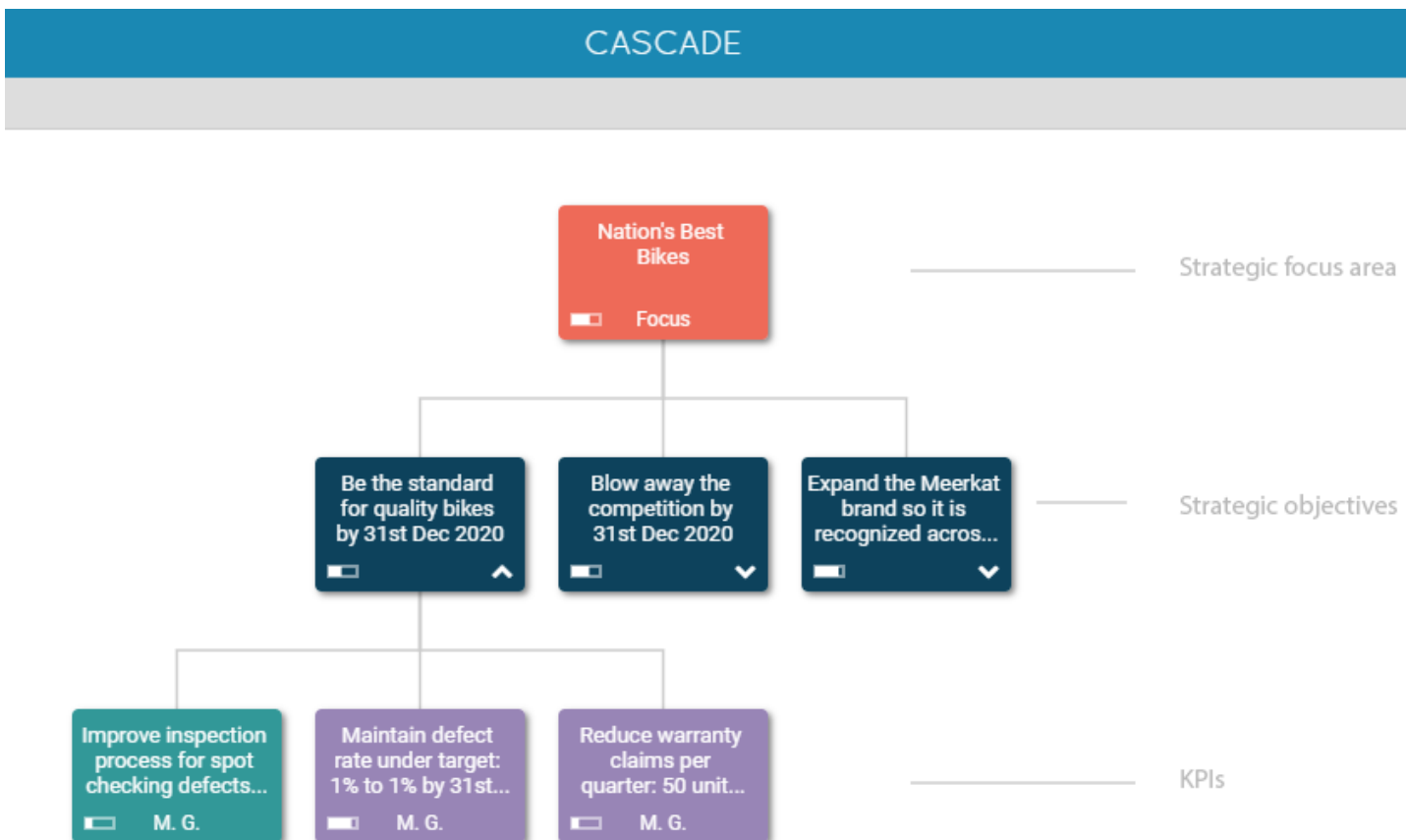
## What is a Strategic Objective ?

Before we start writing strategic objectives, let's start by defining what it is we're talking about here. A Strategic Objective is a high level statement that outlines what exactly you want to achieve, with a clearly stated deadline. It differs from a Focus Area - in that it is specific in what you want to achieve, has a deadline attached and once completed will be replaced by another, different objective. In other words, it is something that can be tangibly achieved. Your strategic objectives should be attached and contribute to achieving at least one of your Strategic Focus Areas.

The way I like to think of a Strategic Objective is:

If I was meeting with my investors/board - what would be the key programs / objectives that I would update them on if I only had an hour.

To help you understand how strategic objectives sit within the larger strategic model and the relationship between strategic objectives, focus areas, and projects, we've put together an example below.





## Writing Strategic Objectives, How Many Should I Have?

The main advice here when writing strategic objectives is to keep things simple. Strategic Objectives should be easy to remember and should be understandable by everyone within the organization. That means no jargon (if possible), and keeping them to one sentence long. You can add more detail of course, but you should be able to sum up what you want to achieve quickly and simply.

We suggest a structure as follows:

Action + Detail + Deadline

In other words:

Create the standard for quality bikes by 31st of December 2021

Starting off with a verb forces you to be specific about what you're trying to do, and ensuring you include a deadline will help you to stay on track with progress.

## How do I Ensure Accountability?

Depending on the size of your organization, you may want to delegate some degree of accountability for individual Strategic Objectives to your management team. Ultimately, as the leader of your organization's strategy - you still need to be accountable for all of the objectives - but that doesn't mean that you can't share that ownership with someone else.

For Strategic Objectives, we would strongly recommend having a maximum of two co-owners for each, including yourself. Why? Because any more than that, and you risk falling into a situation where people become overly reliant on 'someone else' to own the goal. You can absolutely involve far more people in the delivery - through a series of linked (or cascaded) projects, KPIs, and objectives. But you want at most two people to be responsible for the ultimate delivery of the Strategic Objective.



## Some Final Suggestions and Thoughts

Following the above outline should help get you off to a good start when it comes to writing strategic objectives. Here are just a few more collected thoughts to round things out:

- Don't be afraid to iterate. You probably won't get things right the first time, however, sometimes you need to get your Strategic Objectives out on paper to appreciate where the gaps are.
- Involve the people of your organization as early as possible. Don't sit in a room and try to do things yourself. Define your Vision, Values, and Focus Areas - and use that to help structure a broader engagement with your team about what your Strategic Objectives should be.
- Consider publishing your Strategic Objectives on your website. Sometimes, for reasons of confidentiality, this won't be possible - but for some organizations (such as the public sector or not-for-profits) this is a great way to communicate transparently with your stakeholders. Here's an example of how we do this in Cascade using our API: <http://www.itsmycity.me>

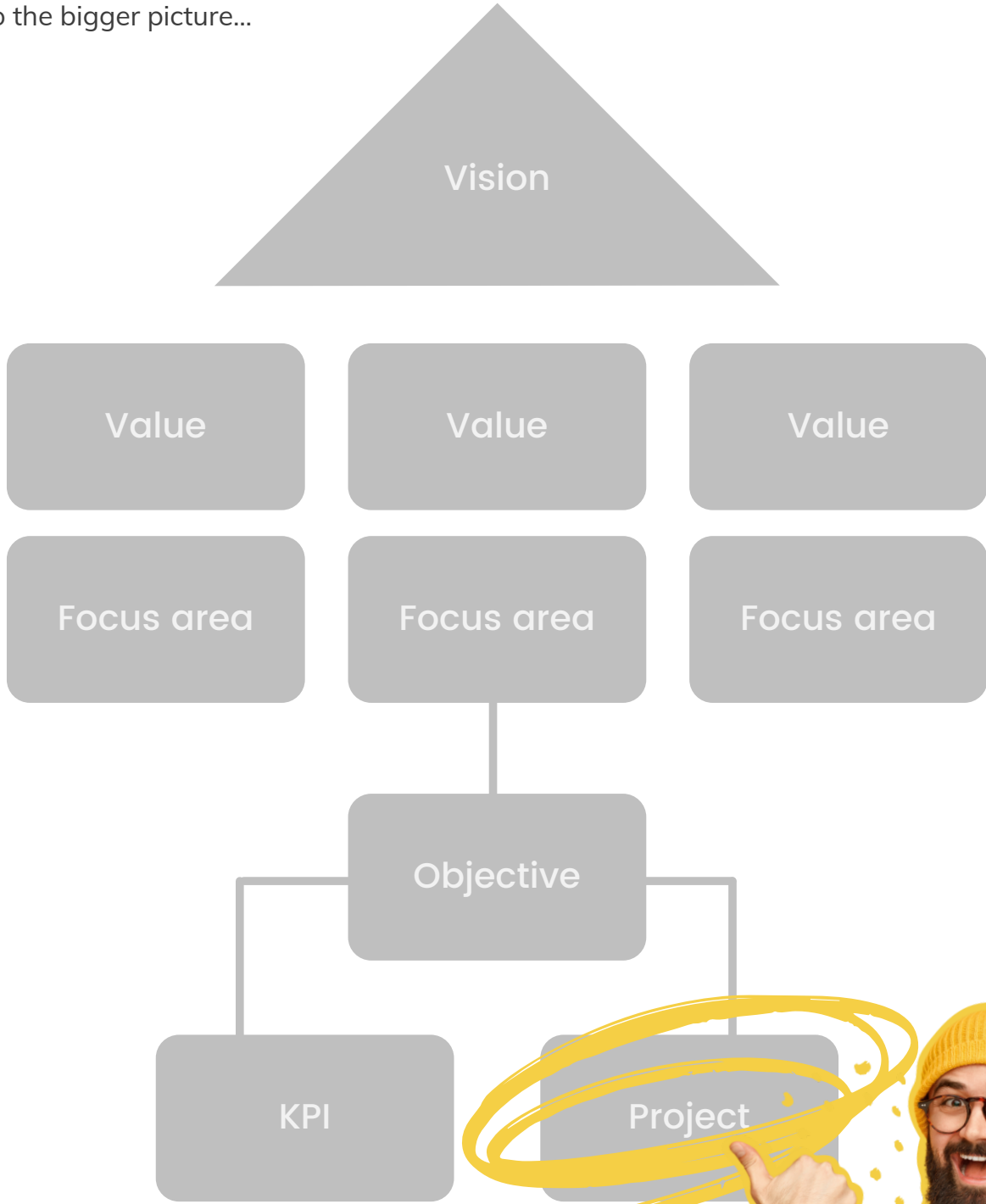
There are a number of scenarios and examples we came up with, so we actually created a separate article with good strategic objectives, you can use as a reference and adjust for your strategic planning. You'll also find examples of objectives in the finance sector, customer satisfaction, product/innovation, people and culture, and operations.



# How to Create Effective Projects

Projects describe what you will do to accomplish your objectives. It is at this point in your strategic planning process that you will start to scope out exactly what actions you will take in order to achieve certain objectives. This guide will walk you through how to create an effective project that will allow you to achieve the objectives in your strategic plan.

As always, here's a quick recap of the Cascade Strategy Model and how this post fits into the bigger picture...





## Where Do Projects Sit In Your Strategic Plan?

If you've been following along with our mini-series 'How To Write A Strategic Plan', then you will probably already have a good understanding of where projects sit in your larger strategic plan. If not, we'll briefly refresh here - projects should align to one (or more) of your strategic objectives and sit underneath them. Strategic objectives state what you want to accomplish while projects state how you will achieve those objectives, and KPIs measure your success at achieving those objectives.

A common problem area for strategic plans is that they never quite get down to the detail of what you're actually going to do. It's way too easy to simply state 'we need to grow our business' - without concrete projects, those plans will sit forevermore within their PowerPoint templates, never to see the light of day after their initial creation/review.

## What Should A Project Include?

Your projects must be extremely specific - what are the exact actions will you take to achieve a certain objective. A project must include a clear articulation of your actions and a deadline. Your projects should also include the following below...

- Tasks
- Milestones
- Duration/Dates
- People responsible
- Notes/extra detail
- Risks/Issues
- Project dependencies

## How Do You Create A Project

Depending on the project and its scope/size, there are two ways you might go about creating one:

### 1. Creating a single project with multiple tasks attached

This option is ideal for a smaller project which doesn't require too many different actions. Once you have written the description of the project, you'll need to break up the different actions with individual tasks. Each task should have its own deadline and an owner to ensure accountability and timely completion.





For example:

Project:

Perform Yearly Audit Of Main Suppliers by 31 January 2019 (owned by Ted Bil)

Task 1: Perform audit of supplier 1 by 28 November 2019 (owned by: Emily Rass)

Task 2: Perform audit of supplier 2 by 31 December 2019 (owned by: John Tomey)

Task 3: Perform audit of supplier 3 by 12 December 2019 (owned by: Rachel Ordenes)

This project is fairly straight forward and doesn't require too many actions, so it's better to create tasks that are part of the project, rather than create sub (or mini) projects that align with your main project.

## 2. Create a project with sub-projects attached

When you have a larger project, you're going to need to break it out with sub-projects sitting underneath your main project, otherwise, you will end up with a list of tasks that are difficult to manage. These sub-projects can also have tasks attached to further break up the individual actions required.

At this point, we should probably highlight the difference between a task and a sub-project. Here at Cascade (and in our Strategy software), we view tasks as an activity or action that is either complete or incomplete - there isn't 40% progress or any stages of completion. It is a simple yes/no.

Sub-projects however have stages of completion. It's not as simple as - is the project complete or not, there are generally different stages of progress working towards its completion. Let's look at an example of when you would use sub-projects.

Project:

Expand into the fixed gear markets by 31 December (owned by Emily Rass)

- Sub-Project: Create initial designs for prototype by 1 July (owned by John Tomey)
- Sub-Project: Launch a prototype into the designated test market by 1 October (owned by: Harlow West)
- Sub-Project: Research market gaps and identify possible positions of strengths Meerkat design by 1 November (owned by Sophie Hughes)

As you can see, the project above required a lot more actions to reach completion, and each of those actions will need to be broken up further. So, it makes more sense to create sub-projects and then create tasks on each of the sub-projects, to easily distill and manage the workload.



# How to Create Effective Projects

Let's take a look at another example of a well-written project to see how projects differ from strategic objectives -

**Strategic Objective: Continue top-line growth that outpaces the industry by 31st Dec 2021**

A good project that would link to this could be -

- **Project: Expand into the fixed gear market by 31st December 2020**

This is much more specific than the objective it links to, and it clearly details what you will do to achieve the objective.

Projects are the layer of the strategic plan that outlines the tangible actions that people in the organization will take to actually achieve outcomes. They're more detailed than the objectives they align to and may require tasks and sub-projects to further break up the actions required.

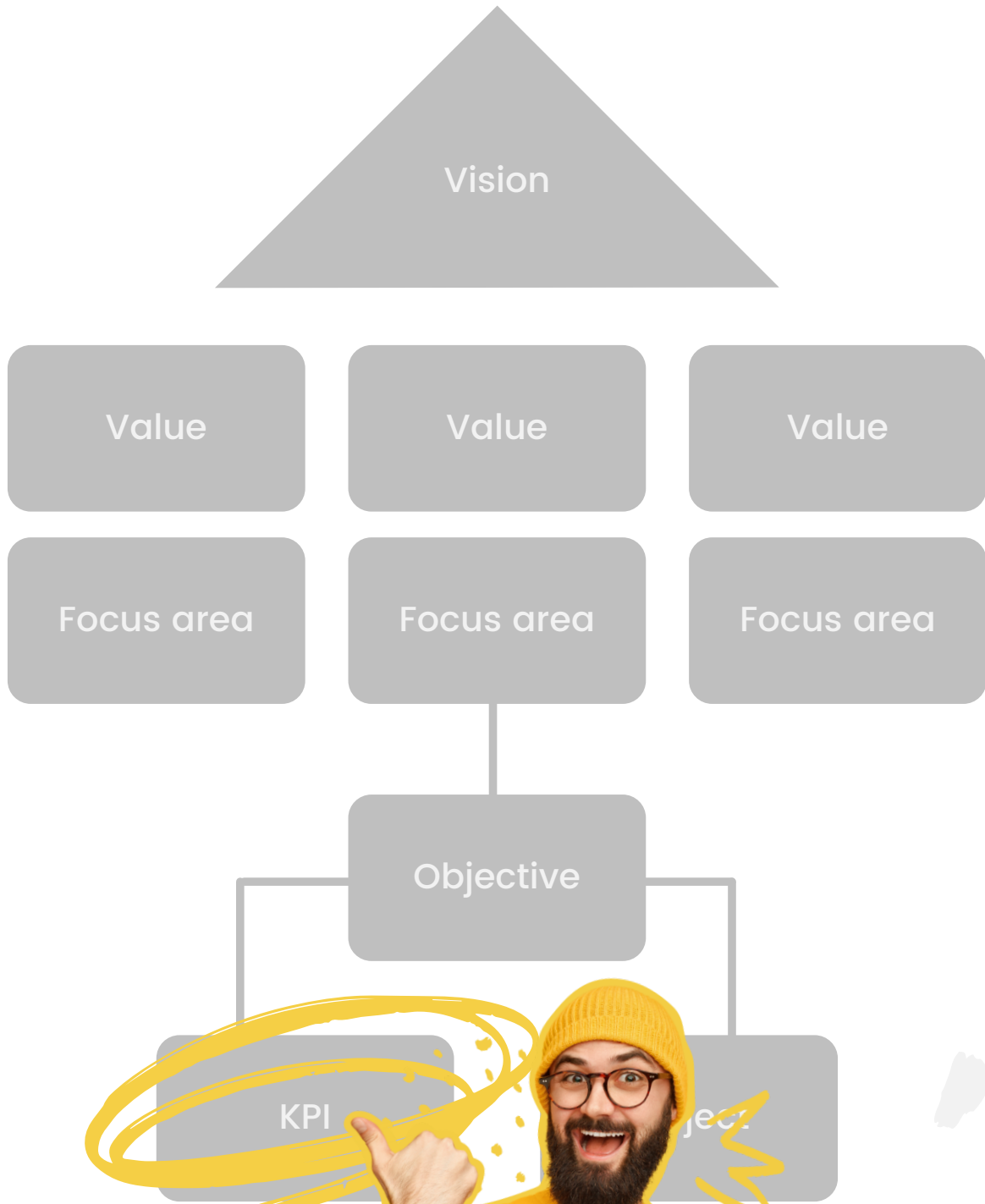




# How to Write KPIs - 4 Step Approach

KPIs are a necessary component of managing any business, whether public, private, or non-profit. This is because KPIs allow you to determine whether you're behind, on track, ahead, or have achieved your strategic objectives. This article will show you how to measure progress on your strategic plan by creating great KPIs.

As always, here's a quick recap of the Cascade Strategy Model and how this post fits into the bigger picture...





## Writing KPIs - The 4 Step Approach

Possessing knowledge on how to write KPIs is extremely valuable for any business professional. So, if you need a hand to get going, follow our 4 step approach to writing KPIs:

- Determine strategic objectives
- Define success
- Decide on measurement
- Write your SMART KPIs

NOTE: At this point, I should mention that when I use the term 'strategic objectives' in this article, I'm referring to the purpose of your actions. While some may argue that this should be called a goal or an initiative rather than an objective, I would argue that the terminology is not as important as the concepts they represent. As long as the concept behind each term is well understood in your organization, there is no reason to change your terminology (even if your terminology doesn't match that of our post - as long as the concepts do).

**Tip: Don't copy your KPIs straight from someone else's list!**

While there's a wealth of KPI examples available online - scrolling through industry lists, picking out a KPI, and attempting to force it into your strategy won't do you any favors.

**Why?**

Well, KPIs should be developed to contribute to achieving a specific strategic objective. If they're not developed with a specific strategic objective in mind, they run the risk of stealing attention, time, and money from KPIs that actually help to achieve strategic objectives.

The best KPIs for YOUR business are designed by starting with YOUR specific business objectives. Now, this is not to say all the content available on KPI examples is useless because it's definitely not - it's actually an important resource. But, looking through KPI examples shouldn't begin till AFTER you have determined your key strategic objectives.



## Alternative vs Value-Based Decision-Making

To get a better understanding of why you should always start the KPI process by having first defined strategic objectives, consider the two potential ways of deriving your KPIs:

Alternative-based decision-making

Value-based decision-making

Alternative-based decision-making relies on choosing your preferred option from the alternatives offered.

**Example:**

Decision maker: I would like a coffee

Waiter: Sure, what milk would you like?

Decision maker: What do you have?

Waiter: We have full cream, skim, or soy milk?

Decision maker: I'll take the full cream milk.

Value-based decision-making relies on assessing what matters most to you and then making a decision that meets your needs.

**Example:**

Decision maker: I would like a coffee

Waiter: Sure, what milk would you like?

Decision maker: (Considers objectives: I like a good tasting coffee, but also want to keep the fat content down because I'm watching my weight) I'll take soy milk with one serve of artificial sweetener.

Waiter: No problem.



As you can see, the decision-maker in the first example listened to the alternatives presented and then selected their preference based on the options given. However, the decision-maker in the second example examined their objectives and what they really wanted from a cup of coffee first and then made a decision that met their needs.

When writing KPIs, using the alternative based approach and scrolling through industry KPI lists will leave you with your preferred KPI from that list, but achieving that KPI won't necessarily mean you've achieved your strategic objectives.

When writing KPIs, using the alternative based approach and scrolling through industry KPI lists will leave you with your preferred KPI from that list, but achieving that KPI won't necessarily mean you've achieved your strategic objectives. On the other hand, using the value-based approach and considering your key strategic objectives first will ensure you end up with KPIs that once achieved, will mean you've also achieved your strategic objectives.

## How to Write KPIs - 4 Step Approach

Your organization's business model, industry, and even the department in which you operate will have an impact on the type of KPI you need. Luckily, we've devised a best practice process for how to write KPIs that will allow you to create the perfect KPIs every time.

### Step 1 - Determine the Key Strategic Objectives

Before writing KPIs, you'll first need to determine which of your organization's strategic objectives you're trying to gauge. If you've read this far, then you will have already defined some strategic objectives for your organization, and you're ready to create some KPIs.

If you haven't defined any strategic objectives for your organization yet, jump back up the eBook then back over here to create your KPIs.

**E.g. Objective: Increase the flow of the marketing pipeline.**



## Step 2 - Define Success

Now that you've identified your strategic objectives, you'll need to begin thinking about what the success of each objective looks like. Sticking with the same example used in Step 1, if my objective is to increase the flow of the marketing pipeline, the success of this objective means increasing the number of contacts that enter the pipeline, and increasing the number of contacts that pass through the end of the pipeline and get handed over to Sales. By first defining what success looks like, deciding how you will measure the success of your objective becomes a lot easier.

When defining the success of your KPI, you will usually find there are multiple parts to the definition of your objectives success. In the example used above, we found there were two parts to achieving the success of our objective -

- Increasing the number of contacts that enter the pipeline.
- Increasing the number of contacts that pass through the end of the pipeline and get handed over to Sales

As mentioned earlier, this is the time when it might be useful to look through a few KPI examples to help get some inspiration for how you can define the success of your key business objectives. Again, you should avoid copying KPIs straight from a list, as, chances are, they won't perfectly fit your strategic objectives. Instead, use the KPI examples as a way to ideate how you can measure the success of your own strategic objectives.

We've collated a whole bunch of KPI examples already and grouped them by the department to help give you a little inspiration:

[Sales KPIs](#)

[Marketing KPIs](#)

[Financial KPIs](#)

[HR KPIs](#)

[Customer Service KPIs](#)

[Health & Safety KPIs](#)

[IT KPIs](#)

[Change Management KPIs](#)



## Step 3 - Decide on measurement

Next, you'll need to decide how you will actually measure success. Going back to our example once again, we've identified that the success of our objective means increasing the number of contacts that enter our pipeline AND increasing the number of contacts that pass through the end of our pipeline.

Let's start with the first part of this - Increasing the number of contacts that enter our pipeline. Contacts enter our marketing pipeline when they subscribe to our mailing list or exchange their details for content for the first time. When contacts engage in either activity, they automatically get added to our marketing automation platform as a subscriber. Using the number of new subscribers added to our marketing automation platform over a time period is an easy way for us to measure the number of contacts entering our marketing pipeline.

Now let's look at the second part - Increasing the number of contacts that pass through the end of our marketing pipeline. Contacts pass through the end of the marketing pipeline when they're ready to be handed over to our Sales Team. We use the term "SQL" (Sales Qualified Lead) to define a lead that has moved through the end of our marketing pipeline and is ready for our Sales Team to pick up. Our marketing automation platform adds a tag on each contact profile to identify which life-cycle stage they are in based on a certain activity. Again, through our marketing automation software, we can use the number of contacts who become a SQL in a given time period to measure our success.

This is where it might be wise to start considering dashboard software to track and display your KPIs. You'll likely use various platforms and tools across your business to measure your KPIs, but having a central location to track and view all your departmental and organizational KPIs will ensure you have a clear view of your success. Cascade's Dashboard tool is extremely powerful and allows you to pull data from all around your business, so you can display your most important information, real-time, to whoever in your organization needs it.





# How to Write KPIs - 4 Step Approach

## Step 4 - Write your KPIs

Finally, it's time to begin actually writing your KPIs. KPIs should follow the SMART format (specific, measurable, attainable, relevant, and time-bound), to ensure your KPIs meet this criterion, we've devised a formula that you can follow to ensure you end up with SMART KPIs every time. The main advice here is to keep things simple. KPIs should be understood by everyone within the organization. That means no jargon (if possible), and keeping them to one sentence long.

We suggest a structure as follows:

Action + Detail + Value + Unit + Deadline

Putting it all together, our KPIs may look something like this:

Example 1

Increase new HubSpot lead profiles to 40,000 people by 31st December

Example 2

Increase new SQL profiles to 20,000 people by 31st December

Starting off with a verb forces you to be specific about what you're trying to do. A metric and unit ensure your KPI is measurable and a deadline will do wonders for staying timely on your progress.

Cascade does a great job helping write KPIs this way with it's goal designer!



## Wrap up!

Let's take a quick look at how adopting the Cascade Strategic Framework solves the most common issues that people encounter with writing a strategic plan:

- Not too complicated. Terminology is simple to understand and the linkages are clear, without ever deviating from the objectives - project - KPI 'triangle'.
- Scales easily. By linking objectives (either in a single plan or across multiple nested strategic plans) the model scales infinitely without losing clarity or focus.
- Extremely flexible. The model balances the flexibility of linked layers with the minimum requirement of always having an outcome (the objectives), an action (the projects), and a measure (the KPIs).
- Tangible & measurable. By incorporating KPIs directly in the model, you're forced to think clearly about what success looks like and you'll always have a relevant set of KPIs to track for your strategy.

When it comes to the question of how to write a strategic plan - you'd be pretty hard pushed to find a better starting point. The Cascade Strategy Model is inspired by the best models out there already (we like OKRs a lot for example) but is simple, effective, and proven to work in organizations large and small.

Whilst strategic planning is an important part of striving towards success - it's actually only the beginning. Strategic execution is the part that most organizations struggle with.

That's why we created the Cascade Strategy Model. It's the culmination of thousands of experiences implementing a strategy with our clients (large and small) and we think it's quite simply the best way to structure your strategic plan - regardless of your industry or size.



[Try Cascade Free!](#)