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Strategic Planning Is Key To Effective Corporate Citizenship

This article is the first in a series of pieces focusing on strategic planning in the corporate citizenship arena. Future articles will include examples of organizations that are using strategic planning to their advantage.

Strategic planning, in simple terms, is a process that gets you from where you are to where you want to be. It requires input, analysis, goals, recommendations, implementation and evaluation. Think of it as a road map to help you navigate from your current location to your desired destination.

Engaging in a strategic planning process is the most effective way to determine how the corporate citizenship function, including community relations and contributions, can best address the issues facing a company. It will ensure that these community involvement activities reflect the

future of the company and respond to the major issues that affect the success of the company's business.

According to John Coy, president of The Consulting Network, "The goal of engaging in strategic planning should be to design a program that makes the most effective use of your staff and company resources."

Corporate citizenship should be integrated with the goals of the company and provide leadership in areas that concern stakeholders at the national and local levels. The objective is to determine the best strategies to leverage financial support, staff utilization and employee involvement.

"Strategic planning can ensure that the company is effective in addressing the social and economic issues that have an impact on its business, employees, key stakeholders and communities where the company operates," said Coy.

MANAGEMENT AND KEY STEPS OF THE PROCESS

Although not a phase of the strategic planning process, the first major decision is to determine who will oversee the project. "Many companies support the planning task with a planning steering committee composed of the standing management committee, if it exists, for corporate citizenship," Coy explained. "Some companies create an ad hoc planning committee to direct the strategic planning process. In any event, department staff should be closely involved throughout the planning process."

After the management decision for the planning process is made, the next task is to determine the "plan for the plan" to include major steps, task assignments and time frame. Generally, a comprehensive planning process requires between four and six months of time and

includes the following major steps.

1. Environmental and Situation Analysis

This phase of work involves an evaluation of external and emerging issues that will affect the company. These should include educational, technological, social, public policy and competitive issues. For the corporate citizenship function, these issues should be segmented by national, regional and community markets.

The environmental analysis requires research and interviews with key company managers and knowledgeable outside experts in selected fields. Tracking major events and leading indicators that affect the role of corporate citizenship activities, competitive analysis, and benchmarking leading programs often are helpful in this phase of the process.

2. Organizational and Internal Assessment

The internal assessment provides a check on the effectiveness of the current corporate citizenship program. It will help identify areas and issues that need to be addressed in the strategic plan.

The assessment will help determine strengths and weaknesses of the current program by evaluating the following:

- ◆ The validity of the current mission statement.
- ◆ Goals and objectives.
- ◆ Program effectiveness and outcomes.
- ◆ Organization, staffing and leadership.
- ◆ Policies and procedures, focusing on those relating to internal management and field operations.
- ◆ Communications.

The work in this phase of the planning process should focus on a number of interviews with key corporate and operations executives and field staff, as well as planning sessions with corporate citizenship staff.

It also could include a sample of interviews with external stakeholders, major grant recipients and community leaders.

“Don’t underestimate the importance of including everyone possible in this phase,” Coy said. “Knowing where you are at the beginning of the process is critical to finding out where you should go.”

3. Planning Assumptions and Critical Issues

Based on the environmental analysis and organizational assessment, a list of planning assumptions will be developed to serve as the basis for the planning process. The planning assumptions may be fairly broad in scope or be assumptions

about specific matters that will influence the future of the company and even the department.

After there is consensus about the planning assumptions, a list of critical issues should be developed. Critical issues include weaknesses that have been identified, barriers that can keep corporate citizenship from maximizing results or other external or internal matters that have an impact on the operation. “Planning assumptions and key issues also can be expressed as strengths, weaknesses, opportunities and threats, or what you might refer to as SWOT,” said Coy.

In this phase of the planning process, potential strategies begin to emerge and take shape.

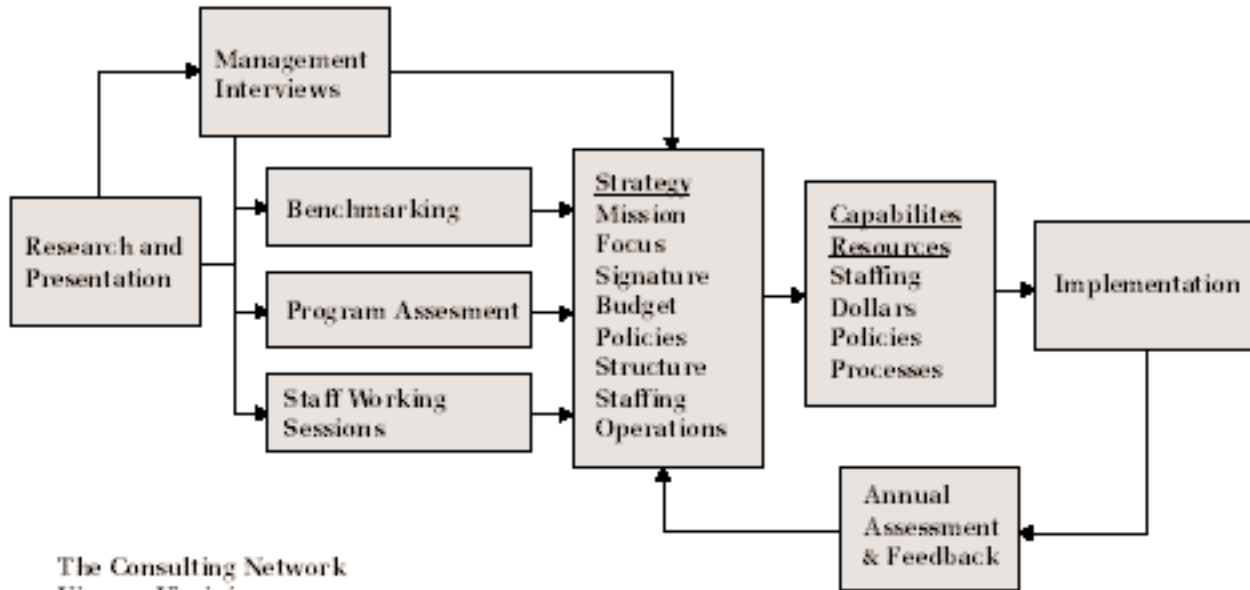
4. Strategic Plan Formulation

This is the phase where all of the previous work comes together. It includes committing to a mission statement, establishing goals and supporting objectives to achieve the mission statement and assessing alternative actions or strategies that ensure meeting the stated objectives.

There are three basic approaches to developing strategic plans.

- ◆ The Scenario Approach involves establishing what role, position or status corporate citizenship should have in the company between three and five

Corporate Citizenship Strategic Planning Process



years in the future, then developing a set of alternative plans to move in that direction.

- ◆ The Critical Issues Approach bases its strategies on addressing and resolving critical issues with a sense of priority and in a logical sequence. The strategic plan will tend to be task- and solution-oriented.
- ◆ Goal Approach focuses on major goals or measurable targets and includes strategies that will ensure that these targets are met.

Company operating plans generally are goal-oriented.

Most corporate citizenship programs tend to combine the critical issues and goal approach for developing a strategic plan.

During this phase, it is important to address the issue of what role, position and status the program should achieve in the company.

5. Strategic Plan Implementation

Strategic planning should include a clear definition of key

action steps, required resources and a time frame for implementation. Equally important are a bias to action, evaluation and a willingness to assess progress regularly.

The company must be ready to make course corrections when responses to dramatic shifts in internal and external forces demand it.

The strategic plan will be the basis for the annual work plan and should be evaluated and updated each year.

TOOLS AND SUPPORTING ACTIVITIES

A successful strategic plan requires accurately measuring perceptions, capturing the vision of management and assessing the external forces that have an impact on the company and the corporate citizenship function. It cannot be done in a vacuum.

Therefore, strategic planning should include a number of the following assessment and information gathering activities:

- ◆ Research into competitive, economic, social, educational and technological issues that affect the company.
- ◆ Interviews, surveys or planning sessions with senior management, operations management, employees and corporate citizenship staff.
- ◆ Interviews or surveys of key external constituents like community leaders, government officials, major partners and beneficiaries of the program's support.
- ◆ Benchmarking "best-in-class" corporate citizenship programs of leading companies.
- ◆ A planning retreat and regular planning sessions with staff and the planning group.

THE ROLE OF A CONSULTANT

There are a number of ways a consultant can support corporate citizenship strategic planning.

These activities tend to vary with each assignment depending on the needs of the client.

"A consultant should have the skills to conduct all of the tasks outlined in this suggested strategic planning process," said Coy. "A consultant can serve as a project manager, provide counsel to the program manager and undertake work on specific assignments required in the planning process."

Consulting services could include, but not be limited to, the following tasks:

- ◆ Serve as counsel to the program manager in establishing the tasks, schedule and work plan for the strategic planning process.
- ◆ Support the staffing needs of the planning process, since most programs have limited staff for this endeavor. A consultant should have the capacity to:
 - Conduct research.
 - Analyze information.
 - Conduct interviews with senior management.
 - Draft planning documents.
 - Prepare interim reports.

- Prepare and edit the strategic plan.
- Assume other tasks needed to support the management and execution of the project.

- ◆ Serve as a resource and sounding board to the program manager, staff and the planning group.

Coy explained, "A consultant can provide an objective and unbiased evaluation of existing operations and can add a broader vision to the process."

- ◆ Facilitate planning sessions with the staff and the planning group.
- ◆ Identify and assist in benchmarking leading company programs.
- ◆ Provide ongoing evaluation of the planning process and assist in addressing issues that arise throughout the process.

"The consultant has the responsibility to ask the tough questions, challenge the thinking that goes into the planning process and provide critical input for the program manager, staff, the committee and senior management," said Coy.

- ◆ Present final recommendations to senior management.

TIME COMMITMENTS

Comprehensive strategic planning projects following the steps outlined above generally require between four and six months to complete.

“Depending on the role the consultant is playing, a strategic planning contract should average between three and seven days of work per month,” Coy said.

“If the project is requiring more than seven days a month, there is a good chance that the client’s staff is not being used effectively in the process.”

EXPECTED OUTCOMES OF THE PROCESS

The end product of the strategic planning process will include a number of elements.

1. A concise statement of the company’s current corporate citizenship activities and a rationale for recommended plans and actions in the next three-to-five years. This would include an assessment and set of recommendations and strategies that contain:

- ◆ A vision and mission statement.
- ◆ Goals and objectives.
- ◆ Focused programs and new initiatives.
- ◆ Organization, staffing, and leadership.
- ◆ Operating policies and procedures, including those relating to internal management and field operations.
- ◆ Communications.

2. A structure for the allocation of resources to support the plan.
3. Established goals and objectives against which performance can be measured and evaluated.
4. An informed and committed senior management.

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— John Coy,
The Consulting Network

5. A more effective working policy with the operating units.
6. Better integration of corporate citizenship activities with other departments within the company supported by improved working relationships.
7. A clear definition of the role of corporate citizenship to share with external constituents.

“If done successfully, the outcome of the strategic planning process will be more

than a document. The involvement of key internal partners in the process will increase their level of understanding and ownership in these activities and should result in an enlightened perspective about the role of corporate citizenship activities within the enterprise, as well as a rationale for effectively managing this area in the years ahead,” Coy said.

If you find the information in this article useful and would like to share it with your team, please contact The Consulting Network. We will be happy to send you additional free copies of this newsletter.

Also, if you would be willing to share your strategic planning experience regarding corporate citizenship or would like to suggest areas for us to explore in future newsletters, please contact us. Simply e-mail your request or ideas, along with your mailing address, to tcncoy@msn.com, or call us at (703) 641-0533.

Corporate Citizenship Leaders Provide Standards for Self Evaluation

The following checklist of characteristics has been developed from our years of experience in program assessment and benchmarking. It represents the standards demonstrated by the country's leading corporate citizenship and support programs.

SENIOR MANAGEMENT COMMITMENT

- A commitment to a three-to-five year strategy and target level of investment to support corporate citizenship and community involvement.
- A focus on long-term outcomes, not driven by annual profits or historical activities, yet responsive to shifts in profit.
- A well-informed and involved chairman and senior management team.

STRATEGIC DIRECTION

- A clearly defined mission statement and set of objectives based on themes and issues.
- Established expectations for the company's community involvement and contributions.
- A companywide strategy that integrates and leverages a full range of employee, financial and in-kind resources.
- Branded and highly integrated employee involvement activities.

- A companywide strategy that provides for decentralized implementation and local adaptation and control.
- Established signature or branded programs that define program strategy and direction.

MANAGEMENT PROCESSES

- Concise policies, procedures and guidelines approved by senior management.
- Strategic internal partnerships with key departments and operating units and/or management and employee advisory groups to help guide and implement activities.
- Internal management teams or advisory groups to build ownership and support for major initiatives.
- A process for formulating company cause marketing, sponsorship or social agenda messages.
- Management tools such as strategic planning, quality management, program assessment and evaluation.
- A focus on issues rather than organizations as the justification for involvement.
- A budgeting and management accountability process tied to a strategic plan or program focus, to include formal reporting procedures.

- A management team that makes effective use of outside resources and peer associations to explore new management, funding, program and involvement opportunities.
- An internal and external communication plan to build support and value for its activities.

QUALIFIED STAFF

- A manager who reports to a vice president or higher management level, and has access to the senior management team.
- A results-driven, creative and responsive program manager and staff.
- A manager and staff who are as knowledgeable about company issues and objectives as they are about community and social issues and nonprofit management.
- A staff capable of brokering external relationships and community needs with company interests and resources.
- Appropriate investments in staff training, professional development and technology.

A score of 18+ means your organization is among the nation's best.

A score between 13 and 17 means your organization has an opportunity for improvement.

A score of less than 13 means your program is not achieving its potential.