



Strategic planning and goal cascading

How-to guide and worksheets for small businesses

This guide can help small organizations to easily create effective strategic plans and cascade their annual goals down to the department level. The guide is arranged around two sessions. The first is a strategic planning session with the organization’s senior leadership. The second is a cascading session each leader should hold with their department to align their team goals with organizational strategy.

Session 1: Strategic Planning

The organization’s senior leaders should attend and participate in the strategic-planning session. See **page 2** for a simple strategic planning worksheet.

Step	Action
1	Clarify mission, vision, and values. Discuss the organization’s mission, vision, and values with the team. Ask for examples of actions, initiatives, or accomplishments that can illustrate the meaning of each one.
2	Create an Operational Direction Statement (ODS). An ODS is like a mini-vision statement that describes how an organization will accomplish its mission or advance towards its vision over a period of time. This should be a one or two sentence statement that clearly describes a broad course of action over the next year.
3	Identify three to five Key Result Areas (KRAs). Use brainstorming, mind-mapping, the Delphi technique, or other group process to create three or five KRAs that are critical to fulfilling the organization’s ODS.
5	Create a SMART goal for the ODS and each KRA. Develop a goal for the ODS and each KRA that represents success in that area. The goals should follow the SMART model: Specific, Measurable, Attainable, Relevant, and Time-bound.
6	Develop strategic initiatives for each SMART goal. Each senior leader should develop three or five strategic initiatives that support at least one KRA. (The Chief Executive should not adopt any strategic initiatives since he/she is effectively responsible for ODS goal and the whole strategic plan.)



Strategic Planning Worksheet

Operational Direction Statement (ODS)	SMART Goal

Strategic Plan

	Key Result Area	SMART Goal	Strategic Initiatives
1			
2			
3			
4			
5			



Session 2: Goal Cascading

Each senior leader should facilitate a goal cascading session with their department to align their team's goals with the strategic plan. See **page 4** for a simple goal cascading worksheet.

Step	Action
1	Clarify mission, vision, and values. Discuss the organization's mission, vision, and values with the team. Ask for examples of actions, initiatives, or accomplishments that can illustrate the meaning of each one.
2	Share the strategic plan. Share and discuss the strategic plan with the team.
3	Share your strategic initiatives with the team. The senior leader's strategic initiatives effectively become the department's Key Result Areas (KRAs). This ensures the department's activities are aligned with the organization's strategic direction.
4	Create a SMART goal for each Strategic Initiative. Develop a goal for each Strategic Initiatives that represents success in that area. The goals should follow the SMART model: Specific, Measurable, Attainable, Relevant, and Time-bound.
5	Develop an action plan for each SMART goal. The team should develop an action plan for accomplishing each SMART goal. Each action should have a clear owner and due date. (This has the added benefit of clarifying the contributions expected from each individual.)



Goal Cascading Worksheet

	Strategic Initiative	SMART Goal	Action Plan (Action, Due Date, Owner)
1			
2			
3			
4			
5			