



"Plans are nothing. Planning is everything"
- Dwight D. Eisenhower

WHAT IS YOUR PLANNING CULTURE?

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"Look what I found in the dumpster! A perfectly good business plan!"

In our practice, when we introduce the topic of Strategic Plans, executives almost immediately diverge. On the one hand are those who think a defined and detailed strategy is critical to performance and success. And on the other are those who think forecast planning is a waste of time – often maintaining the world is too complex and turbulent for Strategic Plans.

Enter a room full of executives and ask them about Strategic Planning and someone may make a joke like the one above. Faces often indicate widespread boredom. Or assurance they are "rarin' to go" -- "Yes, of course. We all know all about it, how to do it ... we have done it. Let's get it over with."

As we talk further about specific Planning Approaches and Processes, many embrace their planning methodology with cult-like devotion: Budget-Based, Balanced Score Card, Lean Planning, Portfolio Management, Agile Planning, Life

Cycle Phase Management, Outcome-Based, Customer-Focused -- and a plethora of other project and program planning methodologies.

People's default beliefs about planning – including notions about what planning should accomplish and how it is best executed -- constitute what we call a “Planning Culture.” A culture is neither positive nor negative. Rather, culture is a shared pattern of behavior, norms, beliefs, and accepted attitudes – in this case, about planning. In most cases culture is “unseen” by those in it.

***“His people would follow him anywhere –
if only out of morbid curiosity!”
-Quote from an Officer's Fitness Report***

LEADERSHIP AND PLANNING

Most leaders have entrenched beliefs about planning. These may originate with their Business School, or the never-ending torrent of books full of planning buzzwords and methodologies, management mentors, personality type preferences, or good and/or bad experiences with planning (or even lack thereof).

When leaders come into a new organization, they often bring different ideas about planning that conflict with the legacy planning culture and practices, which then creates a clash for both legacy team and new leader. Planning Team members may want to default back to the organization's previous planning model, rather than embrace the new approach.

The dirty little secret is that most Planning Teams don't have a shared planning culture. Unfortunately, unacknowledged differences in views on planning can severely undermine the process. Planning Team members rarely share openly their ideas on planning. They mostly go with the incumbent approach or “whatever the boss wants.”

Such unsurfaced differences can lead to unproductive process disputes. Parts of the Planning Team will quietly disengage from the process. Simmering undercover resentment endures past the planning phase itself. Faced with such low-level disgruntlement, a planning process can become a “Bataan Death March” or a get-it-over with the “READY – FIRE – AIM” approach.

In the search for solutions, diversity of ideas is a good thing. Harvard's Dorothy Leonard has used the phrase “creative abrasion” to posit the advantage of healthy conflict in decision teams. Unfortunately, most managers are unacquainted with and/or not adept at handling dissension in their Planning Teams.

So leaders and Planning Teams generally come to the planning process with several strikes against them: multiple content viewpoints, discomfort with the resolution of disagreements, multiple unsurfaced planning cultures, and often a commitment to a planning approach that may or may not fit the needs of the organization at this time.

Since there is no planning approach that optimally fits all situations, finding the right planning approach and creating an appropriate "Planning Culture Fit" is vital to planning success.

To help address these needs, this article shows how to examine Planning Cultures and Planning Approaches for best fit with the organization's needs.

"If at first an idea is not absurd, then there is no hope for it. " -Albert Einstein

THE PLANNING CULTURE MATRIX

Two critical planning lenses shown below are key to assess the nature of a Planning Culture:

1. PLAN GRANULARITY: HOW ELABORATE? HOW SIMPLE?

Plan Granularity refers to the level of detail and complexity of the plan. This can vary greatly. Some business plans have actually been written on the back of a napkin. WC Fields wrote the film outline for "Never Give a Sucker an Even Break," on the back of a grocery bill, and sold it to Universal that day for \$25,000. A Texas-based post-high school nonprofit program for children with developmental disabilities was designed on a Starbucks napkin by two mothers and used to build a community around their idea.

Other plans may contain specifications of 100s of pages -- for a whistle, a machine part, an airplane, or new software. Typically, longer plans define the proposed product or service, marketing strategy, competitor and stakeholder analyses, financial plan, Information Technology plan, etc.

The degree of plan granularity is often a point of contention in Planning Teams, and needs to be surfaced and resolved for effective planning.

2. PLAN ADHERENCE: HOW STRINGENT? HOW FLEXIBLE?

Plan Adherence is the intended use of the plan as a guide to operations – i.e. how faithfully do planners intend the plan to be executed?

Some organizations want a Defined Plan that creates a waterfall of objectives, performance metrics and milestones that will be closely followed in daily operations. Others want to create a Provisional Plan with a clear Vision and/or Strategic Narrative, but expect the Plan to be more adaptive, changing with changing circumstances and demands.

Mismatched plans are very common. Organizations spend a great deal of effort to create detailed plans that only to end up as "shelfware" gathering dust. Many organizations, from a Planning Culture view, believe they want to execute closely to their plans, but fail to do because of operational tempo, structural challenges or lack of managerial bandwidth.

Planning Team expectations and assumptions must be surfaced and resolved in advance to ensure the team can determine the best approach at this time without bias.

A Planning Culture can include both Strategic and Tactical planning processes. Although our prime focus here is on Strategic Planning processes, the two processes do – and ultimately should – integrate. The Quadrant below is a map of Planning Cultures.

THE PLANNING CULTURE MATRIX

Seeks to Adapt the Plan to the Situation			
Have Detailed Plans	1 - "Optional Journey Planning"	4 - "Adaptive Planning"	Have Rough Plans
	2 - "Linear and Integrated Planning"	3 - "Milestone Oriented"	
Seeks to Stick to the Plan			

THE PLANNING CULTURE MATRIX BY QUADRANT

1 - "OPTIONAL JOURNEY PLANNING" - DETAILED PLANS CREATED TO EXPLORE AND ADDRESS OPTIONAL JOURNEYS:

- Starts with defining Outcomes, Resources and Concept of Operations (CONOPS)
- Carves out plausible scenarios to explore strategies for alternative futures, especially in turbulent conditions.
- Examines multiple scenarios/options, based on emerging conditions, which are analyzed, resulting in a selected Course of Action.
- Scenarios not immediately selected can become "Plan B," "Plan C," "Plan D," etc. and can re-shaped, if needed later.
- Useful for rapidly changing time horizons and conditions.
- Often used by large, complex systems – from Military to multinational corporations -- to weave dissimilar, distributed, multi-part units, departments, or capabilities.
- Planning Teams may become Red Teams to war game the options with live-action and experiential tabletop analysis exercises.
- Often used with unprecedented situations or novel opportunities.

Value of this planning: *Able to respond with contingencies for changing conditions. If well done, forges "Planning Communities of Insight" with tensile*

strength and in-depth understanding, prepared to respond to changing conditions.

Examples: Organizations in turbulent environments with planning assumptions at wide variance, Military and government organizations facing multiple futures, industries that require discipline while encountering unpredictable events,

2 - “LINEAR & INTEGRATED” - DETAILED PLANS THAT ARE CLOSELY FOLLOWED:

- Dominated by the Traditional Strategic Planning models that begin with strategic vision, mission, goals, objectives etc. and waterfalls into interlocking, articulated plans; e.g. Enterprise, Business, Knowledge Management, Information Technology, etc.
- Often favored by stable industries and governments.
- This approach tends to replicate the process across the organization, allowing for integration and coordination across departments.
- Plans typically contain detailed implementation outlines and metrics.
- Often benefit from planning tools such as Balanced Scorecard and Key Performance Indicators
- Creating the plans does tend to take a great deal of time.
- Tends to reinforce the *status quo*.
- Often have long time horizons.

Value of this planning: This Planning Process seen as reliable where performance indicators are ranked as high value and interlocking plan relationships are usually carefully drawn.

Examples: Classic large government agency, manufacturing companies or other relatively stable organizations, etc.

3 - “MILESTONE ORIENTED” - ROUGH PLANS WITH GOALS/MILESTONES THAT ARE CLOSELY FOLLOWED:

- Fixed Milestones become Strategic drivers, rather than just data points of accomplishment.
- The criticality of milestones is often tied to external forces such a quotas or calendars, where there often less flexibility, such as Seasonal opportunities (think turbulent Christmas sales or production surges), trade shows, or complex distributed, interconnected operations.
- Starting with agreements about performance targets based on Milestones in advance prevents down-the-road dissension.
- Sometimes may need interim milestones leading to the fixed milestones.
- Sometimes there are multiple independent parallel strategies and/or sequential dependent strategies.
- Benefits from such planning tools as Critical Path Analysis, Flow Diagrams, Work Breakdown Structures, etc.
- May be adaptable in its strategy, but the Milestones themselves tend to be rather firmly fixed.
- Metrics tend to be tied to meeting Milestones.

Value of this planning: *Relatively straightforward, fast, and good to use to create a broad understanding across the organization. Clarifies the use of parallel strategies to achieve Milestones.*

Examples: *Sales, new product development, and large-scale software development.*

4 - “ADAPTIVE PLANNING” - ROUGH PLANS THAT ARE ADAPTED TO EMERGENT CONDITIONS:

- Good fit for organizations dealing with unprecedented or unexpected situations and new outcomes with myriad inputs.
- Focus on outcomes, goals, and end-state accomplishments – and where needed, targeted critical milestones.
- Very useful to stimulate organization-wide communication about alternatives and outcomes.
- Can profit from Knowledge Management tools such as Storytelling, Collaborative Workspaces, Discussion Forums, Data Visualization Tools, Social Media, etc.
- Managers given wide latitude to maneuver toward milestones that can change en route.
- Goals and end states may change on the fly as well.
- Very helpful where rapid technology and business models keep changing the Strategic goal posts and the strategy needed to accomplish the changing goals.
- Can operate with greater speed, flexibility, adaptability and resilience.
- (Warning) May make some staff member's heads explode.

Value of this planning: *Rapid, malleable, creative and keeps the organization focused on what is changing. Encourages open, productive communications on topics important to managers and staff.*

Examples: *High-tech, financial, invention-based, and creative organizations, as well as any organizations embarking on new directions and/ or encountering turbulent change or requiring speedy development.*

“Victorious Warriors Win First and Then Go to War; Defeated Warriors Go to War First and Seek to Win” -Sun Tzu, Art of War

MANAGING YOUR PLANNING CULTURE

Few Planning Cultures are completely one or another. Planning processes need to align with the organization's needs, current plans and external realities.

Each Planning Culture is reinforced by certain critical assumptions; e.g.

- (1) Organizations tend to have institutional biases toward certain legacy planning methodologies.
- (2) Some Planning Processes are statutorily required by Government regulations or other Trade Sector norms.

- (3) Management often assumes an approach, once initiated, must become the “default strategy baseline” so strategic continuity and metrics can be maintained from year to year. (Both value and peril in this view).
- (4) Make sure that those shaping the planning effort culture and processes are the right people to be involved in the process and not superfluous or burdensome to the process? As Total Quality Management guru Edward Deming said, “discernment needs” to be carefully used to not involving non-value-added people into the process. His advice? Have the people who can say “yes.” Do not include everybody who can say “no.”

A particular Planning Culture and the subsequent planning approaches may not serve the organization at a specific time or circumstance. For instance, during a crisis, the more stable Linear & Integrated Planning Culture and approach can be counter-productive. Conversely, an Adaptive Planning Culture and approach could be unsuitable for an organization seeking to present itself as a stable prime contractor to potential large clients. Further, hybrids of Planning Processes may be appropriate: e.g. There may be occasion to use Adaptive Culture approach on the Executive level, but use Linear and Integrated Culture approach on the Production level.

The exercises below will provide a quick check of all the factors propelling the assumptions and driving factors for your Planning Team.

“The essence of strategy is choosing what NOT to do” - Michael Porter

ASSESS YOUR PLANNING TEAM’S PLANNING CULTURE (S) – AS-IS AND SHOULD-BE:

HOW MANY DIFFERENT PLANNING MENTAL MODELS CAN YOU FIND IN YOUR OWN PLANNING TEAM?

Before they get into the Planning Process, any Planning Team needs to assess their assumptions, share points of view about planning, and identify and resolve differences in their perspectives. This will save the team a lot of wasted time on unproductive arguments later down the line. Here is a fairly simple approach:

EXERCISE TO ASSESS THE TEAM’S AS-IS AND SHOULD BE PLANNING CULTURES

DIRECTIONS:

- Make copies of the **Planning Culture Matrix**.
- Facilitator gives each Planning Team participant their own sheet and explains the Matrix to the participants.
- Based on each Quadrant’s description and “fit” with each participant’s organization, have Planning Team participants privately put **one point on the Quadrant of the Planning Culture Matrix where see their current Planning Process “AS-IS.”**

- Then, have each participant **place one point where they think their Planning Process “SHOULD BE.”**
- Next (this step is critical): Instruct participants to write on the bottom of their sheet 1-2 sentences – **“Why do you think that?”** Reasons need to be specific and relate to current business needs, goals, etc.
- Facilitator collects sheets. Aggregates Quadrant Points into **scattershot plot** in front of the Team (flip chart, computer etc) with both **“AS-IS” and “SHOULD BE” points**. Facilitator then leads discussion on responses to **“Why do you think that?”** and gets participants to be as precise as possible in their answers trying to come to a shared Strategic Planning approach **for this situation**.

“You got to be careful if you don't know where you're going, because you might not get there.”
-Yogi Berra

SUMMARY

Planning Culture is often based on shared and individually held default beliefs about what planning can accomplish, what are the best planning approaches, and how the plan is to be executed. Organizations often have institutional and process commitments to certain planning methodologies regardless of their fit. This may produce the following two kinds of problems:

(1) The first problem occurs when there are substantive Planning Culture differences on the Planning Team. These unsurfaced differences can lead to unproductive process disputes, subtle disengagement, and lack of commitment to execution.

(2) The second problem is when Planning Culture norms, individual or institutional, determine the planning methodology to use, whether appropriate or not, which can result in a planning process that is suboptimal.

The key to successful planning is to assess the **planning needs for this situation**, and if necessary **adopt** or **adapt** the Planning Culture to get the “right-fit” Planning Process for that time and context.

So when it comes to planning, we have to move from “we have always done it that way,” to “this approach fits our needs right now and can help us grow into greater possibilities.”

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