

CFAMLB3 - SQA Unit Code FM4H 04

Develop a strategic business plan for your organisation



Overview

This unit is about providing your organisation with a clear sense of direction and long-term plans that will help it move in that direction.

Managers and leaders need to focus on the future and provide a clear vision of where the organisation is going and the route it is going to follow to get there.

For the purposes of this unit, an 'organisation' can mean a self-contained entity such as a private sector company, a charity or a local authority, or a significant operating unit, with a relative degree of autonomy, within a larger organisation.

This unit is recommended for senior managers.

This unit is linked to units:

- B2 Map the environment in which your organisation operates
- B4 Put the strategic business plan into action
- B7 Provide leadership for your organisation
- D4 Plan the workforce
- E3 Obtain additional finance for the organisation
- E4 Promote the use of technology within your organisation

in the overall suite of National Occupational Standards for Management and Leadership.

If your organisation is a small firm, you should look at unit *A2 Develop your plans for the business*, which has been developed by the Small Firms Enterprise and Development Initiative (SFEDI) specifically for small firms and which **may** be more suitable to your needs.

You can obtain information on the unit from SFEDI on tel. 0114 241 2155 or at the SFEDI website (www.sfedl.co.uk).

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Performance criteria

- You must be able to:*
- P1 establish a clear, achievable and compelling vision which sets out where the organisation should be going
 - P2 identify and prioritise strategic objectives that are consistent with the vision of the organisation
 - P3 balance risk with desired outcomes
 - P4 balance innovation with tried and tested solutions
 - P5 ensure that your plan is flexible and open to change
 - P6 develop policies and values that will guide the work of others towards your vision
 - P7 delegate responsibility for achieving goals and allocate resources effectively
 - P8 identify measures and methods for monitoring and evaluating the plan
 - P9 balance the needs and expectations of key stakeholders and win their support

Knowledge and understanding

You need to know and understand:

General knowledge and understanding

- K1 the importance of long and medium-term planning to the success of an organisation
- K2 the principles of strategic management and business planning
- K3 what a written strategic business plan should cover
- K4 the importance of creativity and innovation in strategic management
- K5 how to identify potential risks in relation to the achievement of objectives
- K6 how to develop strategic objectives which are SMART (Specific, Measurable, Achievable, Realistic, and Time-bound)
- K7 how to delegate responsibility and allocate resources to support a strategic plan
- K8 how to identify sustainable resources and ensure their effective use to support a strategic plan
- K9 the importance of consulting with colleagues and other stakeholders during the development of the plan and how to do so effectively
- K10 how to develop measures and methods for monitoring and evaluating performance against the strategic business plan
- K11 how to take account of unfamiliar cultural practices, expectations and business processes when dealing with overseas companies or customers
- K12 how to use the skills and experiences of staff from different cultures or countries and the business benefits of sharing different perspectives and learning from others

You need to know and understand:

Industry/sector specific knowledge and understanding

- K13 legal, regulatory and ethical requirements in your sector
- K14 market developments in your sector at local, national and international levels

You need to know and understand:

Context specific knowledge and understanding

- K15 the market in which your organisation works
- K16 your organisation's actual and potential customer base
- K17 the needs and expectations of your actual and potential customers
- K18 your actual and potential competitors and partners, and their strategies and plans
- K19 new and available market opportunities at local, national and international levels
- K20 your organisation's ability to respond to market opportunities
- K21 colleagues and other key stakeholders, and their needs and expectations
- K22 processes for consultation within your organisation
- K23 sources of information that can aid monitoring and evaluation

Additional Information

Behaviours

1. You constantly seek to improve performance.
2. You generate and recognise imaginative and innovative solutions.
3. You reflect regularly on your own and others' experiences, and use these to inform future action.
4. You balance risks against the benefits that may arise from taking risks.
5. You balance agendas and build consensus.
6. You consider the impact of your own actions on others.
7. You take opportunities when they arise to achieve longer-term aims.
8. You create a sense of common purpose.
9. You find practical ways to overcome barriers.
10. You show sensitivity to stakeholders' needs and interests and manage these effectively.

Skills

Listed below are the main generic 'skills' that need to be applied in developing a strategic business plan. These skills are explicit/implicit in the detailed content of the unit and are listed here as additional information.

Thinking strategically
Leadership
Analysing
Planning
Risk management
Innovating
Delegating
Prioritising
Setting objectives
Networking
Involving others
Communicating
Decision-making
Balancing competing needs and interests
Consulting
Negotiating
Influencing and persuading

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