

The Strategy in Strategic Planning

Practical, step-by-step recommendations for writing your strategic training and development plans.

By JOHN E. PATTAN

Many HRD professionals plan courses, curricula, and activities by the quarter or year. Others, however, formulate a strategic training and development plan. It deliberately sets a general direction toward a vision of what an HRD department should become, usually in three to five years. Because a strategic plan focuses on the future, it is often called vision-driven. The vision influences the decisions and actions which lead to its attainment.

A strategic plan differs from a tactical

The need

Strategic HRD planning satisfies: securing support and resources from senior management, coping with anticipated changes and providing sustained direction in managing the HRD function. Top management may consult the HRD strategic plan as a source of information for strategic decisions and for allocating resources. But corporate strategy needs to take into account employee skill requirements and the training department's

Vision statement

This delineates what HRD should look like by the end of the planning period. Its details must unambiguously and consistently guide our choices in light of potential opportunities and threats. These details may specify projected external and internal changes with direct influence on the HRD function, the anticipated mix of our products and services (e.g., employee training and OD activities), our potential markets (e.g., training participants and organizational units likely to undergo planned change), and the values and resources needed to implement our plan. Our strategic vision must derive from and support the corporate vision.

Mission statement

Our mission is the fundamental reason why the HRD department exists. For example, our mission may be to provide employees with skills needed for optimal performance. The vision and mission statements together are the framework governing all subsequent portions of our strategic plan.

Planning data base

This is the informational foundation of the entire plan and takes the longest to complete. For a strategic HRD plan to be effective, its data base must be accurate, complete, and focus on training and development issues. It is also the most difficult to do because we need information from people who may not consider HRD a top priority. Even if they were willing to

Internal predictions should be keyed to external factors

plan. A strategic plan takes a long-term view, defines a broad organizational direction, and uses a top-down approach, at least in part. It identifies long-range objectives and resources needed for realizing the vision. By contrast, a tactical plan is short-term and operational. A bottom-up approach, it implements solutions to immediate problems and deploys resources to execute projects.

Strategy has two roles: end and means. As end, strategy denotes our vision of *what* something will look like in a few years. As means, it shows *how* we expect to realize our strategic vision.

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ability to train in those skills. By providing information, our strategic plan can influence corporate strategy formulation.

We also may need a strategic HRD plan for managing anticipated changes such as shifts toward more participative organizational cultures or predicted advances in production technology.

Last, we need a strategic HRD plan for managing the training department effectively. Planning, a generic function of management, provides direction and goals for the other basic managerial functions. Plans facilitate organizing, leading, and controlling. If we fail to plan strategically, we plan to fail strategically.

A plan's components include vision and mission statements, a planning data base, objectives, implementation strategies, an implementation schedule, and an evaluation and feedback system.

complete questionnaires promptly, answer questions in personal interviews, or share predictions about their own areas, they often may not have the data we need. For example, a company may not know what specific equipment, requiring new skills, may be needed four years hence or what manpower will be needed to maintain production in the future.

The data base is divided into two parts: an analysis of our current situation (often referred to as situational analysis) and forecasts. Each of these parts is subdivided further into considerations of external and internal (within the department) factors that influence HRD operations.

The analysis of the current situation identifies where the HRD function is and where it should be in the future. The external factors considered in situational analysis can include current corporate and divisional business plans for production technology, a look at instructional technology, and the present work design. We should highlight those features of the current business plans which have direct relevance to required employee skills. Similarly, we should single out the production equipment and processes that require technical skills training.

The current state of training technology is an environmental variable that influences what kind and how much training we can do. Under this heading we might survey audio-visual media, simulators, and computer-assisted and managed training.

The section on work design may discuss socio-technical issues, quality of work life, employee involvement, and organizational culture.

The second half of situational analysis profiles factors internal to the training department. Among these are activities and outputs of the HRD staff and the resources provided for them by the organization. The HRD activities and performance outputs include technical and management training, and management organization, and program development.

An analysis of technical and management training may note the number of instructor-led and self-instructional courses, the range of their duration, and the number of participants during the last 12 months in each area. A separate catalog of technical and management courses may appear as an appendix. In it, we may briefly describe each course in terms of its objectives (skills, knowledge, and attitude), duration, and target population. We should also evaluate the major strengths and weaknesses of our technical and management training areas.

If our corporation has a formal management succession planning system, the HRD function may have a matching management development program to support it. We should state this program's purpose, elements, and number of participants during the last twelve months. This description should be complemented by the evaluation of the program's overall strengths and weaknesses. The section on organization development has the same format as the one above. When dealing with program development, we describe and evaluate our course development activities in terms of the principles of adult education, instructional systems design, and curriculum construction.

■ Forecasts are not the entire plan but only one of its sub-components.

■ Forecasts deal with probabilities in the face of uncertainty. The farther away we move from the present into the future, the less probable and more risky will be our forecasts. To guard against the misconception that our forecasts are an accurate blueprint of the future, it is advisable to state the degree of probability (e.g., high, medium, or low) for each group of forecasts.

■ State that forecasts are descriptive rather than normative. Descriptive forecasts merely describe what our future might be like if external and internal factors for the training department remain

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Internal factors also include resources received from the corporation: budget, staff, facilities, production equipment used in technical skills training, and instructional technology.

Display dollar figures for training and development separately from the indirect labor costs of participants. Justify budget dollars in terms of manpower levels, employee skill requirements, and training needs in support of business plans. Give similar justification for HRD staffing levels, facilities, and production and instructional technology used in training. List the number of the HRD staff per position, the location and size of training facilities, and the major equipment used in technical training. The description and evaluation of our instructional technology should relate to the survey of training technology outside state-of-the-art given earlier among the external environmental variables.

Predictions concerning resources the training department will need (budget, staff, facilities, and production and instructional technology used in training) should be similarly tied to external environmental predictions. Clearly indicate any anticipated reductions in resources compared to current levels. (For example, staff reduction projections can be illustrated graphically in three vertical columns consisting of figures for each position. The first column shows the number of current incumbents, the second shows the predicted number at the end of the planning period, and the third column shows any net change per each position.)

Keep in mind that:

stable. By contrast, normative forecasts prescribe what our future should be like in the ideal instance, setting standards for evaluating our future performance.

■ Forecasting techniques vary in sophistication. Expert opinion is an effective qualitative forecasting method, appropriate for our purposes. To gather such expert opinions for the planning data base, contact various groups external to the HRD function (for example, research and development, marketing, personnel, and, above all, the planning department).

■ Be as specific as possible about each item in terms of who, what, when, where, and why.

Objectives

Based on the analyses of the current situation and of the future, objectives are specific, time-bound, and measurable markers along the road to a strategic vision. These likely, targeted HRD activities and outcomes are responses to future business plans, production technology, work design, and manning that require new employee skills. Don't include routine activities which we currently have and expect to continue.

Objectives change as the future unfolds and new information becomes available. In an MBO system, annual HRD objectives should reflect changes year after year during the life of a strategic plan. The flexibility of the objectives is measured by the probability indices for the corresponding forecasts.

List objectives for technical training, management training, management development, and organization develop-

ment. Specify the number of new instructor-led and self-instructional programs, the duration for each, and the number of course development hours per course. Also state the probability for the accuracy of objectives grouped under the four areas noted above.

Implementation strategies

Implementation strategies are general methodologies used to attain objectives. Broad in scope, they apply to various potential future conditions.

There are at least four kinds of HRD strategies: those in employee training, group effectiveness (OD), program development, and instructional technology. Employee training strategies help develop the potentials of individual employees. These strategies include technical skills training, management and personal skills training, and management development. In the management development program, participants can be developed through job enlargement, job enrichment, special projects, and job rotation. Group effectiveness strategies develop the potentials of entire work groups by using specific OD interventions within or without the action-research model. Program development strategies include instructor-led and self-instructional programs. Instructional technology strategies include audio-visuals and microchip-based technology (e.g., personal computers, artificial intelligence, computer networks, simulators). Briefly describe each implementation strategy and indicate how it is related to specific groups of objectives.

Implementation schedule

In view of the probabilities for the forecasts and objectives, the strategic plan's implementation schedule should be given serially in 12-month increments from one year to the next. Such schedules are more flexible in a dynamic environment and allow greater contact with the "real world" in which the plan must be implemented. In other words, it is better not to create a long-range implementation schedule for the duration of the entire plan since unforeseen changes may make it obsolete shortly after the plan's publication.

Evaluation and feedback

During this final step in the planning process, measure the plan's success in its consequences and suggest corrective actions as needed. In an MBO system, you can monitor and appraise the implementation of the plan through MBO objectives

progress reports. And, you can review the annual implementation schedule at the end of each year by comparing planned actual results and cumulatively carry forward these results from year to year until you reach your planning horizon.

After having composed each major portion of the strategic plan, submit it for internal peer review within the training department and, then, to upper management for review and approval before proceeding to prepare the next part. In its written form, the plan must be understandable, acceptable, and useable by people both outside and within the training department. This requires a politically astute balancing act between senior management and your HRD staff.

Forecasts, the second half of the planning data base, estimate future external and internal factors affecting a training department during the planning period. These predictions parallel the categories in the preceding appraisal of the current situation. External predictions concerning such environmental factors as future corporate business plans, the anticipated state of production and outside instructional technology, and the expected changes in work design. Estimates of work-force demographics need to be restricted to training-relevant information (for example, annual attrition averages and anticipated retirement numbers per employee groups that are likely to trigger replacement training). Other demographic information (e.g., EEO data, educational levels, longevity, age distribution of employees) relates to HRD planning purposes when courses are developed for separate groups. Demographic data should be augmented with information concerning anticipated hiring and lay-off projections that may also involve training.

Internal predictions concerning future technical and management training courses, management, organization, and program development activities should be keyed carefully to external environmental predictions (for example, each new kind of production equipment and process requiring new employee skills needs to have its corresponding technical skills course listed). Similarly, note the OD intervention that matches anticipated shifts in work design and organizational culture. The accuracy of internal predictions depends on that of the external predictions with which they are linked.

