**STRATEGY & ALIGNMENT: SURVIVAL IN A DOWN-TURNED ECONOMY**

While economists and industry leaders predict improvement in 2009, many organizations and industries will continue to struggle even if the economy gradually recovers. No one knows for sure that recovery will happen in 2009.

**Survival Keys**
Survival and potential growth in a down market relies on your ability to define simple, clear strategic plans that are aligned, reinforced and supported by employees. Keeping employees focused and engaged in achieving these plans is your winning ticket for 2009.

Organizations who consistently outperform others in the market have mastered the ability to differentiate themselves, create a clear vision, and define strategies to achieve this vision while aligning people management practices to drive desired results and behaviors.

**Strategic Business Planning**
While there are many methods to create business plans, the following steps help you define who you are, where you are going and how you will get there:

1) Define your company’s mission, purpose or reason for existence.
2) Define core values that guide important beliefs, and decisions.
3) Define your vision or the next mountain you are trying to climb.
4) Define how you will differentiate yourself and compete in the market.
5) Define strategies that ensure the accomplishment of your vision and purpose.
6) Create 3 to 5 key initiatives for the year. For example, it may be critical for you to control labor costs, so one initiative might be labor efficiency. For each of these key initiatives, create clearly defined strategies.
7) Create Company objectives for each strategy defining quantitative measures like sales, profits, expenses, and costs that are driven by a budget system.
8) Define department level objectives that align and support business strategies. Department leaders create specific business objectives and actions plans that will achieve the defined strategies and key focus initiatives.

Critical to getting the best ideas and obtaining commitment is the involvement of key leaders in creating the strategic plans. It is helpful to bring in an outside consultant to facilitate the meetings, set ground rules, draw out ideas and compile input into an organized plan.

**Strategy Alignment**
To effectively execute your strategy and plans requires the following communication, alignment and reinforcement techniques:

1) Clearly communicate the business strategy to all employees and stakeholders helping them see compelling reasons for the plans and how they will be affected. Communication may take many forms like an initial kickoff meeting with the President, Newsletter or email highlighting the plans, department and supervisor communications and on-going support meetings. Communication does not just happen one-time. It is an on-going process of keeping employees informed of how the game will be played, how to score points and then reporting the score.

2) Align strategy and departmental goals to individuals by tying it into their performance measures. This can be done by jointly defining the needed objectives, actions and behaviors expected from employees. Connect these expectations to employee’s key performance indicators and appraisal system finding ways to track, measure and report progress along
the way. Keep in mind, employees want to know how they are doing and feel recognition and job satisfaction when they see that they are making an impact for the company.

3) Reinforcement takes place using many different techniques.
   a. Create a performance system that clearly defines expectations and key performance indicators for work teams and individuals. Make sure it is simple for everyone to understand, and clear about how employees’ jobs connect to business strategy. Develop rewards and recognition that are aligned with desired strategy, results and behaviors.
   b. Align bonus, incentives and pay increase programs with desired strategic plans and objectives.
   c. Celebrate early and on-going wins along the way. Any time you can report progress or you can identify teams or individuals showing desired results or behaviors, it’s time to recognize.
   d. Communicate the score – report regularly how the company is doing as well as for teams and individuals.

Creating Engagement
Getting employees focused, motivated and engaged to achieve plans and objectives requires:

1) Involvement: Although we may not necessarily have involved employees in planning what we are trying to accomplish, we can now involve them in how the job gets done. Getting employees to be part of the solution generates commitment and buy-in.

2) Recognition: When positive results and behaviors are exhibited, give immediate, positive recognition. Make sure to match the level of the award with the magnitude of the accomplishment. High impacting results warrant high rewards and group recognition.

3) Intrinsic Rewards: Find ways to maximize employees enjoying the job itself, experiencing feelings of accomplishment, and the joy of making a difference for your organization.

4) Hope & Confidence: As leaders, you set the tone and vision for employees. Act with pose, confidence, trust and positive determination, not with fear or threats.

5) Stress Management: When the economy is down, leaders often panic, create a stressful environment, focusing on cutting cost, increasing pressure on employees to perform and tend to get short sighted. Try doing just the opposite. Keep level headed, focus on good investments, find positive down time activities to do with employees. Hold a few stress management training courses, exercise contests and other techniques to reduce stress.

6) Accountability & Coaching: Using the performance management system, find ways to report results, hold employees accountable and give positive coaching along the way. Keep feedback discussions positive, providing at least 5 positives for every 1 constructive feedback discussion. Make sure everyone pulls their weight. Just like the statistician at a basketball game, track and report individual results letting employees know when they’ve scored points and when they stepped out of bounds.

For high-level success in 2009, plan, execute, reinforce and engage employee talent to achieve business strategy.

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Strategic Plan Development & Alignment Assistance
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