



Future Companies Innovation Programs

Small and Medium Business Planning

Sixth Session



طال أبو غزالة العالمية
Talal Abu-Ghazaleh Global

At the end of the session we expect the followings:

Complete understanding of key planning concepts

Recognizing what balanced scorecard is and the most important concepts of measuring institutional performance

Stages and steps of planning for small and medium companies by using balanced scorecard (BSC)

Practical application

Consultation sessions to discuss projects plans (graduation projects)



Training Topics



Basic concepts in planning



The balanced scorecard and using it as a planning tool

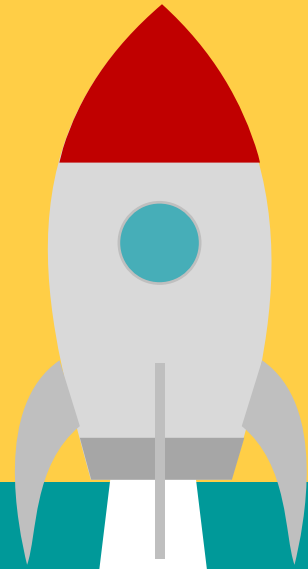


Steps and stages of planning by using the balanced scorecard



Practical application

Consultation sessions to discuss projects plans (graduation projects)



Stages of Small and Medium Business Planning

Strategic Planning Steps



01 Strategic Establishment



Planning to plan



Review of values



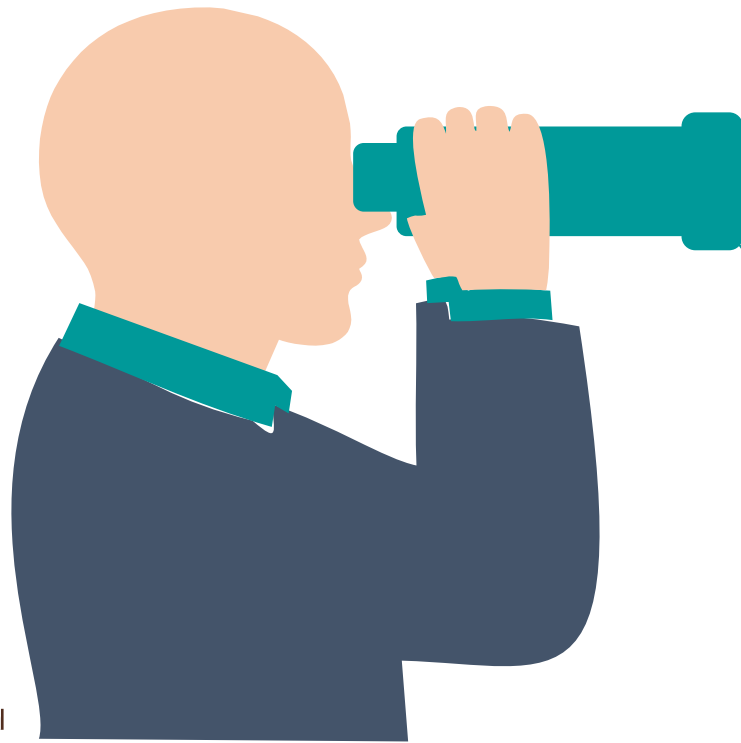
Defining the vision and forming the message



Setting Strategic Objectives



Setting Performance Indicators



Reality Assessment



Identifying strength points and opportunities



Determining strategic perspectives



Objectives and strategic indicators



Development of Initiatives and Executive Plans



Executive plans



Executive budgets



Implementation



Monitoring and evaluation



Firstly

Strategic Establishment

×

○

It is a set of work procedures and steps that are concerned with planning strategic planning, and define the values, visions, and mission of the company, and the members of the work team that will lead the company towards achieving its goals and aspirations.

●



01 Company Related Information



- The current strategic plan(s)
- Current financial plan(s).
- Current marketing plan(s).
- Current operational plan(s).
- Annual reports
- Quality improvement programmes
- Customer analysis
- Interviews with the executive management



Industry Related Information

02

- Competition analysis
- Industry trend analysis
- Technology trend analysis
- Marketing trend analysis
- Any other information you deem important.



Forming Strategic Planning Team

The strategic planning process depends largely on the work team, so form the work team to include members from different management levels as follows:

- Member of senior management (leadership)
- Member of middle management (core team)
- Member of lower-level management staff (measurement team)



Senior Management Team Member Requirements



- The team member must be a strategic thinker and understand business management in general.
- The team member must be a supporter of applying the balanced scorecard methodology as a strategic planning tool.
- The team member must be supportive of the entire planning team.
- The team member must be effective in delivering the strategy to others.
- The team member is qualified and has the ability to make decisions related to strategic objectives.



Middle Management Team Member Requirements



- He or she is required to have understanding and experience in business management in general.
- The team member has interviewing skills and possesses the ability to extract data from other departments.
- The team member has high credibility and is respected by the rest of the department managers and employees.
- The team member must be linked in his work to the senior management
- Possess skills in strategic planning and documentation of results.





Lower-level Management Team Member Requirements

- The team member has a detailed understanding of the job.
- The team member can collect and analyze detailed data and communicate clearly with others.
- The team member can understand the strategic issues and linking them to the functional issues.
- The team member must be linked in his work to the middle management.



04 Training of Strategic Planning Team



After completing the formation of the strategic planning team, train the team to use the balanced scorecard in the organization's strategic planning, and ensure that the team's capabilities in using the planned business models are developed correctly.



Determine Company's Values

With the participation of the members of senior management, draw up common values and principles through which the organization will work such as:

- Values related to customers such as: exceeding expectations
- Values related to the team such as: cooperation, participation
- Values related to the product such as: quality
- Leadership values such as: accountability, transparency
- Sustainability and growth values such as: innovation
- Personal values and qualities such as: integrity, respect, trust, etc.



Determine Company 's Values



To improve a company's performance, it is not enough to define a list of values. Rather, it must be followed and workers trained to put them in practice. Therefore, be sure to do the following:

- Spreading the culture of shared values among employees through a combination of publishing means (physical, electronic)
- Awareness programs reminding employees of shared values.
- It is necessary to add the company's values to the onboarding and orientation guide of new employees.
- Any innovative tool that you believe will enhance the promotion of values among beneficiaries.



Corporate Values

Write the name of the activity
on the wallpaper

Group Activity



Determine the Company's Vision

With the participation of members of senior management, design the company's vision, which is the way the company sees itself in the future. For a good vision, we recommend the following:

- We recommend that the vision be general and not specific to a period of time.
- The vision does not have to be realistic or measurable.
- We recommend that the vision be brief and not exceed 7 words.
- When designing a vision, you can use the following vision formulation matrix



Identification Matrix of the Company's Vision

- Identify the most important determinants of the matrix such as: competitiveness, entity, region, field, and method.
- Select more than one word for each word in the matrix.
- Focus on the distant future when formulating the vision.
- Combine the words and try to shape the company's vision.
- Choose the vision that matches the image that the company sees itself in the future.



Vision Matrix

Write the name of the activity
on the wallpaper

Group Activity



TAG.Global



Write the Company's Message



- There are many key elements for preparing a successful message, and according to our practical experience in this field, we recommend focusing on the most important elements that should be focused on which are:
- Customers, geographical scope, products and services.
- Continuity and growth, technology.
- Values, uniqueness, attention to image, employees.
- Any elements that you believe constitute an added value to the company's mission.



Message Matrix

Write the thee name of the activity
on the wallpaper

Group Activity



TAG.Global





Determine the Main Goals of the Company

The end goals are general objectives at the level of the strategic plan (senior management), which are achieved through a set of measurable strategic objectives in the middle management. According to the balanced scorecard methodology, the objectives are divided into main end goals such as:

- Better customer service.
- Improving the company's processes and procedures.
- Improving the goods and services provided by the company.
- Learning and innovation.
- Maximizing value for owners and shareholders.



Setting the Strategic Goals

Write the name of the activity
on the wallpaper

Group Activity



TAG.Global



Secondly

Setting Strategic Performance Indicators



- × It is a set of work procedures and steps that are concerned with assessing reality and identifying strength and weakness points with the aim of setting achievable strategic goals and indicators, and identifying methods and tools that will enhance the ability to achieve strategic goals.



Evaluating the Reality of the Company

Referring to the section related to small businesses analysis, conduct the analysis for your company:

- Analysis of the external environment (public and private)
- Internal environment analysis (leadership analysis, management analysis)



Determining Strength & weakness points, Opportunities and Threats



Based on the results of the company analysis, work to identify the most important strength & weakness points ,opportunities and threats the company is facing.



Reality Analysis

Within the analysis activities
of businesses

Write the name of the activity
on the wallpaper

Group Activity



Determine the Strategic perspectives of the Company

Form the strategic perspectives, and according to the balanced scorecard methodology.

The perspectives are:

- perspective of growth, learning and innovation.
- perspective of internal operations and procedures.
- perspective of customers.
- Financial perspective.

The perspectives may vary depending on the type of sector, but in most cases they are similar to the perspectives specified in the balanced scorecard (BSC) methodology.

Allocating additional perspectives may be to highlight perspectives specific to the organization, such as adding the community development perspective in the third sector organizations.



The Strategic perspectives

Money	
Customers	
Processes	
Learning & Growth	

Determining The Strategic perspectives

Write the name of the activity
on the wallpaper

Group Activity



Setting the Strategic Goals

Strategic objectives are a set of measurable objectives at the level of each of the strategic perspectives. We can say that these objectives work together to achieve the main goal at the level of each of the four perspectives in particular, and move towards achieving the company's vision and mission in general.

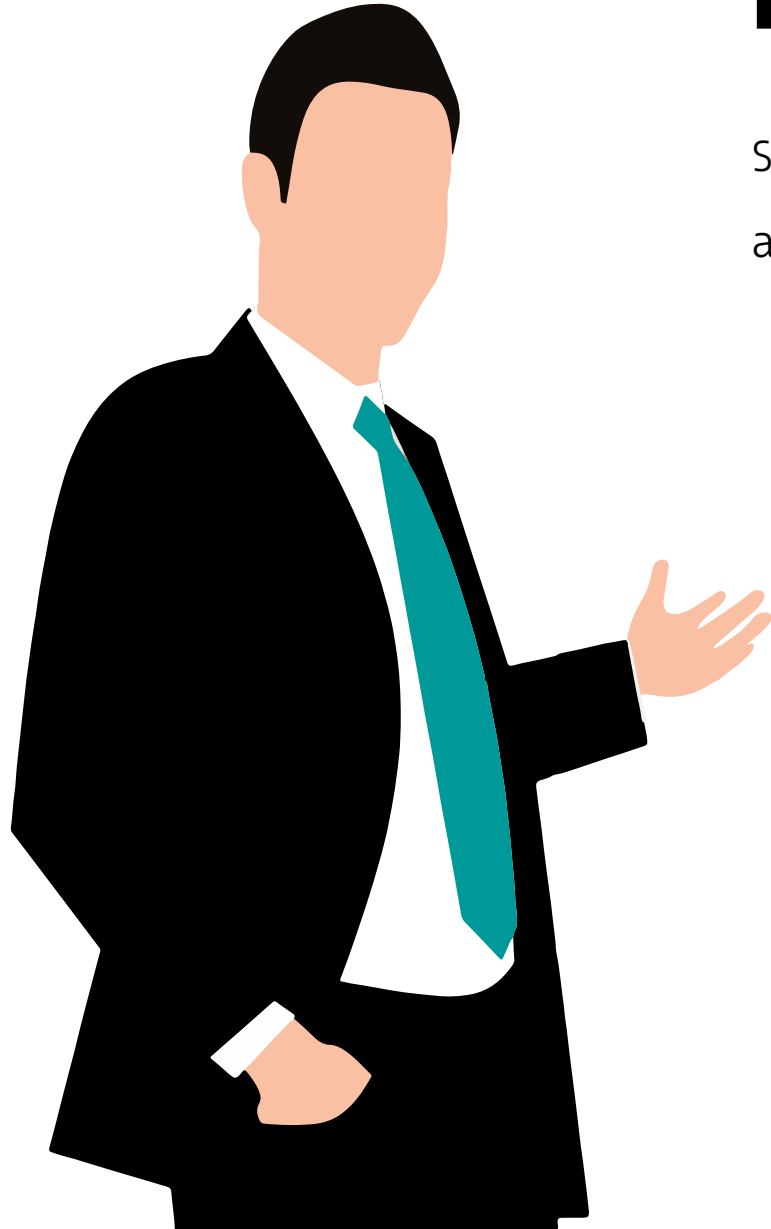
When drawing the strategic map, there must be a cause-and-effect relationship between the objectives, where the relationship ranges from highest to lowest, and the objectives are explained from lowest to highest.



How to set up the Strategic Goals

Strategic goals must be expressed in specific terms so that they are either a final result or a reason for achieving another goal.

- Strategic goals achieve the purpose, mission, and vision of the organization.
- You can refer to the past performance within the organization to set goals and identify their trends.
- Benchmarking is also useful in setting overall organizational goals.
- Don't forget to involve visionary people who understand the organization's business when setting strategic goals.



How to set up the Strategic Goals



- Strategic goals for one perspective may conflict with strategic goal in another perspective .In the event of conflict, this must be clarified and ask why.
- Strategic goals are realistic and achievable.
- Strategic goals have positive impact on the organization.
- Strategic goals focus on what is important.
- Strategic goals are linked to the organization's mission and vision.
- Strategic goals have an impact on the financial goals of the organization.



Describing the Rationale of the Relationship

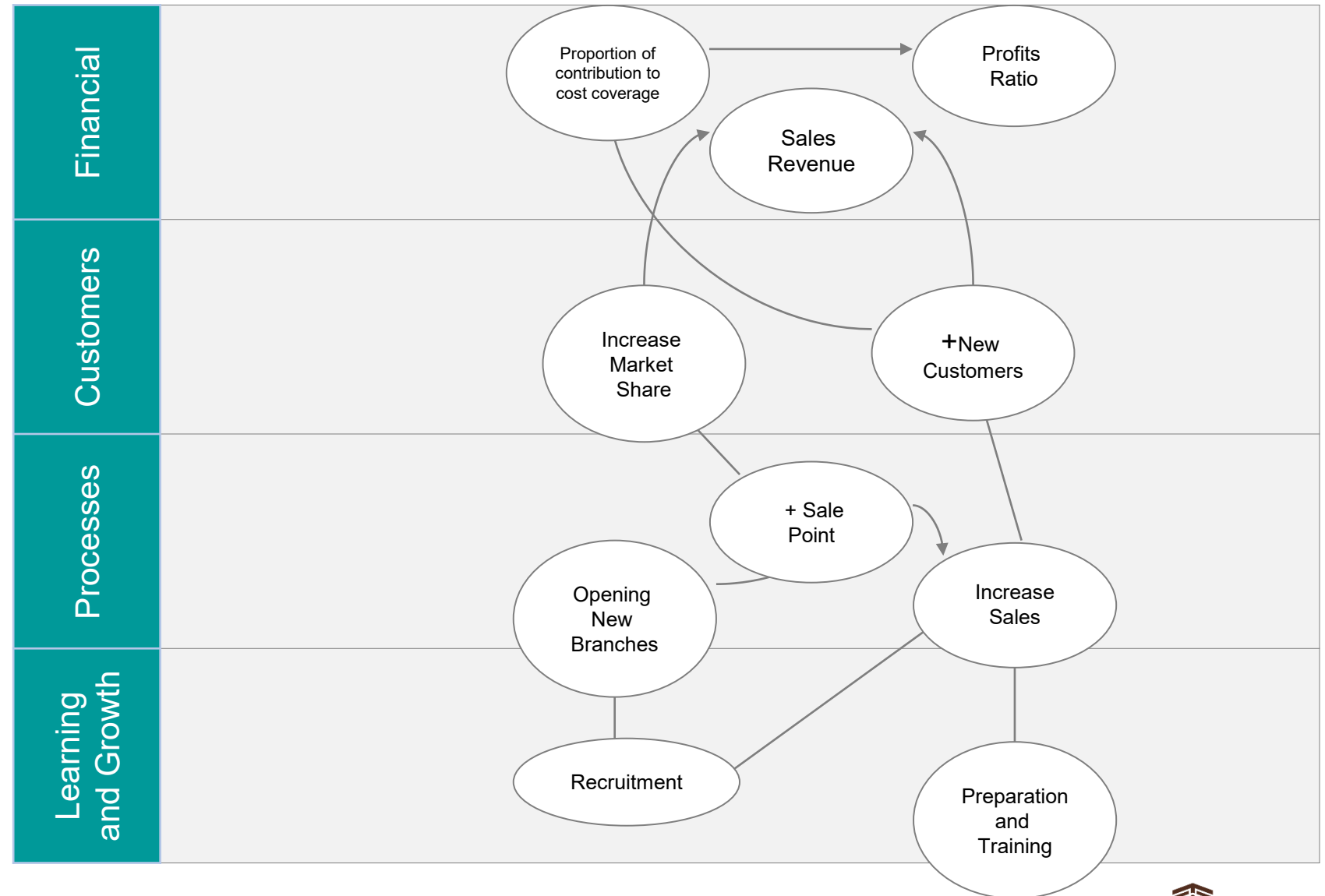
The basis for setting strategic goals is to describe the relationship between the goals and; therefore, we recommend a clear description of why you mainly chose these goals.

We recommend that every goal you choose must determine the impact of this goal at the level of the four perspectives, for example:

- The goal of opening new branches requires attracting employees, training and preparing employees, in order to increase sales revenues, gain new customers or proximity to previous customers, increase the market share, etc.



The Relationship Model for the purpose of opening new Branches



Linking Strategic Goals

Write the name of the activity
on the wallpaper

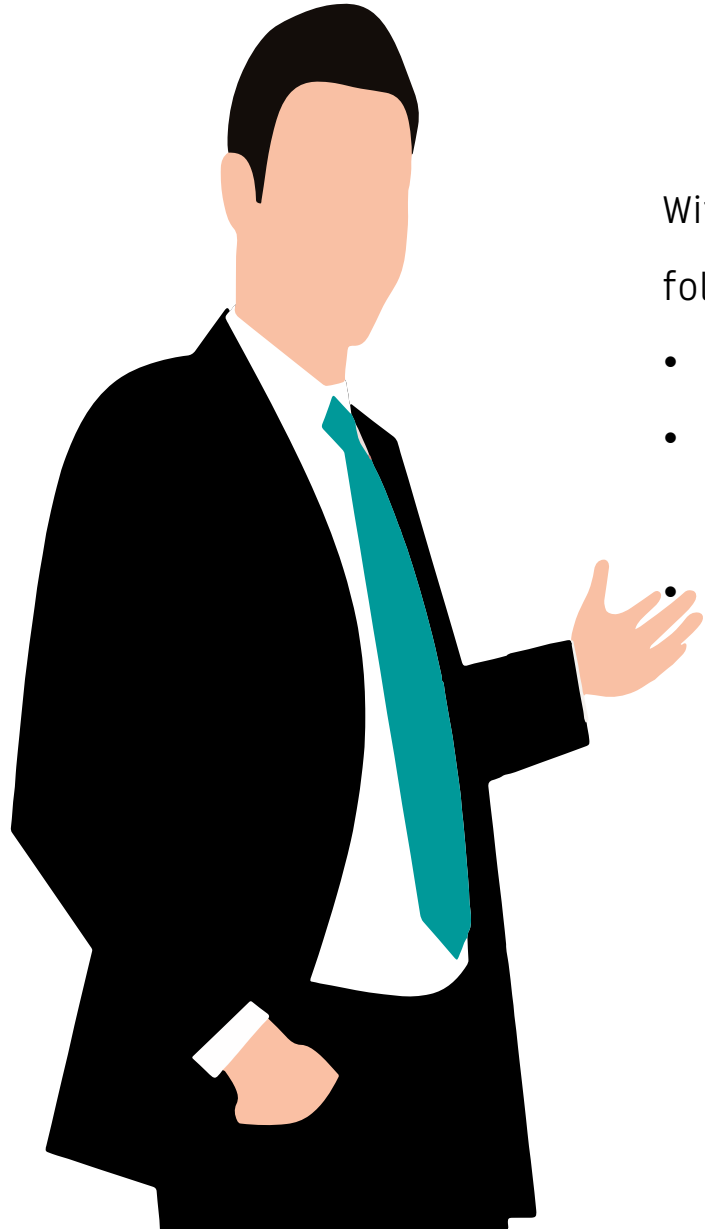
Group Activity



TAG.Global



Drawing the Strategic Map of the Company



With the participation of the middle management leaders, draw the strategic map according to the following:

- Place the company's vision agreed upon with senior management at the top of the strategic map list.
- Specify the perspectives according to the company's business sector but not more than 7 perspectives.
- Establish the main goals of the company:
 1. So that it focuses on (better customer service (customers perspective)
 2. Improving the processes and procedures followed in the company (procedures perspective)
 3. Improving the goods and services provided by the company (production perspective)
 4. Learning and innovation (growth, learning and innovation perspective)
 5. Maximizing value for owners and shareholders (financial perspective)



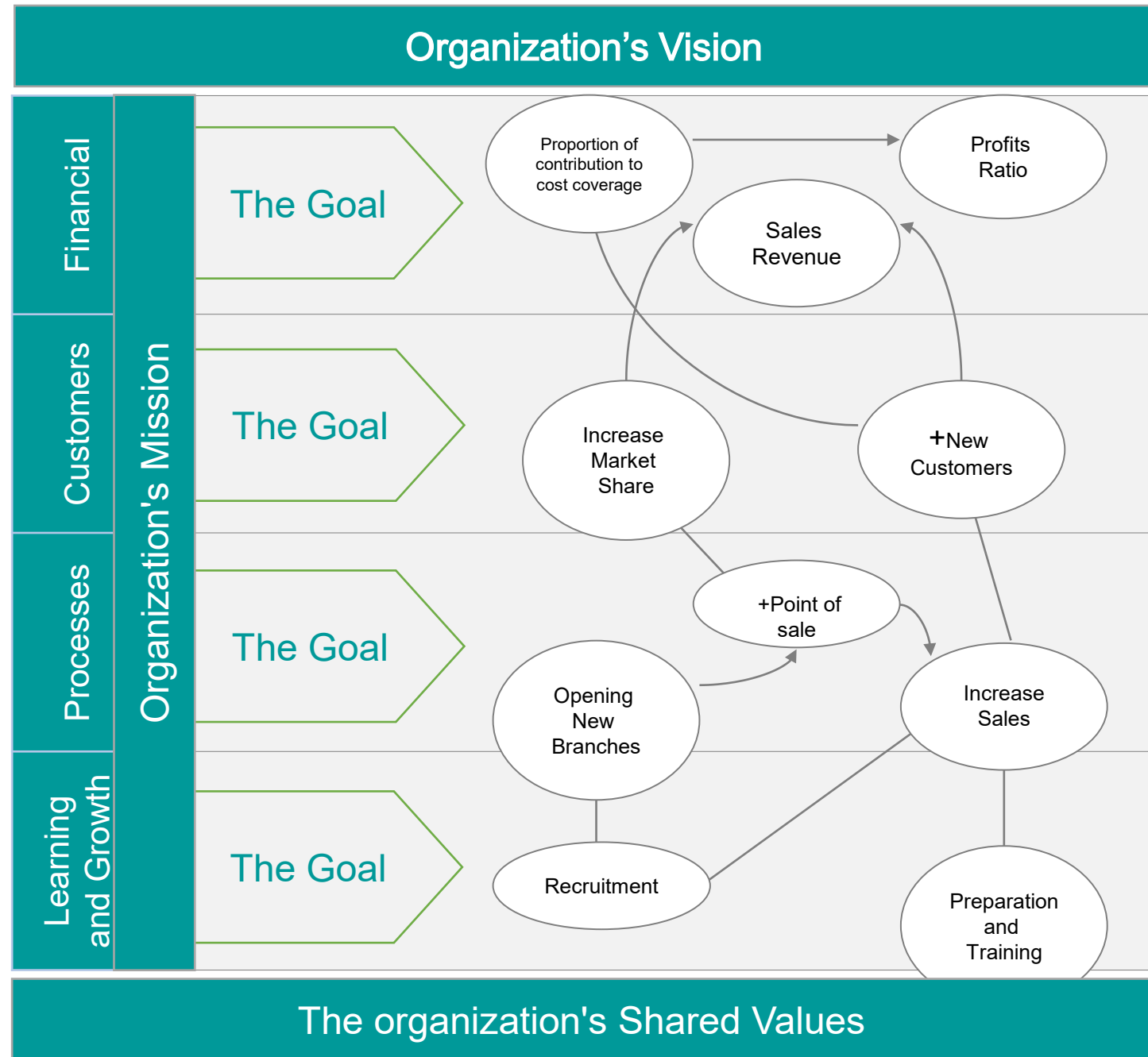
Drawing the Strategic Map of the Company



- Determine the strategic goals at the level of each strategic perspective.
- Work to link the goals to each other according to the principle of cause and effect, indicating any conflict that may occur between the goals and explaining its reason.



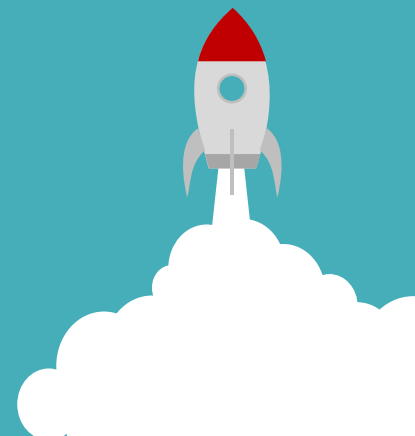
Template of the Strategic Map



Drawing the Strategic Map

Write the activity name
on the wallpaper

Group Activity



Preparing a Goals Indicators Dashboard for the Company



After analyzing the internal and external factors, draw the indicators dashboard as follows:

1. Define strategic goals for each perspective with a code, and define measurement criteria for each goal with the code.
2. Determine the polarity of the strategic goal in the indicators dashboard for each strategic goal. It may be either negative or positive+ -
3. Establish a unit of measurement to measure each strategic goal.
4. Determine the previous goals. (the previous)
5. Determine future goals.
6. Collect measurement indicators for the past and the future goals and write them in the overall desired goals.
7. Identify the most important initiatives or projects that will achieve the strategic goals for each perspective.



Strategic Indicators Dashboard Template

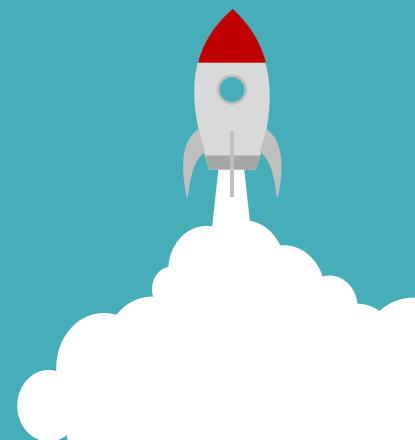
The Strategic Perspective: The Strategic Goal

Strategic Goals		Measurement Standard		Measuring Unit	Previous	Target	Total	Result	Initiatives	Administration	Comments
Code	The goal	Code	Measurement								

The Strategic Indicators Dashboard

Write the name of activity
on the wallpaper

Group Activity



Thirdly

Development of Initiatives and Implementation Plans

×

It is a set of work procedures and steps that are concerned with transforming strategic goals and indicators into work initiatives and implementation plans at the level of each strategic perspective, creating the timetable and executive budget for each initiative and identifying those who are responsible for doing it, as well as the follow-up and evaluation periods to measure the performance.



01 Develop the Implementation Plans for the Company

After completing the dashboard of strategic goals for all perspectives, prepare detailed data for the initiatives according to the following steps:

1. Specify the number and the name of the initiative and who is responsible for doing it.
2. Identify the supporting departments as well as the start and the end dates of the initiative.
3. Determine the estimated budget for the initiative.
4. Determine the perspective of the initiative.
5. Identify key related goals by either writing them down or just coding them.
6. Determine the implementation steps of the initiative and schedule them.



Initiatives Card template

Initiative Number		Initiative Name					
Name of the Responsible Person for Implementation			The support				
Starting Date		End Date		Budget			
The perspective							
The Related Strategic Goals							
No.	Implementation Steps			Beginning	End	Completion Rate	Comments
1							
2							
3							
4							

Executive Initiatives

Write the name of the activity
on the wallpaper

Group Activity



Preparation of Implementation Timeline

After completing the preparation of all initiatives at the level of the four perspectives, write down the title of the initiatives in the implementation timetable according to the implementation timeline template.



No.	Initiative number	Initiative Name	Responsible Person for Implementation	Implementation Timeline and Budget																																																Budget				
				January				February				March				April				May				June				July				August				September				October				November				December								
				1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4					
1																																																								
2																																																								
3																																																								
4																																																								

Timeline of The Initiatives

Write the name of the activity
on the wallpaper

Group Activity



Monitoring and Evaluation Of Initiatives Implementation



After completing the preparation of all initiatives at the level of the four perspectives, write the title of the initiatives in the follow-up and evaluation timetable according to the follow-up and evaluation template.

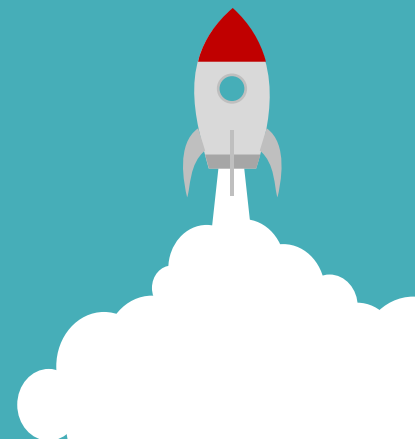


No.	Initiative number	Initiative Name	Responsible Person for Implementation	Initiatives Monitoring and Evaluation Timeline																																																Budget												
					January				February				March				April				May				June				July				August				September				October				November				December															
					1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4																
1				Planned																																																												
				Implemented																																																												
2				Planned																																																												
				Implemented																																																												
3				Planned																																																												
				Implemented																																																												
4				Planned																																																												
				Implemented																																																												

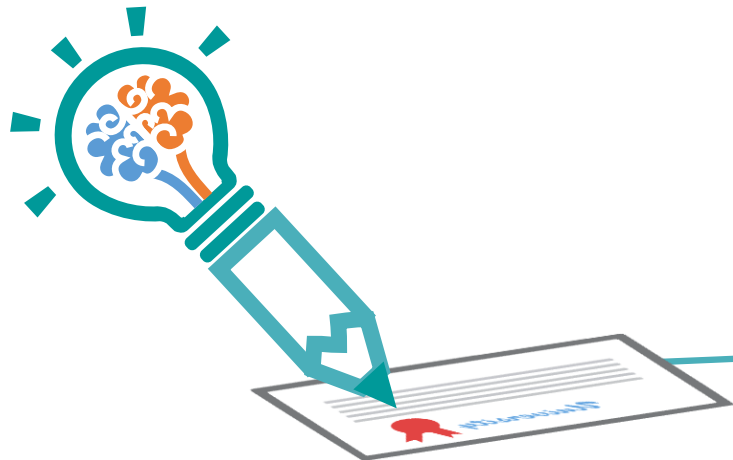
Monitoring and Evaluation of the Initiatives

Write the name of the activity on the wallpaper

Group Activity



Practical Application
&
Discussing
Graduation Projects





The End of Session Six



Thank you very much