

iLEAD™ Tools

# THOUGHT LEADERSHIP

How to Develop Strategic  
Long-Term Goals

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# HOW TO DEVELOP STRATEGIC LONG-TERM GOALS

Understand what is involved in setting achievable goals and how to strategically plan for the long-term to avoid falling foul of biases.

## ● ISN'T IT INTERESTING?

Have you ever gone to the supermarket when hungry?

Mmmm...

If so, once at home did you find a number of unusual items you had no intention of buying, such as doughnuts, pizzas with new toppings or delicious looking desserts, at the expense of basic foods such as bread, eggs, or potatoes? If this has happened to you, don't worry, you're not alone. It seems we find it notoriously difficult to delay our short-term needs or desires, for long-term requirements.<sup>1</sup> After a spontaneous shop (or maybe once we've eaten the offending items) we are struck by a bout of sudden guilt from the knowledge that we have indulged in purchasing unnecessary treats at the expense of our basic needs.

### Projection bias

Researchers<sup>2</sup> have proposed that this is where we are out of touch with our 'future emotional self' – that is, we find it hard to identify with predicting our future needs, because our current emotional state overrides these needs. This is known as the 'projection bias'. This happens despite us having experience of similar occasions (previous shops whilst hungry) and their undesirable consequences (lots of junk food and a serious lack of staples in the house). Simply put, projection bias means we ignore our long-term needs in favour of short-term gratification. However, if we are to learn to strategically predict our long-term needs we need to combat this bias.

In this example, we can start by not shopping when we are hungry, as this increases the likelihood of us buying only what we need. Mentally, this involves projecting our current emotional state (such as hunger) into the future to envisage how we are likely to feel (guilty if we buy treats and fulfilled if we stick to the plan). So when developing strategic long-term goals it is important to plan for the projection bias.

### This tool can help

Seeing a vision of the future is critical to planning a strategy and avoiding pitfalls like the projection bias. This tool is about **how to develop strategic long-term goals** and will help you

to understand what is involved in setting achievable goals and how to strategically plan for the long-term to avoid falling foul of biases.

## ● STRATEGIC LONG-TERM GOAL SETTING

What about two years from now, or five? Ideas are all very well but making them happen is the thing. And then, how realistic is your idea, anyway? What happens if you kick off and then, eighteen months later it doesn't look so smart because, these days, the business environment, technology and all that seems to change from one quarter to the next – it's like being at sea, trying to sight land through a kaleidoscope.

Whether you're planning a long-term project, re-orientating a department or considering some diversification, it's about...

**'Exploring the overarching objectives of the vision and translating these into clear, tangible actions'**

...and contingency planning, in case it gets choppy.

There are so many books and articles on goal setting, but few of them give the basic requirements for a reasonable chance of success. So, even if some of it seems simplistic, we'll give you a better idea of the kind of thing you need to include in your long-term planning and some practical techniques.

Now, developing a concept and turning it into a strategy can seem like a daunting task. In theory you would probably want to have weeks or even months to sort out how you will build your vision. In practice this is not always realistic; however there are some straightforward steps that are useful to remember which can help to make it an easier and more enjoyable process.

To start, we've developed a simple model of the key features of developing and managing strategic, long-term goals below.

## ● V-SPORT – CREATE YOUR STRATEGY

The core elements of strategic goal setting are outlined below:

Area	Description
V	<b>Vision</b> This is the strategy's focus. Ideally it should be in line with the organisation's ethos and complement overall goals and objectives.
S	<b>Stakeholders</b> Identify key customers, stakeholders and other appropriate parties to ensure their support. Keep them informed at each stage to maintain interest and commitment.
P	<b>Priorities</b> Prioritise what's essential to the strategy's eventual success – important once it's underway and time and resources are pressured.
O	<b>Opportunities</b> Keep everyone involved aware of the benefits being worked towards to help maintain momentum. Raise awareness, too, of smaller benefits resulting from the process itself – new skills training, opportunity for employees, increased awareness of competitor activity, etc.
R	<b>Risks</b> Take time to explore actual and potential de-railers and prepare ways of avoiding or managing them effectively.
T	<b>Timelines</b> Allow your strategy to be sufficiently flexible to accommodate changes within or outside the organisation. It is important to consider the current situation and future changes.

The next section examines each of these aspects in more detail.

## ● FOCUS FOR SUCCESS

Here are the key aspects of the V-SPORT model in greater detail:

### Vision

This is the cornerstone of the whole strategy and provides direction for the long-term goals. Putting this in writing to formalise it is extremely important. Ideally you should try to write this in a compelling, inspirational way as well as making it clear and transparent. People need to clearly understand – and identify with – the vision and direction.

Consider how this aligns with overall organisational goals and, as important, try to demonstrate that it contributes to individuals' personal and career goals, team goals and departmental goals. People are motivated by opportunities for personal development and if the strategy offers this you will gain commitment which, in turn, maintains momentum.

Consider the following questions to fully understand and build your own and others' commitment to your vision:

- What is your end goal?
- Why is this important to you?
- What are the implications of not achieving this outcome?
- What benefits will achieving this outcome bring to you/the organisation?

### Stakeholders

It's important to consider the people who have some stake in the success of the strategy. This includes those who contribute to the initial vision statement, those who will have to be involved or will be affected at some stage of the process and those who will be affected by its outcome. Think about your audience and how you're going to explain the translation of the vision into actions. To do this, look at it from an outsider's perspective – what impact will your goal have on individuals and other functions within or connected to the organisation?

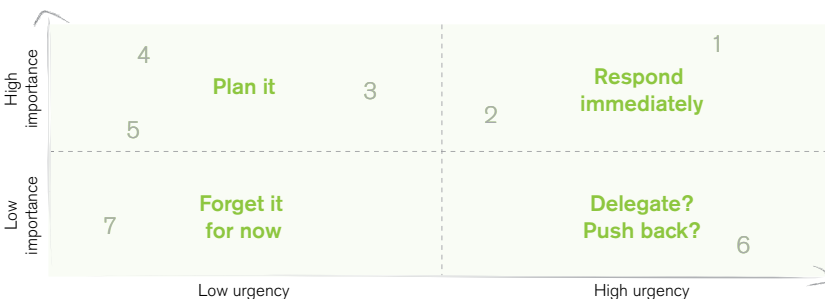
Decide how consultative you need to be in order to gain maximum benefits.

- Do you need to consult with anyone before rolling out the vision to others?
- Who would this be with?
- How will it be conducted?

This doesn't mean that every stage has to be negotiated but it does mean that goals should be consistent with expectations and address concerns.

### Priorities

It will be important for you and others actioning the strategy to be able to easily identify the priorities in order to succeed. Take into consideration the complexity of the task and make sure you prioritise critical 'milestones', tasks and actions. You could use a graph like this:



Involve others if possible, to agree the top three to five goals, and then prioritise them. In order to temper ideas you could ensure someone always plays 'devil's advocate' – challenging or testing suggestions before acceptance.

### **O**pportunities

In addition to the benefits and opportunities of the overall goal, consider what each person involved has to gain from the process of working towards it, including development opportunities, reward and recognition. Examine how you will delegate tasks and the potential opportunities they offer – see the tool 'How to delegate' for more advice on this subject.

Finally, consider your own gains including development, an improved profile in the organisation and increased self-esteem.

### **R**isks

Differentiate between the strategy's perceived and actual risks or threats. Consult with others if necessary to find ways of offsetting them. Make these preparations known to mitigate concern and strengthen support for the strategy.

Using the list of prioritised actions, identify their foremost 'issues'. Make sure you continue to do this as your plan progresses – and especially in the short to medium term; that is, the next couple of months or year.

Of potential risk to all strategies is how people manage and deal with change. Consider how complex the tasks are and how this will fit in with workloads, or otherwise affect people. How you manage change for yourself and others is critical to maintaining commitment and momentum. To this end, manage the impact of change by giving information and feedback during the process, through regular reviews of team and individual progress.

### **T**imelines

Consider your plan in a broader context. For example, keep an eye on what's going on in the marketplace and factor in economic and societal trends, competitor activity and new developments. You could use a model such as PEST(LE)<sup>3</sup> to help focus your thoughts here. Also, think about the internal position and how this may affect your strategy by considering: Where is the organisation heading? What will the situation look like in the future?

Think about aspects such as timescales, resources which might be needed (people – role modelling, money, time, your own personal qualities of perseverance, etc.) and financial requirements. Make this as definitive as possible – the S.M.A.R.T. technique<sup>4</sup> for goal setting will be useful. Make your goals specific, realistic and measurable – and explain why they're worthwhile. Celebrate achievements along the way. How will you know what these smaller achievements are? How will you get feedback to use as evidence of them?

If you follow these simple rules, your strategic goal setting process will be much more successful and your overall performance will improve.

The following pages outline three practical tools to help you to develop strategic long-term goals:

- Strategic Goal Setting Checklist
- Common Barriers to Success and Remedy Advice
- V-SPORT Self-Analysis.

## **● STRATEGIC GOAL SETTING CHECKLIST**

To help you ensure you're covering all the important aspects of developing strategic goals, you could use this checklist (print it out if it's easier). It conforms with the 'V-SPORT' model outlined earlier.

Tick off sections as you complete them.

Strategic Goal Setting Checklist		
<b>V</b>	1. Write your vision down, ensuring that it is easy to understand and clear in providing a focus.	
	2. Test the vision with key stakeholders in order to ensure that you are moving in a mutually agreed direction.	
	3. Consider, and note down, some of the broader benefits for the organisation, external customers, your team and yourself.	
	4. Formulate some clear long-term goals which fit in with your vision. These should form the basis of your strategy.	
<b>S</b>	5. Reflect on who your internal and external customers are and note them down.	
	6. Be clear who your key stakeholders in the project are and how you are going to involve them in the process.	
	7. Decide on the level of consultation you need with stakeholders, customers and your team.	
	8. Think about who the end users are, or those who will be affected by the overall outcome, and ensure this is factored into your plan.	
<b>P</b>	9. Write down the goals you're trying to achieve and prioritise them in order of importance for overall success.	
	10. Consider the current situation and future changes to try to anticipate whether priorities may need to change over time.	
	11. Prioritise actions in terms of importance and urgency.	
	12. Identify the support you'll require and from whom to complete tasks, especially those of high priority.	
<b>O</b>	13. Identify the overall benefits of the strategy and prioritise them.	
	14. Consider the benefits and opportunities for people working to deliver the strategy, to motivate and recognise or reward them.	
	15. Outline the benefits to customers and stakeholders.	
	16. Put together a 'benefits business case' outlining the main positives in order to sell the vision to others.	
<b>R</b>	17. Conduct an analysis of the risks and threats that exist or could potentially arise to threaten success.	
	18. Categorise these risks and threats into high, medium and low categories.	
	19. Identify the major issues you foresee over the short, medium and long-term and categorise them in terms of importance and urgency.	
	20. Attend to those issues which are 'most important and urgent' first, then those which are 'important not urgent' and then the 'urgent not important' ones.	
<b>T</b>	21. Think about how your vision and strategy fits in with broader organisational goals.	
	22. Look at the factors that could affect your strategy. You could use a model such as PEST(LE) to help focus your thoughts here.	
	23. Consider changes to the internal position and how this may affect your strategy: 'where is the organisation heading in the future?'	
	24. Factor in current competitor/comparator data or activity and try to forecast future changes that may affect success.	

## ● COMMON BARRIERS TO SUCCESS & REMEDY ADVICE

In developing strategic long-term goals, people experience a number of common barriers. You may even be facing one or two of these right now! Some are outlined below with a little guidance for overcoming them.

Barrier	Remedy Advice
The goal is complex and you don't know how you will be able to achieve it in practice	<ul style="list-style-type: none"> <li>● Manage expectations by giving people sufficient time to meet the goal or improve performance.</li> </ul>
	<ul style="list-style-type: none"> <li>● Provide time for practice or learning what is expected and required for success.</li> </ul>
	<ul style="list-style-type: none"> <li>● Make the 'milestones' as specific as possible so you can keep on top of them.</li> </ul>
	<ul style="list-style-type: none"> <li>● Consider the 'pinch points' you might be facing, from future events – situations that you know are likely to, or will, arise.</li> </ul>
You are devoid of ideas on how to develop the initial concept	<ul style="list-style-type: none"> <li>● Take a wide-ranging look around at what's going on both inside and outside the organisation which might affect it, using an 'environmental scan' or a SWOT analysis.</li> </ul>
	<ul style="list-style-type: none"> <li>● Establish statements of mission, vision and priority actions/issues.</li> </ul>
	<ul style="list-style-type: none"> <li>● You may want to refer to the 'How to think about problems laterally' tool to help you develop the concept.</li> </ul>
You are struggling to think of how your plan fits in with future challenges	<ul style="list-style-type: none"> <li>● Be clear what your overall objective is and how this fits in with the bigger picture.</li> </ul>
	<ul style="list-style-type: none"> <li>● Consider where the organisation or your department might be in the future, e.g. in the next 6 months, next year, next couple of years, etc.</li> </ul>
	<ul style="list-style-type: none"> <li>● Be clear what the risks are – consider doing a simple risk analysis.</li> </ul>
You have an idea but are not sure who to consult with and at which stage to get it accepted	<ul style="list-style-type: none"> <li>● Consider who the key stakeholders are in the process. Is this your plan or are you implementing someone else's vision?</li> </ul>
	<ul style="list-style-type: none"> <li>● Also, think about who the end users might be or who may be affected by the outputs of the strategy or need to be involved along the way; for example, your internal or external customers.</li> </ul>
	<ul style="list-style-type: none"> <li>● You could set up a forum such as a steering committee to look at the idea or you may want to put together a business plan or proposal to 'sell' the idea or the benefits to others to gain their buy-in.</li> </ul>

## ● V-SPORT SELF-ANALYSIS

In order for you to consider your approach to developing strategic long-term goals use the following tool to highlight your relative strengths and aspects in need of development in all the V-SPORT dimensions.

### Step 1: Complete the self-analysis questionnaire

Complete the self-analysis questionnaire using the Red (R), Amber (A), Green (G) system. Write in the corresponding letter (R, A or G) using the key on the next page.



Key:

**Red** – This is an aspect that you struggle to achieve, or find difficult. You may put it off or try to delegate it to others to complete.

**Amber** – You can complete this quite easily. It may not be the most fascinating or easy stage for you but you can, and will, tend to do this.

**Green** – This is what you excel at and find easy. You may put more effort into this stage and find it motivating or enjoyable to complete.

Strategic Goal Setting Self-Analysis		R	A	G
<b>V</b>	1. Creating a clear focus to aim for.			
	2. Thinking broadly to consider the business and the market.			
	3. Looking at the future implications of the vision for the business.			
<b>S</b>	4. Identifying all of the key internal and external customers.			
	5. Being clear about how to involve people in making the vision happen.			
	6. Factoring the needs of stakeholders into your strategy.			
<b>P</b>	7. Being clear about the actions to prioritise.			
	8. Knowing how to prioritise in terms of urgency and importance.			
	9. Considering changes that may affect how you prioritise at the outset.			
<b>O</b>	10. Highlighting the main benefits that may happen as a result.			
	11. Thinking about opportunities for everyone involved in the process.			
	12. Identifying short-term wins as well as longer-term gains.			
<b>R</b>	13. Identifying all of the risks and threats which might de-rail the process.			
	14. Considering contingency plans to overcome the challenges.			
	15. Prioritising the issues in terms of importance and urgency.			
<b>T</b>	16. Thinking broadly about the current situation and context.			
	17. Forecasting the future to pre-empt changes and allow for them in your plan.			
	18. Looking at the wider marketplace to understand how your strategy fits into the bigger picture.			

## Step 2: Scoring the self-analysis questionnaire

Use the following 2-step process to score your results.

1. Look at each category and add the corresponding Red (R), Amber (A), Green (G) ratings to formulate your unique combination. An example has been completed for you:

Example:

Area	Items to Add	Combination
V	1-3	R-A-G

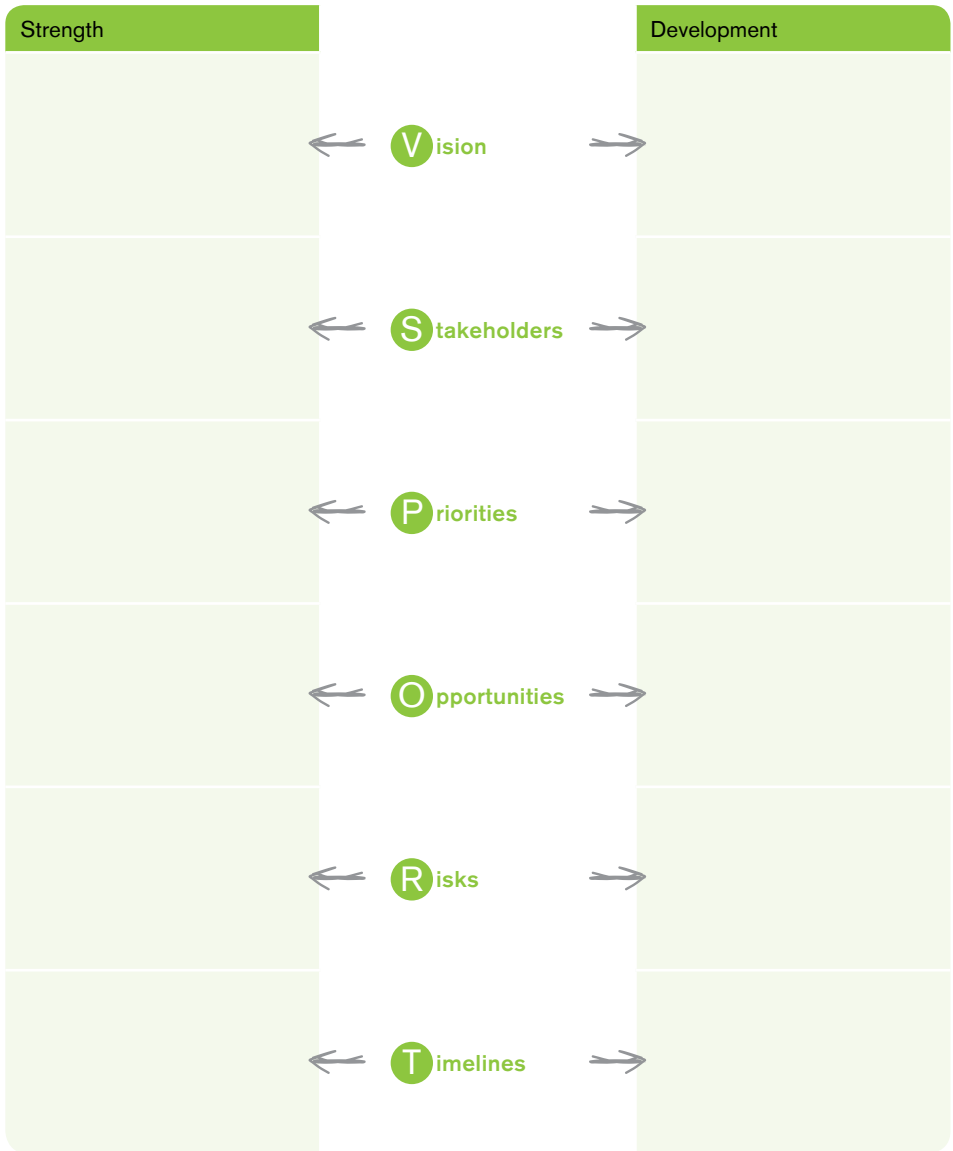
Your Template to Complete:

Area	Items to Add	Combination
V	1-3	
S	4-6	
P	7-9	
O	13-16	
R	17-20	
T	21-24	

2. Now, record your strengths and aspects in need of development in the Strength/Development summary below. Use the table to help you translate your combination into the relevant Strength/Development category:

Combinations		Strength/Development
G-G-G	G-G-A	Significant strength
G-G-R	G-A-A	Strength
A-A-A	G-A-R	Average/mixed
G-R-R	A-A-R	Development need
A-R-R	R-R-R	Significant development need

### Strength/Development Summary



### Step 3: Consider your strengths and development needs

Now you've identified your stronger and weaker areas think about how you can capitalise on your strengths and what you might need to do to improve your weaker areas. Consider the following questions to help you focus your thoughts:

- How can you capitalise on your strongest areas?

- How can you use your areas of strength to support you in your development areas?

- What support do you need to work on your development needs?

- What barriers do you face to improving your development needs?

- How would you overcome these barriers?

- What would make the biggest overall difference to you in developing strategic goals?

## Communication

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Consider how you will communicate your vision or strategy to others involved in carrying out the work or those who will be affected by the proposal. This should always be clear and concise with consideration given to recipients' requirements – how much detail people need. Also consider whether they need to know the whole process or focus on certain aspects, such as giving each employee a card with the mission statement on it or publishing portions of your plan in a regular newsletter.

## ● NEXT STEPS

Now that you have considered the factors involved in developing successful strategies and long-term goals and have some practical tools to consider, it's worth thinking about what to do next. Here are a number of suggestions (although these are by no means exhaustive):

### Develop operational plan

Write a rough plan of the resources, budget and timing that you need to make the strategy happen. This doesn't have to be precise but should be as accurate as you can forecast.

### Look for opportunities to practise

Think about the opportunities you have in your current work, or outside of your existing remit where you can support or lead on developing strategic long-term goals.

### Implement the advice

Try and implement some of the advice or practical tools outlined in this document when next developing a strategy.

### Gather feedback on existing performance

You may find it useful to consider your current strengths and development needs for creating visions and strategic planning. Benchmarking your current performance by asking for formal or informal feedback will help you understand where you need most support hereafter, and may help others around you recognise your approach and needs.

## ● FURTHER INFORMATION

If you found this tool useful then you are likely to find the following tools both insightful and relevant:

- How to think about problems laterally
- How to formulate action plans
- How to communicate your vision
- How to be innovative
- How to focus on the bigger picture
- How to make ethical decisions
- How to balance risk with potential benefits.

## ● REFERENCES

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