

# Strategic Planning by Evans Incorporated: A Human-Centered Innovation Solution

## How Evans Views Strategy

A successful strategy should ensure that an organization is able to successfully respond to changes in a dynamic, changing environment by 1) formulating the organization's future mission in light of changing contextual factors (e.g., regulation, competition, technology, and customers); 2) developing a sustainable strategy to achieve that mission; and 3) deploying resources through organizational change and other activities to successfully carry out that strategy. Evans' approach to strategy design and implementation looks at each of those elements from the perspective of the people who need to be involved to achieve lasting success.

Who are the right people to help us understand the trends affecting an organization, both inside and out? Which people have a clear vision about where the organization needs to go? Who is ultimately responsible for the organization's success? Whose support is necessary to execute the plan in its entirety? The answers to those questions are names, not words. We believe that strategy works when it's personified.

## Strategy Takes Many Forms

Designed as a scalable, tailorable, and adaptable approach to strategic planning and execution, Evans' approach can be used in a multitude of client contexts, from short- and mid-term strategy projects, to long-term innovation efforts:

**Short- and mid-term strategy projects** may range from several months to 5 years and may include capital investment planning, organizational realignment, or operational redesign to improve resiliency or immediate response to external events. Some progress can be realized immediately in these smaller-scope projects, but constraints tend to be firm with little room for fundamental organizational change.

**Long-term innovation** has a greater potential to fundamentally change an organization and may range from 5 to 20 years or longer. These efforts often involve long-term capital planning, as well

as research and development. Tangible results are often years in the making, but the potential for transformative change is much greater.

## **Need for Nuance**

Strategic planning is a polarizing topic. Many people express confusion about what strategy really is. Those who are confident enough to define strategy often have diverse views about whether it's worthwhile, why it often fails, and how it must be done to be successful. With this divergence of opinion, strategy is like a lightning rod. But rather than guard ourselves from potential shock, we need to harness that energy. Vocal critics can become staunch supporters by taking the time to transparently address skepticism about the benefits of strategy and past experiences with strategic planning projects – especially when they have been unsuccessful. For these reasons, no universal approach to strategic planning is applicable across all organizations.

Evans' approach to strategy is built on best practices and proven techniques, and we believe that your organization's strategy must be tailored to your unique experiences, needs, and expectations. Your optimal strategy must be designed to fit your market or operating environment (including regulations and standard practices), your organizational characteristics, and your stakeholders. We don't use our knowledge about a given industry or sector to tell you what strategy is best for your organization, then leave you to implement it on your own. Instead, we leverage our familiarity with your industry to facilitate the strategy design process along with you, then provide hands-on guidance through implementation.

## **Design Principles**

Evans' strategic planning solution is designed holistically, beyond the conventional expectations of business strategy. Too often, organizations focus their strategies only on functional requirements – new revenue sources, new profit centers, new technologies, new locations for operations, etc. While those requirements may provide the backbone of your strategic plan, the optimal strategy also addresses social, psychological, and even emotional needs.

## **Functional**

Down to brass tacks, we provide our clients with a series of tangible products built upon your

unique functional requirements: 1) set of Core Strategy Artifacts; 2) a Contextual Factors Evaluation; 3) a Strategic Plan; 4) a Strategy Execution Plan; and 5) a Strategic Stakeholder Engagement Plan. These products have standalone value but build upon each other. They are crafted to optimize your strategy based on your specific operating environment (e.g., constrained, growing), market conditions (e.g., optimistic, pessimistic), motivations/drivers (e.g., public service, shareholder profit), organizational structures (e.g., flat or hierarchical, organized labor), and culture (e.g., legacy preservation, entrepreneurship, market disruption).

## Social

Beyond function, we also ensure that strategy formulation and implementation is designed with people in mind, from executives advocating for the strategic change, to managers and employees carrying it out. We factor this in by thoroughly examining personal needs and relationship motivations.

## Psychological

We emphasize tailored stakeholder engagement throughout the strategic planning process to ensure that it is viewed as necessary and valuable, reducing skepticism based on feelings, assumptions, or past experiences.

## Emotional

Finally, we give our clients the confidence to achieve strategic control over the direction of your organization through proper strategy implementation, and the tools to implement your strategy in a way that matches the unique qualities of your organization.

By embracing these design principles during each client engagement, we're able to consistently deliver human-centered strategy solutions.

## Common Perceptions about Strategic Planning

Strategic planning is often viewed as theory, removed from operational realities and not closely tied to performance improvements. To address this criticism, Evans' approach to strategy incorporates performance management into the strategy executive phase. By tying strategy to financial, operational, and other quantitative metrics, it's possible to break strategic goals into a series of measurable tasks, which can be assigned to teams and individuals. This traceability to corporate strategy can be a performance motivator, as teams and individuals are credited for their contributions to organizational change. Qualitative metrics are also important, and even opinions can be scored and used as metrics if they are collected using consistent and methodical procedures. Strategy supported by data can change the minds of skeptics within your organization and ensure more rigorous execution of your plan.

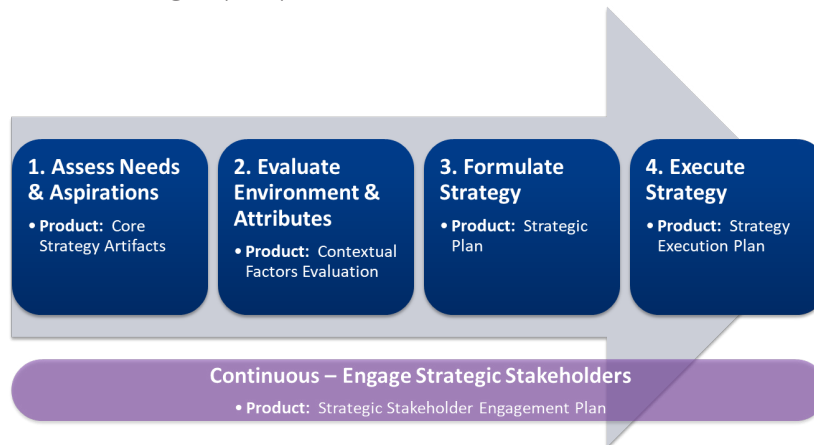
Another common concern about strategy relates to how the plan and its rollout will be supported by employees, through all organizational levels. Therefore, to ensure buy-in, strategic change must involve dialogue rather than being foisted upon employees. Evans' approach meets this challenge by creating a Strategic Stakeholder Engagement Plan very early in the process. We identify all key stakeholders relevant to each phase of the process and create tailored engagement plans for each, ensuring that their feedback is appropriately addressed by management and incorporated into the strategy.

Finally, complexity and resource overload often plague strategic planning activities, which tax executives during the design phase and managers and staff during implementation. To mark progress and generate momentum throughout the process, Evans distills the strategic planning process into four clear component phases, each culminating in delivery of written and digital products, which provide standalone value and are essential inputs to subsequent phases. The next section describes this phased approach in depth.

## Evans' Human-Centered Strategic Planning

While a successful strategy should test boundaries and stretch an organization to its limits, Evans' approach to facilitating strategy is rooted in common sense principles, creating a firm foundation for future change. Define your ambitions. Assess your surroundings. Build a plan to achieve your

ambitions in the context of your surroundings. Organize and do the work to fulfill your strategy. All the while, making sure that the right people are involved and invested.



## Phase I – Assess Needs and Aspirations

Evans’ strategy solution does not begin immediately with development of the strategic plan itself. Rather, we take the time to deliberately help you identify your real innovation needs and establish the guiding principles of your organization. We generally begin with a preliminary stakeholder needs assessment to determine the scope and nature of your strategy effort, whether it’s strategic realignment, full-scale innovation, or somewhere in between. We’ll ask exploratory questions, like these:

- How do you define “strategic planning”?
- What direct experiences have you had with past strategic planning efforts?
- How would you describe the perception of strategic planning among leaders in your organization?
- What specific problems are you trying to solve? Are they truly related to strategy or are they other business and management challenges being misconstrued as strategy? Does your organization have the commitment and resources to execute a strategic plan?
- After this preliminary assessment, we’ll provide you with honest feedback about your core strategy challenge and focus areas to address during planning and execution.

Though the need to conduct strategic planning may be driven by several catalysts, this first phase of the strategic planning process represents an opportunity to articulate the principles and priorities that shape your organization. But to truly activate those principles and priorities, first you must clearly state them in concise but meaningful statements – your mission, vision, and values. These statements are not simply words; they represent the intended direction of your organization, the essence of your culture, and the work you do that sets you apart. Evans calls these statements your ***Core Strategy Artifacts***, and they will become the key design parameters for your ***Strategic Plan***. Evans will work in tandem with you to review your organization’s current mission, vision, values, and capabilities statements, as well as past strategic plans or other documents that state guiding principles and priorities. If these ***Core Strategy Artifacts*** don’t exist, we’ll help you craft them for the first time. If current artifacts require improvement, we’ll help you revise them. These artifacts are richer and more valuable when they incorporate diverse perspectives, so we tap into key stakeholders through individual interviews, followed by facilitated focus groups to draft and refine your statements.

We customize the techniques we employ during this creative process based on our assessment of what might work best for your organizational structure and culture. In highly transparent organizations, for example, we may source input from informal groups of staff who meet to mature their ideas about potential areas of innovation. To generate creativity, we may ask executives to imagine the type of media coverage they would like to see for their organization in the future – which magazines will be covering you? What headlines will be written about you?

Finally, at the end of Phase I, we encourage our clients to establish a time horizon for strategy execution, which must reflect the realistic capacity for change within the organization and must be commensurate with the scope of the effort. Time horizons may range from 2-3 years for small scope strategic realignments to 10-20 years for full-scale innovation efforts, but the Evans approach can be flexibly applied to any scenario. This is also the optimal time to discuss if and when the strategic plan will be refreshed. For organizations that cannot commit to a strategy extending beyond a few years, the idea of repeating the process every so often is attractive. For organizations undergoing long-term innovation, periodic refreshes of the plan are important to make the necessary course corrections.

**Product:** Phase I of the Evans strategic planning solution is complete when we provide you with your refined or newly crafted mission, vision, and values statements – or ***Core Strategy Artifacts***

## Phase II – Evaluate Environment & Attributes

Your organization's aspirations are influenced by your operating environment, or external factors that are beyond your organization's direct control – like competition, technological innovation, market dynamics, laws & norms, etc. Traditional approaches to strategic planning generally incorporate some sort of evaluation of these external factors. For federal government agencies, these factors may include appropriations and budget issues, executive guidance, and legislative mandates. For non-profits, they may include grant conditions, legal constraints, and board guidance. Companies in the private sector may be constrained by consumer trends, multi-year investments, and performance or reputational issues.

A human-centered approach to strategic planning must also address inherent organizational attributes, or internal factors that enable or impede progress toward an organization's strategy. These may include practical attributes, like current capabilities, the health of management, the effectiveness of organizational structure and processes, and alignment to organizational goals. Other fundamental attributes, such as history, culture, and demographic trends (e.g., an aging workforce or influx of younger employees) also deserve consideration.

Evans addresses both external and internal factors during Phase II of our strategic planning solution. This phase includes thorough research and analysis, including document review, interviews, focus groups, and facilitated workshops. We try to engage with a broad group of stakeholders during this phase, reflecting diverse perspectives from each level of the organizational structure and outside of the corporate center. At this point, we often employ "appreciative inquiry" techniques to concentrate on your organization's strengths and opportunities, rather than dwelling on your deficiencies and dysfunctions. While tactical problems may be resolved through short-term change efforts, we believe that longer-term strategic innovation must focus on a positive future state.

The primary differentiator of this phase of Evans' approach is that we are evaluating these contextual factors with you, helping you to learn more about your organization in the process. The insights gained during this external and internal evaluation highlight focus areas to be addressed by the Strategic Plan (see Phase III), including constraints, assumptions, challenges, and opportunities.

**Product:** At the end of Phase II, we'll provide you a ***Contextual Factors Evaluation***, a summary report detailing your operating environment and organizational attributes that offers real standalone value.

## Phase III – Formulate the Strategy

With a clear understanding of your organization as a whole and your aspirational trajectory, Evans will then shift your focus to the actual formulation of your Strategic Plan. We'll facilitate a series of conversations to define succinct goals that translate your Core Strategy Artifacts into actions. We will then help you establish specific initiatives to achieve those goals, surpassing constraints and leveraging opportunities that were identified in your Contextual Factors Evaluations. While your organization will be capable of achieving many of those goals in its current form, the Strategic Plan will also recommend training and capital investments to improve skills, talent, leadership, processes, incentive structures, and technology, to enable fulfillment of more ambitious goals.

Scenario-based planning can be a very useful framework to apply during Phase III, providing multiple lenses to examine both anticipated and hypothetical changes to your organization and its surrounding environment. Under this approach, Evans will guide your team through the process of developing descriptions of several potential future states. Those futures are described through examination of political, economic, social, technological, and other factors, and sometimes even through illustrative stories. We'll then assemble a workshop of leaders from your organization and other relevant experts, facilitate their immersion into each scenario, and extract strategic needs pertinent to your industry sector – paying close attention to those that seem critical across multiple scenarios. After the workshop, we'll work with your team to devise a set of actions that your organization can take to address those strategic needs, which will become the basis for your Strategic Plan. While scenario-based planning is most commonly used for long-term planning efforts, the concept can be scaled down to brief strategy engagements and short-term planning efforts as well.

**Product:** At the end of Phase III, you will receive a time-bound **Strategic Plan** that translates your aspirations into a new reality, with full consideration of your operating environment and organizational attributes.

## Phase IV – Implement the Strategy

Now is the time to translate the Strategic Plan from organizational intent into actuality. In Phase IV, Evans helps our clients interpret the conceptual and aspirational Strategic Plan into a pragmatic Strategy Execution Plan. This phase is a differentiating feature of the Evans strategic planning solu-



tion, leveraging our strengths in multifaceted organizational development. We view the paths to achieve each goal and achievement strategy from the Strategic Plan as different types of projects – some require business process improvement, some require change management, some require targeted communications campaigns, some require the installation of program and project management standards (e.g., risk management), and still others require training and coaching to create high-performing teams.

In the fourth phase, Evans will work with you to deconstruct your strategic goals and initiatives into a series of manageable and measurable activities, tailored to your organization's unique operating environment and organizational attributes. At this point, we can also connect you with other Evans consultants who specialize in different facets of management and organizational change, who will help you define the optimal approach for each conducting strategy execution activity.

Finally, during the execution phase, we will help you to identify the relevant metrics to gauge your performance against the Strategic Plan and assist you in tracking and reporting against those metrics, demonstrating progress through completion of each execution activity. We will work with you to create a performance management dashboard in accordance with your needs and budget.

**Product:** At the end of Phase IV, Evans will deliver your ***Strategy Execution Plan***, empowering you to achieve your organization's goals by designing a series of implementation activities based on industry best practices and the proven capabilities of Evans consultants.

## **Strategic Stakeholder Engagement – A Continuous Process**

Fundamental innovation requires a strategy that pushes boundaries of an organization and a plan to implement that strategy over time. But the success of a strategy ultimately depends on an organization's ability to transform its *people* who formulate and execute the necessary changes. In this vein, another differentiating feature of Evans' approach to strategy involves deeply intentional stakeholder engagement, intertwined with each phase of the planning cycle.

Evans views strategic stakeholder engagement as the practice of communicating with critical stakeholders throughout the strategy formulation and implementation process and incorporating their input to ensure diversity of perspective and gain support. In this context, strategic stakeholder engagement involves a much wider range of stakeholder types than a conventional stakeholder

management plan for a single project or change effort. Of course, internal management and staff comprise the majority of stakeholders, as they are integral in designing and carrying out any strategic plan. Depending on the organization, external stakeholders must also be included, such as shareholders, regulatory or oversight bodies, the media, customers, competitors, or unions.

Leveraging Evans' strengths in stakeholder management and communications, Evans will collaborate with you at the beginning of each phase of the strategic planning process to identify the decision-makers, influencers, assets, resources, or other interested parties whose input or awareness is essential to success. We then design engagement strategies tailored to key individuals or stakeholder groups, capturing them in a dynamic Strategic Stakeholder Engagement Plan that is updated throughout each phase. Stakeholder engagement in Phase I largely involves executives and internal leaders; Phase II brings in external parties to understand the operating environment and management and staff representatives to understand organizational attributes; Phase III again involves primarily executives and internal leaders during strategy formulation; and Phase IV includes heavy engagement of management and staff during strategy execution.

**Product:** From Phases I-IV, we will provide you with a dynamic ***Strategic Stakeholder Engagement Plan***, tailored to transform the people that comprise your organization and manage external influences.

## A Strategic Partnership with Evans

The Evans strategic planning solution is designed *with*, not *for*, our clients. We work alongside our clients from beginning to end, as they define their mission, vision, and values, formulate their strategic plan, and then implement their plan. We ensure development of the optimal strategy, **tailored to each client's unique experiences, needs, and expectations** related to strategic planning, as captured in their Core Strategy Artifacts, Contextual Factors Evaluation, and Strategic Plan. And we ensure full execution, transforming the Strategic Plan from a document to reality by applying **human-centered organizational change** for each strategic goal and initiative, guided by the Strategy Execution Plan and Strategic Stakeholder Engagement Plan.

When our clients choose Evans to guide them in their path to innovation, we enter a strategic partnership that begins with a vision and ends with organizational transformation.