

Planning Terms	Definition	Considerations
<p>1. Strategic Vision</p>	<p>An <i>inspiring</i> portrait of a <b>DESIRED FUTURE</b>:            What it will look like and feel like to pursue the Mission and deliver the Value Proposition  <i>Speaks to the <b>WHY</b> we are going there</i>            Spoken at a high level, and addresses one or more of the following questions:</p> <ul style="list-style-type: none"> <li>• Who are we?</li> <li>• What do we do?</li> <li>• Why are we here?</li> <li>• What can this market be for us?</li> <li>• What kind of company are we?</li> <li>• What kind of company do we want to become?</li> <li>• What kind of company must we become?</li> <li>• Where do we want to go?</li> <li>• Why do we want to go there?</li> </ul>	<p>Can also be used for markets, technologies, etc., and for business units and/or divisions, as long as those visions support and drive from the company's strategic vision            Avoid vague or clichéd words and phrases that require interpretation or explanation            Simple and easily understood words are best  <i>Caution: Never confuse Vision and Mission</i></p>
<p>2. Value Proposition</p>	<p>The Vision made real and measurable from the perspective of your customers            These are the measurable benefits you will bring to the marketplace and deliver to the customer, stated in a way that can be measured by both you and the customer to determine the effectiveness of the Vision</p>	<p>The basis of providing an understanding for Mission and Strategy            Business units also need Value Propositions            Perhaps more important than the Mission  <i>Caution: Many organizations leave this out, and cannot then measure the effectiveness of their Vision</i></p>
<p>3. Mission</p>	<p><b>WHAT</b> you want the organization to accomplish, that will deliver the Value Proposition and achieve the Vision</p>	<p>Specific results oriented            Necessary for alignment and development of supporting plans and actions  <i>Caution: Many organizations confuse Mission with Vision – but they are very different and both are necessary</i></p>
<p>4. Mission Objectives</p>	<p>The key things that when achieved, <i>will accomplish the mission</i>, usually in a sequence of timing, one after the other, or in parallel            Missions can be stated as a sentence, a paragraph, or a series of bullet items.            Better still, as a statement followed by more detailed bullet items for clarity</p>	<p>When the mission has multiple components/pieces, etc., then each will have a set of key objectives.            Some will support multiple mission components, and some will only support one  <i>Caution: Each objective will need an accountable person responsible for completion</i></p>

5. Strategy	<b>HOW</b> you will deliver the Value accomplish the Mission, delivering the Value Proposition achieving the Vision	Guiding principles that define what actions should taken (or not taken) Provides guidance on how and what decisions should be made and how resources should be allocated
6. Strategic Goals	For each Approach or Strategy there <i>are specific goals that must be met</i> – these are usually end results of an initiative/strategy (as opposed to mission objectives, which are steps along the path and are usually cumulative, building on one another)	<i>Caution: Each initiative/goal must have a single responsible person, accountable for completion</i>
7. Action Plans	Action plans are the <b>TASKS</b> that must be done to achieve a <i>mission objective or a strategic goal:</i> <u>the What by Who by When</u> They live at both the mission and strategy levels At the action plan level, each goal or objective has a primary owner who is responsible and accountable for completion	Each task (What) has a responsible party (Who) and a due/delivery date (When), and in many cases “at what Cost” <i>Tasks may be done by teams, but still there is a single responsible person who is accountable for task completion – that person enrolls others as needed, and obtains resources as necessary to complete the task</i> Action plans can exist at any level in the organization e.g., What specific tasks are we going to accomplish in the next 12-18 months to move the strategy ahead, who will be responsible, and when do they need to happen?
8. Strategic Plan (Document)	<i>Consolidates the Vision, Value Proposition, Mission and Strategies</i> for the organization and its components, but also includes a high level action plan of: <ul style="list-style-type: none"><li>• What, by</li><li>• Who, by</li><li>• When</li></ul> Business units, divisions and strategic business functions need their own strategic plans	Paints the picture of the strategic direction of the organization, and: <ul style="list-style-type: none"><li>• Provides a synthesis of enough detail to measure effectiveness,</li><li>• Set proper metrics and rewards, and</li><li>• Identify gaps/opportunities and how they will be addressed, etc.</li></ul>
9. Strategic Plan Results	<i>What we will achieve</i> by accomplishing the Mission and delivering the Value Proposition: <u>Through execution of strategy</u> <i>The distinction is that strategic plans and results are much more than just statements of revenues and cash flows</i>	In the strategic plan: Monetary results are high level, and should always contain the summary operating sales revenues (if broken down, only by the highest-level markets), costs, and capital spending and operations cash flow - Remember this is a summary statement table! <i>Non-monetary results – just as critical to show, these items tie back to the Mission and Value Proposition and are the measures of value and benefits to the customer, etc.:</i> “When we said we would be the manufacturer of choice, how did we measure it, and did we achieve it?” “When we said we would deliver X new products into the marketplace, did we do it?”

<p>10. Business, Operations or Annual Plan (Document)</p>	<p><i>Operationalizes the Strategy</i> to accomplish the Mission, deliver the Value Proposition and achieve the Vision:</p> <ul style="list-style-type: none"> <li>• <i>What</i> you will do,</li> <li>• <i>When</i> you will do it,</li> <li>• <i>Who</i> will do it, with what</li> <li>• <i>Results</i>, and at what</li> <li>• <i>Cost</i></li> </ul>	<p>This is the basic document for measuring success at the business unit and department levels, and serves as the basis for rewards systems</p> <p>Completed in detail at the operations and department levels, and rolled up for the corporate level annual plan</p>
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