

# Strategic Plan vs. Implementation Plan: *Know the Difference*

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# Strategic Plan vs. Implementation Plan: *Know the Difference*

Every business owner knows the importance of strategic planning — leaders need to know where the business is going to go over the next 12 months and beyond. Hours upon hours are spent on building a strategic plan; however, the unfortunate truth is that many strategic plans are actually not strategic plans. It's quite possible that what leaders spend a vast amount of time developing is actually an implementation plan.

Both strategic plans and implementation plans are integral to a company's success; strategic plans guide the company's overall strategy while implementation plans provide a roadmap for how to get there. When it comes to strategy and planning, business leaders tend to fall into one of three camps:

## 1 | The Visionaries

They know the value of a good strategy and plan — but never actually get around to creating one.

## 2 | The Creators

This group creates a strategic plan, but it is haphazard and never actually used or thought about.

## 3 | The Doers

They understand the difference between strategy and planning, and realize that taking the time to create a solid strategy followed by an in-depth implementation plan leads to breakthrough performance and higher-than-average results.

How does strategic planning get so mixed up at the leadership level? It comes down to leaders being natural problem solvers; they tend to subconsciously shift to tactical plans in order to solve issues. For example, every organization needs a plan to grow sales, or improve service, or empower employees — the list goes on and on. These types of plans are referred to as strategy plans when in fact, they are not.

The reality is that many leaders simply do not understand the difference between strategy and planning. Only by truly comprehending the differences between a strategy and a plan can an organization develop the platform that allows them to outperform their competitors.

Leaders are responsible for strategic plans, i.e. directing the organization in a strategic way.

Executives and their teams are in charge of implementation plans, i.e. the tactics used to achieve strategic goals.

# What is a Strategy?

Let's be clear: Both a strategy and an implementation plan are essential to every organization. Developing strategies can be uncomfortable; it's about taking risks and facing the unknown. Therefore, it is unsurprising that managers subtly shift their thinking to what is comfortable for them and work to solve the company's problems. The objective of strategic planning is not to eliminate risk, but to increase the company's odds of success.

**What is a strategy?** According to Merriam-Webster, strategy is a careful method for achieving a particular goal, usually over a long period of time. Therefore, strategy should always be outward focused — it is how the organization wants to play in the marketplace based on what their targeted customers desire.

There are two choices to determine success with your strategy:

1

## WHERE DO WE EXIST?

Determine which specific customers/markets to target, then strategize to precisely and relentlessly find ways to acquire and retain your customers. Ask yourselves these questions:

*How is our market evolving?*

*What is the competitive landscape and how is it changing?*

*What are the unmet needs of our key stakeholders?*

*How will we continue to fit in the market?*

*What market dynamics will likely impact us?*

*What is the expected market opportunity for our products/services?*

2

## WHAT WILL IT TAKE TO ACHIEVE?

Once the customer is identified, create a compelling value proposition for these customers:

*What will be the drivers and barriers to acquiring new business and keeping current business?*

*Who are the key customer groups and what are their perspectives on us and our competitors?*

*What needs are changing for our customers?*

*How should we segment our customers? Where should we focus and prioritize?*

*What are the critical success factors for our success?*

*How should we be positioned?*

*What best practices can be implemented and what are the pitfalls to be avoided, based on current products/services in the market?*

*What strategies should be considered?*



**Two choices determine success with your strategy. Be sure to be customer-focused in your strategy, not internal focused.**



### Further Reading:

*The Big Lie of Strategic Planning.*

Harvard Business Review, 2014

# Solutions for Strategic Planning

Expect mental discomfort during a strategic planning session, since you cannot tackle any internal plans or tactics for achieving your strategic plan. That's not easy, but following these three rules will enable the leadership team to maintain focus and actually achieve a solid strategic plan.

- 1 Stay Straightforward**  
Strategic plans don't need to be drawn-out documents; keep it to one page that only discusses where you will exist and how you will achieve your goal. Focus only on the key choices that will influence your customers, which are your revenue drivers.
- 2 Don't Look for Answers**  
Strategy is not about finding the answers to solve your problems, rather it is about placing bets and shortening odds.
- 3 Use Clear Logic**  
Only determine what the organization must change to achieve the strategic goal. Figure out what you need to know about your customers, your industry's evolution, your competition, and your capabilities.



# So, What is an Implementation Plan?

Clearly, the implementation plan cannot be created until the strategic plan is defined. Unlike strategic plans, implementation plans are internal-focused and generally support the strategy through tactics such as determining growth opportunities, improvements, or enhancements to the team, infrastructure, and other internal functions.

The four business cornerstones are a part of the implementation planning stage; they include Sales & Marketing, Finance & Legal, Management & HR, and Operations & Production. Create an implementation plan around each of these key cornerstones by answering the following questions:

**What do we hope to accomplish and why?**

**How will we plan to accomplish this task?**

**How can we incorporate measurement tools to ensure the goal is achieved?**

Connecting a company's strategy to the implementation plan is like walking a tightrope; it's an entire process and any imbalance can throw the whole execution off. Use the strategy execution process to ensure organizational alignment.



## STRATEGY EXECUTION PROCESS

- 1 | Develop clear strategic plan
- 2 | Develop a 12-month implementation plan
- 3 | Align resources
- 4 | Create individual plans to execute against goals
- 5 | Constantly measure and walk the tightrope

# Bottom Line

Strategy is about focusing on your customers to ultimately increase the company's revenue. Planning is about creating internal initiatives built to support the needs of your customers. Each facet takes time; do it well and breakthrough performance will be achieved.

A strategic plan will only be as good as the people, systems, and culture allow it to be. Be clear about how strategic goals will be achieved, and involve the right people in the process. Build a solid foundation of customer understanding to support internal plans that will guide the business to the next level.



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