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Strategic Planning – Process Guide for APEC Working Groups

Purpose: Information
Submitted by: APEC TATF



**Second SOM Steering Committee on
Economic and Technical Cooperation
Meeting
Kazan, Russia
31 May 2012**

Strategic Planning – Process Guide for APEC Working Groups

September 2011

Attached is a revised draft of the of the process guide to strategic planning in the medium-term. This document has been revised from an earlier version circulated at SOM 1, 2011, to focus more on the SCE working group level to support the planning and achievement of medium term goals. Please direct comments and input to Michael Vonk (mv@apcc.org) and Victoria Waite (vw@apcc.org) by October 15, 2011.

Strategic Planning – Process Guide for Working Groups

WHAT IS AN APEC WORKING GROUP STRATEGIC PLAN?

A step by step guide, created by a working group, to map out how it will reach its goals and objectives. The strategic plan for the working group will establish a foundation so that all of APEC knows what is planned and what is expected of the working group. Essentially, it builds on APEC's overarching vision by setting a mission for the chosen targets of the working group for a three to five year period.

Strategic planning is often confused with tactical planning. A good strategy should define **what** the objectives are; good tactics set a plan for **how** to achieve those objectives. A simpler way to think of it is:

- **Strategy** is longer-term, often 3-5 years, and sets the overarching objectives and purpose for the working group;
- **Tactics** are shorter-term, often written up in annual work plans, focused on process and actions. While the strategy for the working group may not change year to year, tactics can be adapted over time to identify and act on new ways to reach the goals and objectives already established in the strategy.

A working group strategic plan should serve as a systematic, management tool for problem solving, activity planning, funding decisions, and guiding the preparation of annual work plans.

When everyone participates in the strategic planning stages, all will work harder to carry out the plans and projects. APEC can't buy or outsource this kind of motivational interest, and working group leadership must be an integral part of such vital activities. Therefore, the strategic planning process should include a variety of people from the working group to participate in any brainstorming sessions, including key stakeholders from private and public sectors among member economies if that is possible.

Five Elements of a Strategic Plan

There are five elements that help shape the foundation of a workable and achievable strategic plan. These elements are:

- Vision
- Mission Statement
- Critical Success Factors
- Set Objectives

- Prioritized Implementation Schedule

The strategic planning process should begin by exploring essential questions about the purpose of having a working group. Working group leadership and members must answer these essential questions and come up with a consensus on the answers. Answers to these questions will help in determining the elements to the strategic plan.

- What is APEC's vision?
- What is the working group's vision?
- How does the working group's vision contribute to APEC's vision?
- What do we do best?
- What is our purpose?
- What needs can the working group satisfy for member economies that they cannot more easily do on their own?
- What kind of image does the working group want?
- What does the working group want to be known for?
- How many objectives does the working group want to have?
- What value does the working group want to have for APEC's member economies?

BUILD THE FIVE ELEMENTS

Vision Statement: A brief statement describing direction and growth plans of the working group [Aspirational]

The working group's vision statement should directly support APEC's mission statement. From the APEC website:

“APEC is the premier Asia-Pacific economic forum. Our primary goal is to support sustainable economic growth and prosperity in the Asia-Pacific region. We are united in our drive to build a dynamic and harmonious Asia-Pacific community by championing free and open trade and investment, promoting and accelerating regional economic integration, encouraging economic and technical cooperation, enhancing human security, and facilitating a favorable and sustainable business environment. Our initiatives turn policy goals into concrete results and agreements into tangible benefits.”

- Develop a concise vision for the working group. Try to address:
- Who are we?

- Where are we? (What is our current state?)
- Where do we want to go (or not go) and why? (What is our desired future state?)

Remember that defining – and being able to communicate – a clear working group vision is most important for those outside of the group. So make sure that the working group’s vision informs everyone– both inside and outside APEC – about the working group’s aspirations.

If it is possible, the working group should seek an opportunity to engage APEC senior officials and leaders in a discussion on the working group’s vision, especially if the APEC policy leadership is new. The intent of the discussion would be how to best articulate a working group’s vision in a concise yet descriptive manner that the working group can use to best inform its mission statement as part of the three to five year strategic planning process.

Mission Statement: Statement describing the working group’s capabilities to help realistically achieve key objectives identified by member economies (or the working group itself) within the three to five year strategic planning period

The mission statement should answer the question, “What outcome or outcomes do we think is/are possible for the committee to deliver within three to five years?” The mission statement should encompass a few concrete objectives, achievable within the timeframe of the strategic plan.

The mission statement should be more than just “The [_____] working group establishes policy.” The mission statement should describe how it facilitates the achievement of outcomes. For example, “The [_____] working group’s mission is to address policy bottlenecks and guide member economies to make [productive decisions] that support the vision of APEC in a timely manner.”

Critical Success Factors

Critical success factors are elements that are vital for a strategy to be successful. A critical success factor drives the strategy forward. It makes or breaks the success of the strategy – hence, it is “critical.” Addressing critical success factor(s) is required to ensure the success of the activity or organization. Critical success factors are those few things that must go well to ensure success, and, therefore, they must be given special and continual attention to bring about high performance.

For your working group, critical success factors might include:

- Achieving credibility;
- Maintaining quality standards;
- Finding needed resources;

- Performing additional market research to inform the APEC region;
- Establishing definitions and standards of how the working group can serve and listen to all members;
- Establishing internal and external communication standards;
- Maximizing cost-effective operations;
- Establishing a continuous improvement policy for reviewing and evaluating progress;
- Establishing a system that documents processes so others can be trained;
- Securing buy-in from all levels of APEC, which helps understanding and acceptance through participation;
- Commitment and willingness from the member economies to make changes.
- A plan to deal with downturns should they occur; or
- Systems and administrative policies to ensure the working group does its job most effectively.

After identifying critical success factors for your working group, review them for practicality and achievability. Can all critical success factors be addressed by the working group and directly incorporated into the strategic plan?

Explicitly identify ways that each of the critical success factors will be addressed by the working group and incorporated into the strategy.

Set Objectives

Objectives are those specific steps that enable you to accomplish, or make measurable progress against, your working group's mission statement.

There is no set rule for how many objectives your working group should set. However, all of the objectives should be attainable within the 3 to 5 year timeframe of the strategic plan.

A major reason that strategic plans fail to reach their objectives is that implementation is assigned to members who never participated in the planning.

In setting objectives, you should eliminate the "why" and the "how." If you need to discuss "why" you're interested in doing something, you should have that discussion earlier when establishing your working group vision and mission statement. When you set objectives, you won't explain "why" you are planning to do something, and you won't attempt to justify your objective to those who review your plan.

Neither will you describe "how" you'll accomplish the objective at this point in the process. Describing "how" you'll accomplish an objective will be part of prioritized implementation planning in the next step.

There are two kinds of objectives you can develop – results-oriented and activities-oriented. "We will increase the volume of cross border trade within the APEC region by 10 percent next year" is a results-oriented objective. "We will facilitate three regional conferences for APEC next year" is an activities-oriented objective. The first example is a stronger statement because it focuses on achieving something (results). Whenever possible, write your objectives in terms of a result, rather than an activity.

However, there are times when you simply can't write a results-oriented objective, and if so, write your objective as an activity. But these are the exceptions. "Install the new computer system by the end of the year," "Hire a manager of human resources by June 15th," "Launch the new product by the third quarter." Each of these is an activity-oriented objective. They are not ideal objectives, because no result (other than the completion of the activity) can be measured. Generally, your objectives should be results-oriented.

Prioritized Implementation Schedule: Annual Work Planning. Prioritize the objectives and corresponding actions in order of importance.

For a one year period, document a schedule, including start dates, milestone dates and anticipated completion dates for each working group action. The annual work planning process is not about making new strategic objectives. It is about defining the steps that are necessary to achieve strategic objectives successfully. It is important to make sure participants in the process understand and agree that the strategic objectives are important and relevant to the working group's role in helping to achieve its vision, and ultimately the overarching vision of APEC. Part of building this support is effectively identifying problems that may occur if you do not move towards achieving the working group's mission as well as identifying the benefits if you do achieve the working group's mission.

The emphasis in the work plan is on articulating the steps that support the overarching strategic plan. It is good for the steps to be challenging rather than trivial, but often planning falters when there is a substantial gap between expectations and what is feasible. Therefore, steps should be delineated in terms of time horizons and milestones, and driven by realistic resource availability.

APEC SCE Strategic Planning Process



Jim Wallar
Nathan Associates
APEC Senior Official Meetings
May 2012

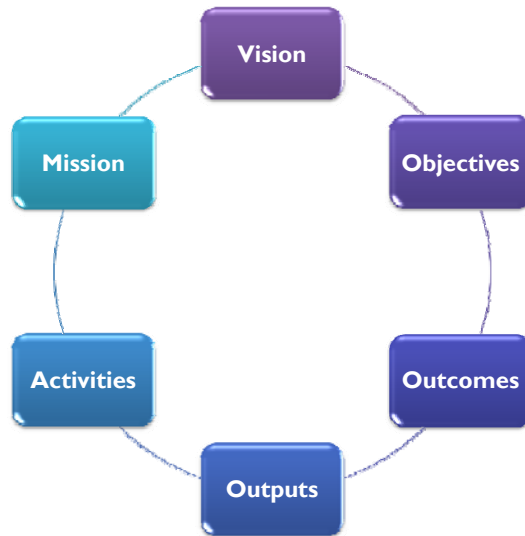


Strategic Planning

Path Toward Goals

Efficient Resource
Use

Strategy and Implementation



Planning Parameters

Problems

Stakeholders

Competency

Advantages

Resources

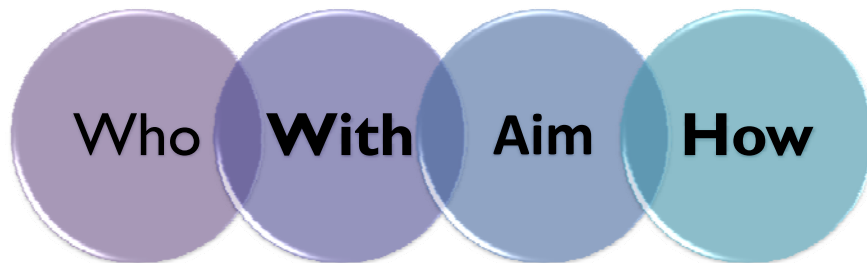
Assumptions

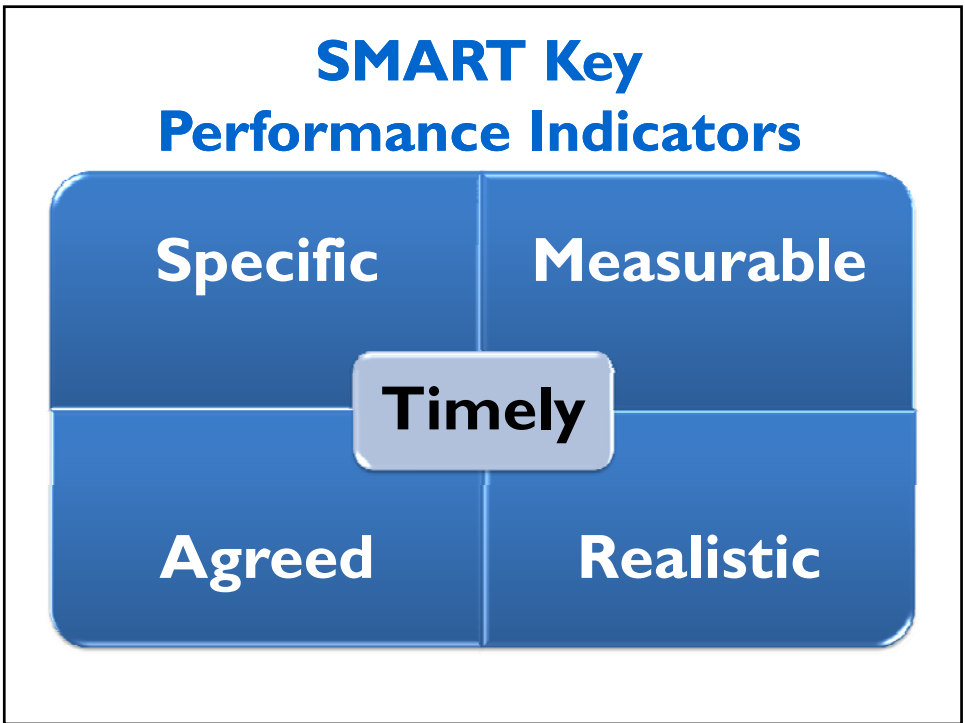
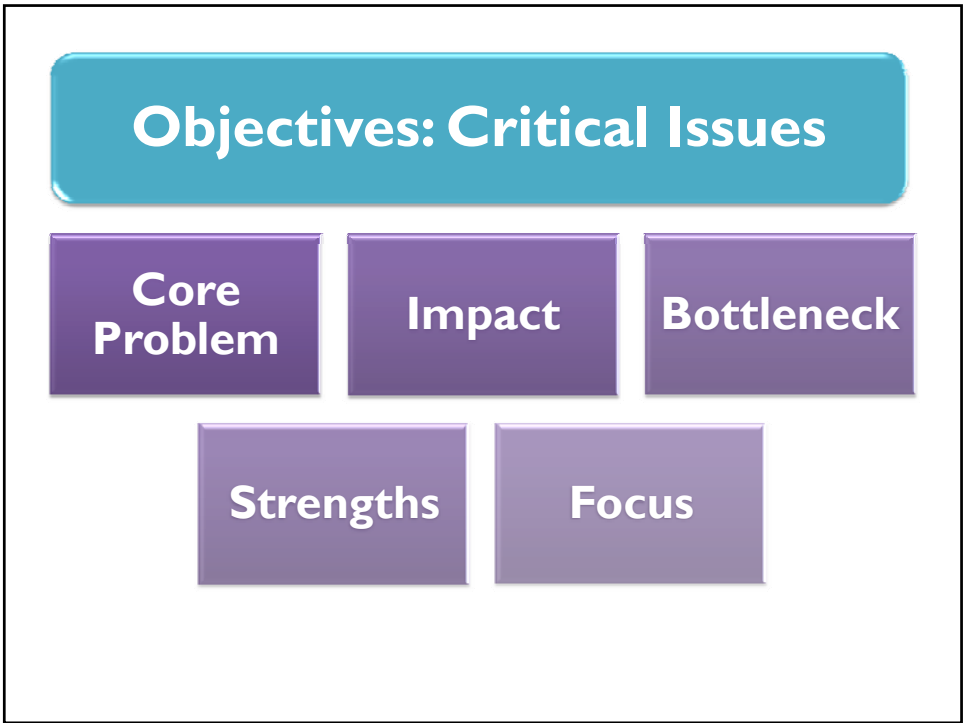


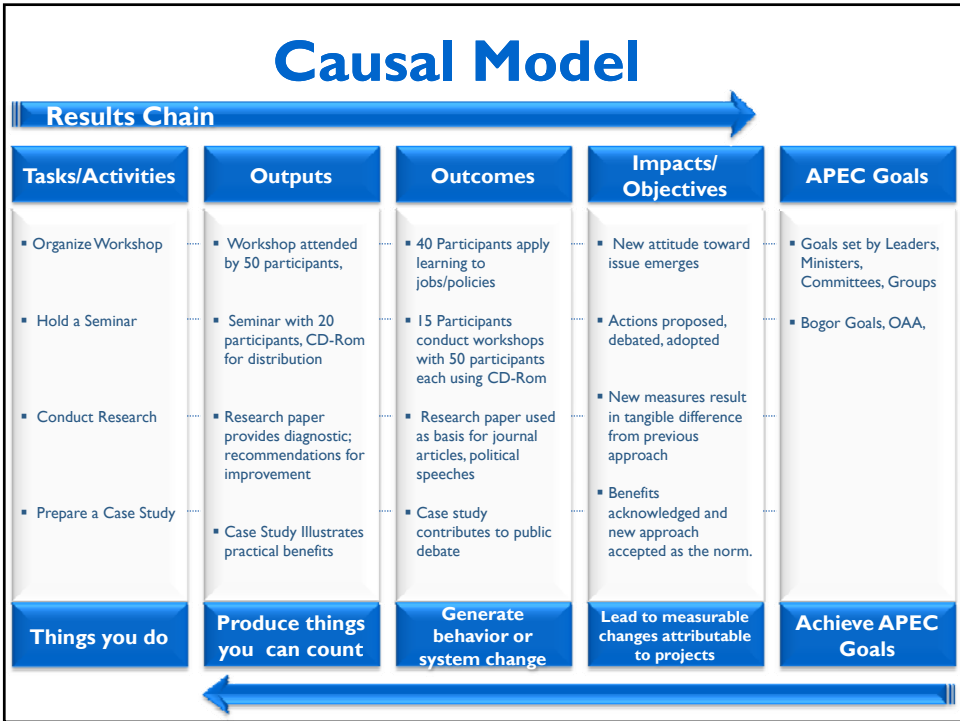
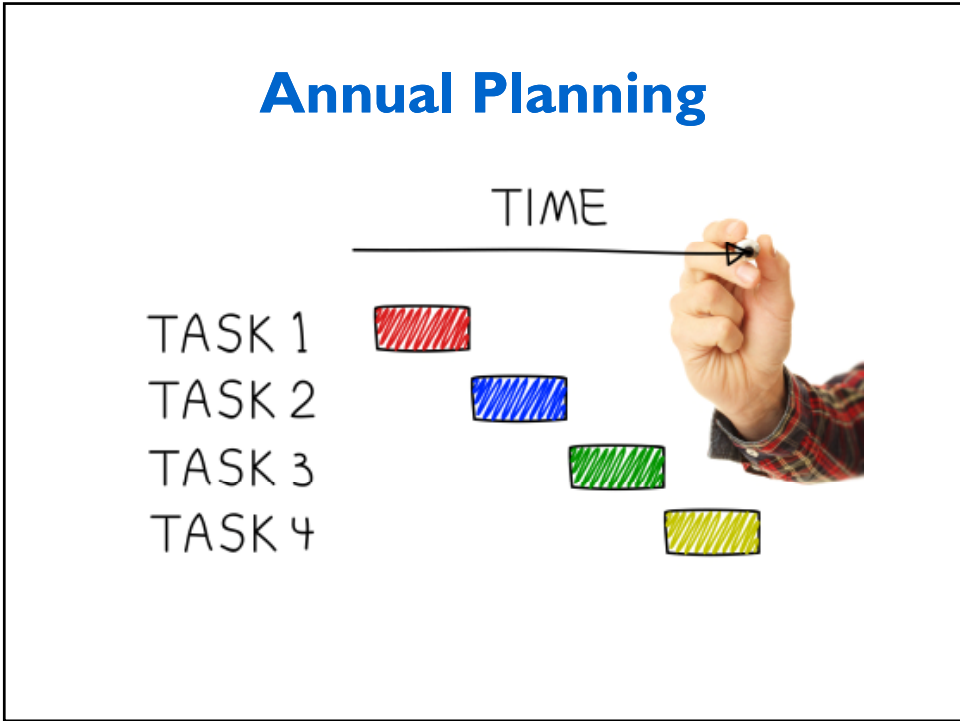
Vision of Perfection

Imagine a World Where All APEC
Goals Had Been Achieved

Mission Statement









APEC Strategic Planning

1

- Aids Efficient Resource Allocation

2

- Sets Clear Path Toward Objectives

3

- Helps Cross Fora Coordination