

AGOVIA

Planning Terms

When defining terminology to be used in planning, it is important to remember these words have a wide variety of definitions and are subject to different interpretations. Also, business people, planners, and consultants can debate for days what each of them means.

The best approach is to agree on rough-and-ready definitions within your team. Once that is done, you can use the words consistently and avoid getting wrapped around your axel by debating the fine points of management theory. The important thing is to speak the same language. Some simple definitions:

Vision: What state is your organization trying to achieve? Vision is a destination.

Mission: What are we all about? What do we do? How do we do it? Who do we do it for? Does your mission statement sufficiently describe what and who you are as a business? Could you describe you mission to a stranger on the street and would they be able to understand the nature of your business?

Strategy: The major, over-riding approach you will take to achieve your vision.

Note: The word “strategy” is often used to describe the way you will approach achieving any goal, big or small. This is not necessarily incorrect but it *is* confusing. A strategy for saving money for a trip to Hawaii might be a two year plan of reduced spending on a consistent basis. A strategy for marketplace success might be winning in the segment of innovative lifestyle products or aggressive mass customization. In any event, it is the overall way you will reach your destination in a deliberate manner.

Goal: Any defined achievement you have agreed upon. Goals can be small (answer phone calls on a single day within 20 seconds). Goals can be big (BHAG’s). Goals can be visionary (to be the primary airline choice of business travelers between Europe and North America). A Vision is a type of goal.

Direction: A vague term that can apply at almost any level. Best guess: a Strategic Direction Whitepaper is a tool used to clarify a strategy or provide directive information at a granular level for organizational planning. In that case, a Strategic Direction is close to synonymous with Strategy.

Plan: The coherent assembly of the activities, tasks, phases, approach, etc. you will execute to make change and achieve a desired state. A plan can be constructed at many levels: Strategy, project, tactical, etc. To be effective at a strategic level plans should “nest” within one another and be coordinated. Plans within the organization should be part of and contribute to the over-riding strategic plan.

Roadmap: This is a term that can also be used at any level. However, in the context of organizational strategy, it is probably best recognized as a “Strategic Roadmap.” If a strategy is the overriding context for all our efforts, the roadmap provides a more “real” view of the path we will take to get there. It will usually illustrate milestones and strategic initiatives along the way to achieving our vision.

Initiative: A significant undertaking to achieve some major organizational outcome, usually one which will contribute in a real way to the success or progress of the company. Often an initiative is the mechanism used to reach a major milestone or create a fundamental capability required to achieve the strategic vision. (i.e. HP Manufacturing “Out-of-the-Box” Quality Initiative, Hybrid Vehicles, etc.)

Tactical: These are smaller scale activities (smaller than strategic anyway) conducted with a limited or immediate end in view but designed to support a larger purpose. Tactics are how you achieve your strategy. A tactical move necessary to achieve your strategy but does not appear on the surface to do so is sometimes labeled as a tactic which is strategic in nature.