

THE PLANNING SYSTEM: Position, Strategy, Implementation, and Deployment

A role in newer models of Improvement Agents contribution focuses on “The planning system”. The planning system includes processes by which high-level strategy and policy are determined and all processes that lead to effective implementation and benefits realization from strategy and policy deployment. In many organizations, this system is not defined, not documented, not systematic, and hence the results it creates are highly variable. Process experts contend that the planning system needed to be reengineered, and offered this work as a role that Improvement Agents can and should impact. Figures 1, 2(a) and 2(b) are simple versions of what they mean by this contention.

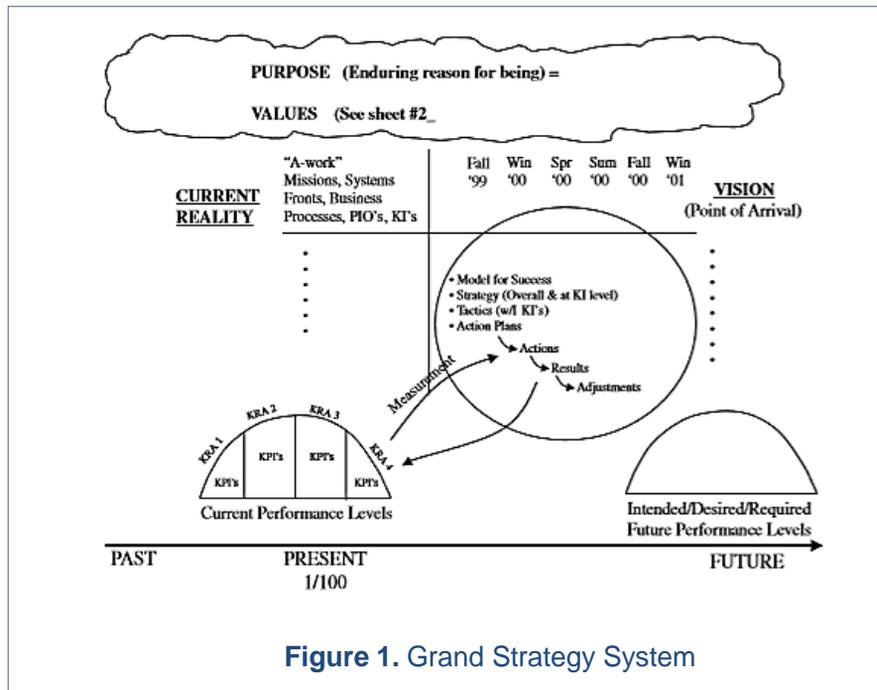


Figure 1. Grand Strategy System

Figure 1 is a depiction of what is called a “grand strategy system.” It is a high-level picture of strategy and policy deployment. Once strategy and policy (positioning) is decided, a transformation plan needs to be developed.

The vision and definition of the future state is on the right-hand side of the picture, the current reality is on the left, and the work in front of the organization is in the middle.

Conceptually, it will take many improvement cycles (Plan, Do, Study, Adjust/Act) to pull off a largescale transformation.

Where Lean Thoughts can become Reality

"Unless you try to do something beyond what you have already mastered, you will never grow."

Ronald. E. Osborn

THE PLANNING SYSTEM... Continuation

Figure 2(a) depicts the improvement cycle process itself in general terms. It is not important to understand all the details of these figures; it is important that you see that Improvement Agent skills of system and process design are being applied at the strategy and policy deployment level. The premise is that more defined and explicit systems and processes for strategy and policy deployment will lead to more consistent results (benefits realization).

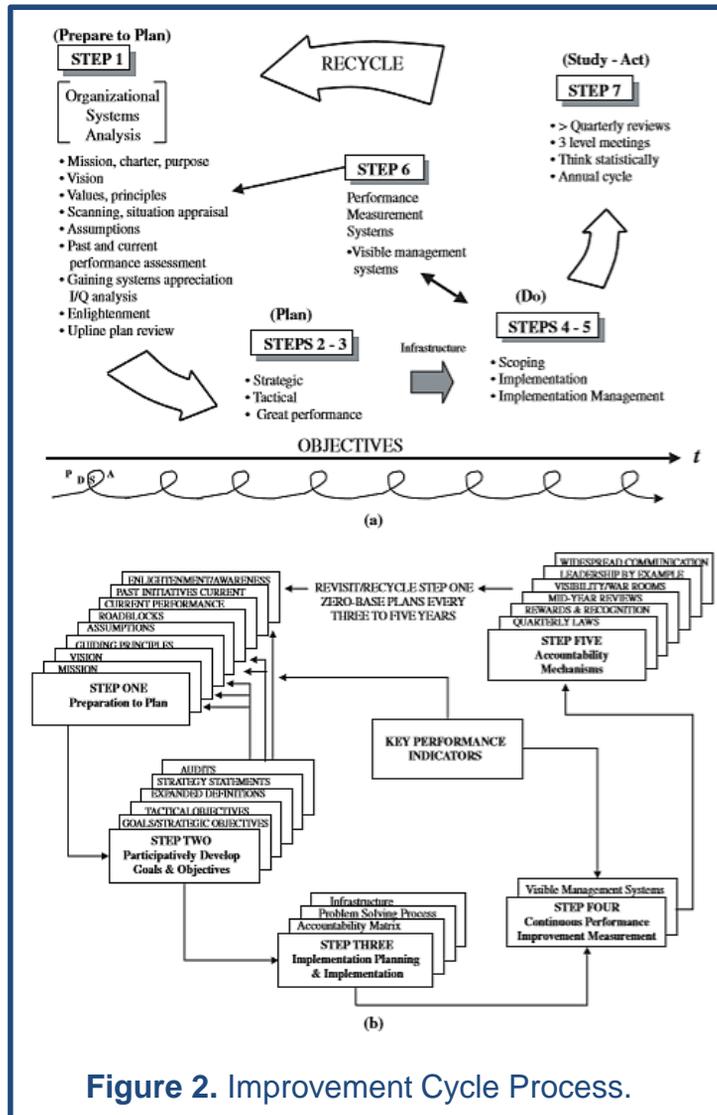


Figure 2. Improvement Cycle Process.

Positioning deals with what an organization offers and how that offering is portrayed to the customer. It has to do with whether your value proposition is clear to the customer and whether those propositions are distinctive and attractive. It has to do with whether your customers see your offering as instrumental to their success.

Positioning decisions occur in step 1 of the Improvement Cycle (see Figure 2(b)). Positioning decisions end up being articulated and portrayed on the far right side of the transformation plan (see Figure 1).

Strategy, on the other hand, has to do with how the organization plans to deploy its offering and execute on its position. Strategy ensures that the customer takes up the offering. Success must be operationally defined; you must have a clear vision of what success looks and feels like. Successfully executing strategy and policy throughout the organization involves what is called policy deployment.

Strategy is reflected in the middle part of the grand strategy plan (Figure 1). Strategy is fleshed out in the improvement cycle (Figures 2(a) and 2(b) in step 2.

Improvement cycles in context of positioning and strategy are similar to the relationship between a game plan, perfect practice (as Vince Lombardi used to say), and actually playing the game. Strategy and positioning are the game plan; improvement cycles are perfect practice and also playing the game. The key role we see for Improvement Agents in the planning system is in effective implementation and deployment of strategy and policy. This may well be several levels higher in thinking and involvement than many Improvement Agents have traditionally been.

Lean Thoughts