

Fact Sheet – Effective Departmental Strategy

Introduction

In this fact sheet we are not discussing business strategy, which is covered in the fact sheet ‘Strategy in Action’. Here we are covering developing an effective departmental strategy, a layer down if you like. Sometimes it is helpful to not even call this a strategy as it gets confused with the business strategy and drivers; but, nevertheless, a strategic approach to building a **departmental plan** is vital.

A strategy or plan is important in most things we undertake in business, well, in truth, most things in life require some form of plan. Consider going on holiday; our partner might suggest going on holiday, we then have to decide where and when, we will need to book flights and hotels, and leave of absence. Importantly we will have to fund it somehow. Without realising it, we have generated **a plan** in a simple form.

Without a plan there is little focus and drive, people have mixed views on what success looks like and local variants of the plan emerge. Planning is vital, and taking a **strategic approach** to our departmental plan delivers significant long-term benefits.

Strategy origins

- From the Greek word *stratēgia*, meaning Generalship
- Used extensively in the Military due its origins
- 1960’s adopted by business the term *Management Strategy* emerged
- Best defined as:

“A plan of action designed to achieve a long-term or overall aim.”

Business and departmental strategy

Having observed many hundreds of people building departmental strategies, often what is witnessed is a brain-storming session to understand the challenges, followed by a series of actions being generated – sometimes dates and owners are assigned, but essentially these actions risk becoming isolated actions, not part of a cohesive strategy.

So, before considering building the plan, it is worth taking a few moments to extend further back up the strategic ladder to understand how our department strategy fits into the business plan, and even further to understand the motives on the business. Understanding this enables us to set good, clear and concise success measures that we can articulate both within our teams and also business-wide; enabling better stakeholder engagement for your strategy.

In most businesses the motives of the owners drive the strategy of that business, its direction, ethics, areas of operation etc. Our role as senior managers is to take those strategic directions and develop a cohesive plan (departmental strategy) that will deliver.



Evaluating the present situation and strategy suitability

Now that we have understood the business drivers we need to start looking to build our departmental strategy. This is very much an iterative process and it is worth keeping the pyramid in your thoughts; as information is gathered, the success measures might need tweaking, and communications of these will be modified as well. Keep going back and forth along the strategic pyramid.

There are a number of options to developing a strategy; in every case though, it will require the senior manager getting back down to basics and looking at the value stream of your department. One thing I always liked doing when I started a new senior post was spending the first four weeks working on the front-line, to understand the business throughout. Where is value added? Where are we delaying things? What are our pinch points? Where are we wasting effort? Strategy requires understanding your business, that time gave me understanding and allowed further probing of my management team.

One-to-one interviews with the key people in your department, these both help build trust between the two of you and give you vital information regarding the business operation. It also enables you to evaluate their desire to make your plan work, as tier 2 support for your plan is going to be vital to its success.

Focus groups are an effective way of gathering information slightly deeper into the organisation – a useful method is to hold a coffee morning, ask for a selection of people some who are vocal and challenging, provide a bacon buttie and have an informal chat. All the time you are discovering the operating challenges in the business. Sometimes these do reveal gems, but also some ‘noise’ comes for such interactions, and we must therefore be selective.

Walk rounds offers you the chance to increase touch points, build trust, road test your thoughts and assess blockers and enablers in making the strategy work.

Brain storming sessions are always worth holding as they reveal the depths of the problems currently being faced. A challenge that can emerge in such sessions is that one or two loud voices can take over the entire meeting and effectively you only hear those opinions. To get everybody involved we adopt a process called silent clustering, where in silence everybody writes issues on post it notes; these are then stuck onto a wall, again in silence – eventually talking is allowed by which time the bucket of issues is well and truly emptied.

Stakeholder engagement is sometimes a challenge. With most modern businesses they run some form of weak matrix structure (see fact sheet on matrix management). In this sort of structure the success of your departmental strategy will often hinge around some key stakeholders, who are not in your direct organisation. Stakeholder management is a topic in its own right, but at the strategy formation stage it is important to gain the insight of your stakeholders – understand what they might want from your department, so that you can engage them as part of the development and hopefully then help ensure their future support. Your stakeholder’s time is always a premium so be ready, have pre-prepared questions ready, and use ‘killer’ open questions to open up the conversation and pinpoint the roots. At best you might have 20 minutes – use it wisely:

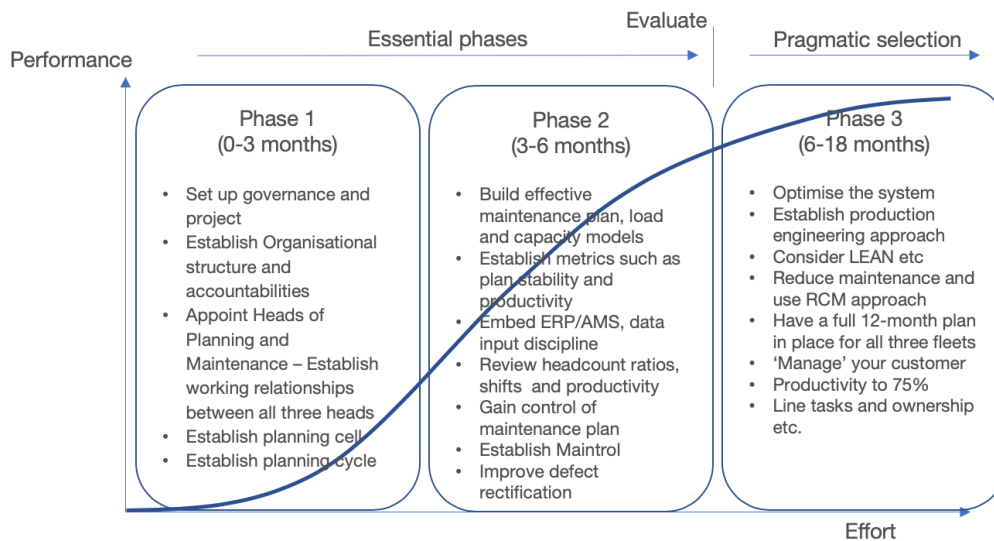
- ❖ “What do you hope we will achieve by...”
- ❖ “Sometimes a daft question, but why do you consider this so important....”
- ❖ “If you had a magic wand, what would you want....”
- ❖ “Can you describe success for me please?”

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All these options give you the best chance to build a strategy that will be effective, that will deliver and be widely accepted as the right approach for the business. The next step is to take time away for the 'desk' and build the strategy.

Building the departmental strategy

Building the strategy is an iterative process as we have already stated. Essentially we seek to link a series of actions, with owners and dates to an overall plan. One approach that has seemed very useful in the past is to group actions into 3, 6 and 18-month buckets. The 3 and 6 months actions will bring the performance close to the level needed with the 18-month action items giving more robustness and marginal gains into the future.



Above is an example of how this sort of escalation plan can be communicated. At this higher level it is important we focus on the success measures rather than the detail, adding the necessary detail in the plan.

Next 3 months (phase 1)		
Action	Accountable	Due date
Action 1		
Action 2		
Action 3 etc.		

Your plan should probably cover the following key themes:

- ❖ People – engaged
- ❖ People – capability and competence
- ❖ Processes – efficient
- ❖ Processes - IT and Management information needs
- ❖ Environment - productive
- ❖ Control – measured/reported
- ❖ (Culture and Leadership)

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Remember, that building this plan is an iterative process and you might have to walk it around a number of stakeholders to check that it meets the needs, it answers the exam question as it were. One of the biggest areas where a strategy fails is in not defining (and in turn celebrating) what good looks like. In not being clear about success and how it will be measured the senior manager is relying on the junior

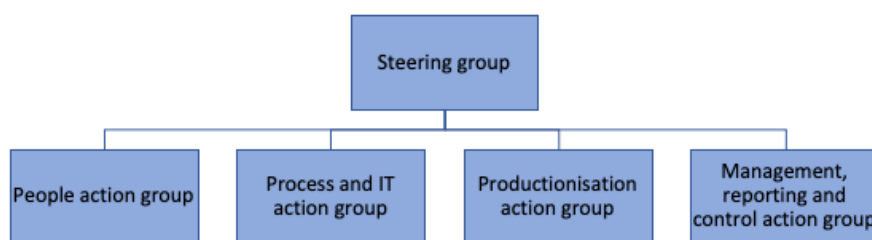


management team to interpret the plan correctly. If you are blessed with a team of self-starting junior managers, who you feel are heading towards promotion, then chances are you will manage that transition well. If on the other hand you have limited bandwidth in the junior manager level; where they are perhaps capable of present role only, then failure might be the outcome. Keep destiny in your hands and define the success measures clearly – and celebrate when they are delivered.

Governance and communications

If I had a pound for every time I have seen a manager write a strategy, present it to the wider business, and then sigh and sit back – almost as if the hard work is done. Jack Welch, former CEO of General Electric quoted in his book ‘Winning’; “Pick a strategy, any strategy and then implement the living daylight out of it.”

If you thought writing the strategy took energy, then switch into a higher gear and find even more energy to implement it. Be relentless, talk about it often and wide. Hold focus groups and team briefings and talk at your management table about it. Keep the executive team apprised. Hold regularly strategy steering group meetings, so that you can keep risks mitigated, actions on plan, hold people to account and, keep the momentum. When milestones are reached, celebrate – let the team share the taste of success, invigorate them for the future challenges. Key word - **Relentless!**



In terms of governance structure, simplicity is always best. A steering group made up of the action group owners and yourself, and any other highly involved stakeholders. Then a series of action groups, these can have any number of permanent or co-opted members as required by the programme.

See some of our other fact sheets on ‘stakeholder management’ and ‘managing successful projects.’