

STRATEGIC PLANNING WORKSHOP

The workshop on strategic planning for Employers' Organizations (EOs) is 4-day duration. It consists of the following modules:

Module 1: Formulation of the vision, values and mission of the EOs

Module 2: Assessment of EOs' organizational capacity and identification of EOs' members needs

Module 3: Formulation of goals, strategic objectives and action plans

Overview

Day	Modules	Sessions	Duration (in minutes)
Day 1	Module 1: Formulation of the mission, vision, and values of the EOs	Session 1: Introduction to strategic planning	30
		Session 2: The Mission of the EO	45
Session 3: The Vision of the EO		90	
Session 4: The values of the EO		45	
Session 5: Who should formulate the vision and mission statements?		60	
	Module 2: Assessment of EOs' organizational capacity and identification of EOs' members needs	Session 1: Inputs of preparatory work for the strategic plan	60
Day 2	Module 2 (cont'd): Assessment of EOs' organizational capacity and identification of EOs' members needs	Session 2: EO assessment through SWOT analysis: Strengths and Weaknesses	120
		Session 3: Assessing the external environment through PEST analysis	150
		Session 4: Situation analysis through the Problem tree approach (optional)	120
Day 3	Module 3: Formulation of goals, strategic objectives, and action plans	Session 1: Formulation of the goals	90
		Session 2: Formulation of strategic objectives	120
		Session 3: Preparation of action plans	150

MODULE 1:

FORMULATION OF THE VISION, VALUES AND MISSION OF THE EO'S

Module 1 consists of **five** sessions:

- > Session 1: Introduction to strategic planning
- > Session 2: The Mission of the EO
- > Session 3: The Vision of the EO
- > Session 4: The values of the EO
- > Session 5: Who should formulate the mission and vision?

Session 1: Introduction to strategic planning

Objective

To introduce participants to the concept of strategic planning and the main elements of a strategic plan.

Duration: 30 minutes

Materials

- Flip Chart
- Markers
- LCD projector

 **Power point:** Strategic Planning Workshop

STEPS

Step 1: Introduction to the concept of strategic planning

Introduce participants to the concept of strategic planning. It is how we go from a broad vision to a coherent strategy with well defined objectives and then to a plan of activities that include the kind of services to be offered and which are beneficial to EOs members and other stakeholders. There is interdependency between vision, mission, strategy, goals, objectives and plan of action. Strategic planning enables us to determine what we want to achieve and how we can achieve it. It helps us identifying the following:

- The problems we need to address
- The critical issues we should respond to
- The goal and objectives we want to achieve
- The capacity of our organization to achieve them
- The priorities taking into consideration the available resources

Strategic planning needs to be carried out once every two or three years or when there are drastic changes in the external environment or in the organization itself.

Step 2: Elements of a strategic framework

Present to the participants the main elements of a strategic framework, emphasizing that they will be working in groups on each of the following elements:

- The mission statement
- The vision statement
- Values
- The goals of the organization
- Strategic objectives of the organization
- Action plan

All these elements are interlinked and complement one another. There should be coherence between them. For example:

- The mission should fit with the values and vision of the organization, and should address the needs of the key stakeholders, particularly EO members.
- The goals which are the strategic priorities of the organization should be turned into strategic objectives and the latter to the action plan. All these should contribute to the fulfillment of the vision.

Session 2: The Mission

Objective

To enable participants to formulate the mission statement of their organization and relate it directly with the vision and values.

Duration: 45 minutes

Materials

- Flip Chart
- Markers

Power point: Strategic Planning Workshop

STEPS

Step 1: Clarify to the participants what we mean by mission, which is a description of the purpose of an organization. The mission statement should comprise the following four elements:

- Purpose: One sentence that describes the end result an organization seeks to accomplish
- Beneficiaries: A description of the beneficiaries (EO members and others) we intend to serve
- Approach: A description of the primary means used to accomplish the purpose
- Values: A list of the values that guide the work of the organization

Step 2: Point out the importance of having a good mission statement, since it makes clear to members and stakeholders what the EO intend to do and achieve, while at the same time it helps the staff focus their work. The mission statement is the fundamental building block upon which your organization's strategy and work plans will be built. A good mission statement provides a reference for the development of the strategy, goals and objectives of the organization. It is also the way you will describe your organization's purpose to members, potential members and to business partners.

Step 3: Emphasize the importance of having a mission statement that is short, simple, realistic, clear, challenging and meaningful.

Step 4: Request the groups of participants to prepare a mission statement by answering the following questions (30 minutes):

Questions	Answers
What the organization is?	
What the organization aims to achieve?	
What our stakeholders expect from us?	
What is the approach of the organization in its work?	
What are the values that guide the work of the organization?	

Step 5: Discuss the mission statements prepared by the groups and list them, and make it clear to the participants that a mission statement should not be a rigid one over time. It may change if any of the components above change.

Step 6: Ask the participants why it is important not to reach a consensus at this stage on the mission statement. Then, emphasize the fact that the mission statement will be finalized once we agree on the overall goal and immediate objectives.

Session 3: The Vision

Objective

To enable participants to formulate a vision statement for their organization on the basis of the preparatory work and the situation analysis.

Duration: 90 minutes

Materials

- Flip Chart
- Markers

Power point: Strategic Planning Workshop

STEPS

Step 1: Develop statements of first principles as basis of the EO vision and values

1. Explain that EOs need to know what they stand for, and clearly express their core values and beliefs. This has led most employer organizations to develop statements of first principles that set out their objectives and the core principles upon which the organization is grounded. *'Support for entrepreneurship, private investment and employment'* is an example of a simple statement of first principles. Statements of first principles have dual purposes:

- They act as a point of reference for members and external stakeholders to understand the nature of the employer organization and the common causes around which it provides services and undertakes representation and advocacy
- They assist executives and staff with internal planning, work or training programmes and the prioritizing of resources

2. Give an example of a short statement of first principles

"The EO will promote the interests of business and employers by working to foster the continuing development of a competitive environment that encourages sustainable growth, and within which both enterprise and people can flourish"

3. Present in power point the following issues that form the basis of statements of first principles:

- *An open market system*, policies have been clearly outlined as market driven and government has demonstrably shown that it has/is/or will effectively liberalize product markets, allow new, more productive firms to enter and obsolete firms to exit.
- *Openness to the Global economy* which greatly facilitates exposure to ideas, expertise and technologies from the rest of the world while also drawing on global demand to complement domestic components.
- *Macroeconomic stability*, including control of inflation and sound public finances.
- *High rates of saving and investment*, especially public and private sector investment (in physical and social infrastructure e.g. education, and health).
- *Committed, credible, and capable governments* that act in a manner that is representative of the interests of the citizens of the country.
- *Promotion of domestic and foreign investment*
- *Labour mobility* enabling the movement of people from rural to growing urban job creating centres.
- *Investor protection* in terms of property rights and contract enforcement. Without such protection, firms and entrepreneurs do not have the incentive to accumulate capital and improve productivity.
- *Economic institutions* which convey information; bridge informational gaps and influence investments in physical and human capital and technology.
- *Maintaining social cohesion, and political stability*. Without social and political peace, the economy cannot perform adequately

4. Distribute the participants into groups of 4-5 per group and request each group to formulate statements of first principles that apply to their organizations. Allow 30 minutes for the exercise.

5. Ask the groups to make their presentations in the plenary and provide your feedback.

Step 2: Prepare the vision statement

1. Explain that the vision is the starting point for any strategic framework. It is something that guides an EO in its work and gives the direction to the organization's future, for the next 5-10 years. It is what or how you would like things to be; it is a picture of the future you are working to create. It is also about what EO's members and stakeholders want us to be. Without a vision of where we are going how can we develop a plan to get there and how will we know when we have arrived? The issues presented in the statements of first principles are closely linked to what the EO wants to achieve in the medium term and form the basis of the EO vision.

The vision can range from a couple of words to several pages. But it is important to have short and clear statement, so that employees and stakeholders can remember it and act upon it.

2. How to develop the vision: Explain that the vision of an organization should be based on a diagnosis and analysis of the current situation that need to be undertaken by the EO in order to respond to the future needs of the stakeholders. As indicated in the first module, two kinds of survey are to be carried out: the organizational capacity assessment and the members' needs survey. While the members' need survey will help the EO identify the main constraints faced by the firms and therefore the priorities that should guide its work in the next 5-7 years, the organizational capacity assessment will help the EO to address the main organizational gaps without which it will be not able to tackle the priorities and achieve therefore the vision. The vision which is taking therefore into account the current status of the organization may also include priorities related to the enhancement of the capacity of the organization. In this respect, it is important to note that continuous consultations with stakeholders are important for the preparation of the vision.

3. Ask participants if they know what the vision of their organization is, and if so, how it was formulated. Give an example of a vision statement that summarizes the priorities of the EO:

Example EO Vision

"The EO's vision is to enable business to meet the challenges of globalisation and to ensure the continuing development of a responsive business and social environment. To achieve this vision, the EO dedicates itself to promoting and encouraging leadership, innovation, research, excellence and professionalism in carrying out its role as the representative voice of business, and in the delivery of member services."

4. Distribute the participants into 4-5 groups. Ask the working groups to formulate the vision by identifying 3 priorities that would guide the work of their organization in the next 5-10 years. The groups are to use the following guideline questions (30 minutes).

Questions	Answers
What are the three key problems you want to address?	
Who are your stakeholders, present and future?	
What is our image with stakeholders?	
What do our stakeholders want us to be?	
Where are our organizational strengths and weaknesses?	
In which way are we different from other organizations?	
What are our medium term targets?	
What do we have to do to achieve our future targets?	
What your organization wants to be in the next 5-10 years	

5. Discuss in plenary the vision statements prepared by the participants and try to reach a consensus on a vision statement.

Session 4: Values and value statements

Objective

To increase understanding of participants about the importance of values in the work of an organization and their impact on stakeholders

Duration: 45 minutes

Materials

- Flip Chart
- Markers

Power point: Strategic Planning Workshop

STEPS

Step 1: Explain that the values of an organization are what it believes is the right way to do things; it is the way to deal with members and other stakeholders and value them. Value statements have little meaning should EO staff not demonstrating these values in their work behaviours.

Step 2: Remind the participants about the vision agreed upon in the previous session.

Step 3: Ask the participants (in plenary) how they should behave when dealing with members and stakeholders.

Step 4: Ask the participants what they think the values should be in order to achieve the vision of the organization. Write the values on the flip chart

Step 5: Give examples of positive values to help participants to describe their organization. Examples of positive values include 'creativity', 'professionalism', 'inclusiveness', 'persistence', 'excellence' and 'independence'. Give also an example of a value statement:

"We are dedicated to serving our members promptly and professionally. We are committed to the highest standards of ethics and integrity, to being a leading edge employer, and to fostering a working environment and culture within which people will treat each other with respect and mutual trust."

Present in power point the following examples of values that would help the participants to generate more ideas about those values that are required in order to achieve the vision.

Example of values

Ambition

Competency

Individuality

Equality

Integrity

Service

Responsibility

Accuracy

Respect

Dedication

Diversity

Improvement

Generosity

Persistence

Loyalty

Credibility

Honesty

Innovativeness

Teamwork

Excellence

Accountability

Empowerment

Quality

Efficiency

Dignity

Collaboration

Optimism

Flexibility

Empathy

Accomplishment

Courage

Wisdom

Independence

Security

Challenge

Influence

Learning

Compassion

Friendliness

Discipline/order

Dependability

Step 6: Ask the same groups of participants to develop statements of values that reflect more the attributes by which their organization conducts its affairs. Groups are requested to justify their value statement. Allow 20 minutes for the exercise.

Step 7: Ask each group to present the value statement, followed by a general discussion. Explain that is highly desirable that statements of values be developed through an inclusive process, such as workshops and team meetings. Shared values are likely to lead to mutual trust and to consistent decision making.

Session 5: Who will formulate the mission and the vision?

Objective

To increase knowledge of the participants on the importance of the vision and mission to the EO

To introduce the participants to the different approaches in formulating the vision and the mission

Duration: 60 minutes

Materials

- Flip Chart
- Markers
- LCD Projector

Power point: Strategic Planning Workshop

STEPS

Step 1: Discuss with the participants why vision and mission are both important for EOs. Write their feedback on the flip chart. Then, present in power point: “Why are vision and mission important for EOs?”, as follows:

- Vision and mission are the very basis of all strategic planning; they help in identifying the strategic objectives of an organization
- The creation of a common vision helps staff to focus
- They help EO to plan for the future and think in long terms
- They enable EO to determine mid-term and long-term targets, write them down and communicate them inside and outside the EO
- They enhance motivation among employees as they can better identify themselves with the organization
- Members of the EOs would be attracted to work closely with the EOs when the vision and mission are clear to them

Step 2: Ask the participants (in plenary) about the party that should formulate the vision and mission. List their answers on the flip chart and synthesize by presenting the three options in the table below.

Step 3: Draw a table on the flip chart and ask them to list the advantages and disadvantages of each of the three options

Step 4: Discuss the feedback of the participants and present the advantages and disadvantages of the three options in power point, as per table below.

Who will formulate the vision and the mission?

Party formulating the vision and the mission	Advantages	Disadvantages
Top management formulates vision and mission	<p>Little time needed</p> <p>Vision and mission comply completely with the ideas of the management</p>	<p>Knowledge of other stakeholders including employees is not used</p> <p>Reluctance of stakeholders to accept the mission and vision since they were not involved</p> <p>High risk of failure</p>
Top management creates a draft vision and mission and discuss it with stakeholders	<p>Stakeholders can give inputs, critics and ideas</p> <p>They feel ownership being actively involved in the process.</p> <p>High probability of acceptance</p>	<p>Time consuming when getting a wide range of different opinions</p>
Top management holds several focus groups with stakeholders to formulate the vision and mission	<p>Highly participatory process provides full ownership for stakeholders</p> <p>The bottom-up approach used ensures that all needs of stakeholders are taken into consideration</p> <p>Ensures commitment of stakeholders to better participation in the implementation of the strategy and plan of action</p>	<p>Time consuming</p> <p>Cannot be carried out without a moderator who can facilitate and manage the process and with strong ability to synthesize and ensure consensus among stakeholders</p>

MODULE 2: ASSESSMENT OF EO'S ORGANIZATIONAL CAPACITY AND IDENTIFICATION OF EO'S MEMBER'S NEEDS

Module 2 consists of **four** sessions

- > Session 1: Inputs of preparatory work for the strategic plan
- > Session 2: EO assessment through SWOT analysis as preparation for the strategic planning process: Strengths and Weaknesses
- > Session 3: Assessing the external environment through PEST analysis
- > Session 4: Situation analysis through the Problem tree approach

The last session will be conducted only in case that no preparatory work was carried out before the workshop. In this case, the problem tree will be undertaken before the SWOT analysis.

Session 1: Inputs of preparatory work for the strategic plan

Objective

To reach a common understanding of the findings of the EO organizational capacity assessment and the members' needs survey

Duration: **60 minutes**

Materials

- Flip Chart
- Markers
- LCD Projector

Power point: Strategic Planning Workshop

STEPS

Step 1: Remind the participants that preparatory work needs to be done before starting the process of strategic planning. The process is to be based on a real understanding of the external environment and on the assessment of our own capacity, strengths and weaknesses. There are two important tasks that should have been done before a strategic planning process:

- A review of your organization's work and internal functioning (organizational capacity assessment), which will look at the impact, effectiveness and efficiency of the work of the organization and on the way the work is being carried out
- Members' needs survey which provides an assessment of the quality of services provided and identifies the services needed by EOs members

The preparatory work will provide the inputs to do a SWOT analysis.

Step 2: Present the findings of the EO capacity assessment and members' needs surveys. Ensure through discussions that participants reach a common understanding of the findings of these two surveys.

Session 2: EO assessment through SWOT analysis as preparation for the strategic planning process: Strengths and Weaknesses

Objective

To identify the internal strengths and weaknesses of an organization, as part of the organizational capacity assessment

Duration: **120 minutes**

Materials

- Flip Chart
- Markers
- LCD Projector

 **Power point:** Strategic Planning Workshop

STEPS

Step 1: What is a SWOT analysis?

1. Explain to the participants why it is important to do a SWOT analysis: an organization needs to know where it is right now before deciding where to go. The SWOT analysis provides a framework to plan for the future, using your strengths to support your goals and objectives, your weaknesses that need to be strengthened, and the opportunities you need to take and the threats to be addressed.
2. Explain that strengths and weaknesses are factors that are internal to the organization and can be addressed within the organization. Opportunities and threats are external to the organization and provide challenges to the organization, and will be addressed through the PEST analysis (Political, Economic, Social and Technological analysis).

Step 2: Identify strengths and weaknesses of the EO

1. Divide the participants into groups of 4-5 per group and request them to use the information and data collected during the preparatory work to identify the strengths and weaknesses of the organization
2. Ask participants to focus on the below questions in the preparation of the strengths and weaknesses of the organization. Allow 60 minutes for the exercise. Participants should work on a large paper (flip chart paper) according to the table below:

	Strengths	Weaknesses
Mission, Strategic framework & Policy objectives		
Are we clear about our vision, values and mission?		
Is the mission statement understood by all stakeholders?		
Does the EO have a strategic plan with clear objectives?		
If so, was the plan developed with stakeholders? And communicated to all relevant parties?		
Are the EO's policy objectives tightly tied to its broader mission and vision?		
Brand		
Does the EO regularly conduct assessments of its perception amongst members, key stakeholders and policymakers?		
Membership		
Is the EO represents high percentage of total number of enterprises?		
Are relevant services offered to SMEs?		
Is membership growing? If so, in which sectors?		
Are there a number of policy committees with active cross sectoral membership engagement		

	Strengths	Weaknesses
Influence		
Is the EO represented in several public and private sector bodies? List them		
Did the EO establish partnerships with other organizations? List them		
Governance		
Is the role of both the board and management clearly defined and function well?		
Are the rights of members respected in terms of equal participation in general assembly and in designing their representatives in the board?		
Services		
To what extent the services offered by the EO are beneficial to members?		
Does the EO charge for its services? If so, what is the percentage income of services to income from membership fees?		
Policy		
Does the EO actively promote its own policy positions and proposals?		
Are they always tightly connected to actual membership needs?		
Does the EO have clear mechanisms to measure the impact of its policy work?		

		Strengths	Weaknesses
Management			
Does the Director General have sufficient scope, autonomy and resources to implement the agreed strategic plans?			
Do the rules enable it to function effectively?			
Resources			
Is there sufficient high quality professional staff across all areas of the EO's operations?			
How sustainable are revenue flows currently?			
Communication			
To what extent the services offered by the EO are beneficial to members?			
Evaluation			
Is impact assessment of the EO's activities, particularly evaluation of its policy work imbedded in the culture of the organization?			

Step 3: Ask the groups to present their findings followed by a discussion in the plenary.

Step 4: Request the groups to summarize their findings by selecting the five most important strengths and five most important weaknesses.

Session 3: Assessing the external environment through PEST analysis

Objective

To assess the external factors in the environment, that are affecting the work an organization by conducting the PEST analysis

Duration: 150 minutes

Materials

- Flip Chart
- Markers
- LCD Projector

 **Power point:** Strategic Planning Workshop

STEPS

Step 1: What is PEST?

1. Ask participants to carry out the PEST analysis which consists of the assessment of the following external factors in the environment:

P: Political

E: Economic

S: Social

T: Technological

Add the “legislative” factor and assessment of government (for a comprehensive analysis, see Pillar three: Assessing the external environment) under “Political” to the PEST analysis, since legislation can be a major factor that can hinder or facilitate the implementation of the EO agenda, with impact on service delivery. In addition to PEST, another factor in the external environment will be assessed, that of the stakeholders.

2. For each of these factors, think of all issues that could possibly have an impact on the EO agenda. The results can then be used to take advantage of opportunities and to make contingency plans for threats.

Step 2: Analyze political climate

1. Explain that political climate consist of political factors, laws and regulations that may affect the operation of the EO and its ability to induce change and influence government.

Political factors include the attitudes of the various relevant ministries/ departments, parliamentarians and civil servants towards the private sector, in addition to the priorities of the government in view of the current political situation of the country.

The assessment of the political climate include laws and regulations that are affecting the operation and performance of the private sector, in the area of environment, employment, minimum wages, taxation, etc.

The political climate will determine to a significant extent how the EO shapes its proposal and its advocate policy.

2. Ask the groups of participants to analyze the political factors relevant to their country by answering the questions in the table below. Allow 20 minutes for the exercise.

Questions	Answers
What are the attitudes of politicians towards the private sector? State the differences between politicians?	
Could political actors be receptive to the EOs agenda?	
What are the attitudes of civil servants towards the private sector? State the differences between various ministries concerned with the EO agenda?	
Is there acknowledgement by the public sector of the importance of the business community's role in the policy debate? Specify which ministries or departments	

Questions	Answers
Are there mandatory requirements for government bodies to engage with the private sector?	
Are there any government departments regarded as favourable to the private sector?	
Are there any government political priorities that may affect the private sector?	
Are there any laws/ regulations that are negatively affecting the private sector? (Environment, trade, employment, taxation, etc...). If so, how?	

3. Based on the above analysis, ask the groups to identify the opportunities and threats in the political environment by selecting the two most important opportunities and threats

Political Environment

Opportunities	Threats

4. Ask the groups to present their findings, to be followed by a general discussion. Discuss how the political climate will determine to a significant extent how the EO shapes its strategy to influence the government and advocates for its proposal. The political climate will determine the extent to which:

- It is a propitious time to launch proposals in the view of the political situation in the country (for example, major political events and legislative elections)
- No major issues that would likely derail or cloud the EOs proposal are foreseen
- The environment for policy debate on the EOs proposal is stable
- Other political actors are receptive to the EOs proposal

Step 3: Analyze economic factors

1. Introduce to the participants what we understand from the economic climate and discuss how a favourable economic environment will provide a good opportunity for reform. Indicate how economic factors such as interest rates, exchange rates, inflation levels, income growth, government spending, policy towards unemployment, etc..., have impact on the private sector and the implementation of the EO agenda.

2. Ask the groups to analyze the economic factors relevant to their country by answering the questions in the table below. Allow 30 minutes for the exercise.

Issues	Impact on the private sector
Are interest rates biased against the SME sector?	
Are loan guarantees requirements a major barrier to lending to the SME sector?	
Does the Central Bank intervene in the exchange rates? Are exchange rates favourable to import or export?	

Issues	Impact on the private sector
Does the government control inflation level? How inflation is affecting the operation of businesses?	
How government budget is affecting economic growth? Is spending oriented towards encouraging private sector investment?	
Does the employment policy of the government encouraging job creation? Does the policy on employment of foreign workers affect local employment?	
How the liberalization of trade is affecting local manufacturers (such as the production of garments)?	

3. Based on the above analysis, ask the groups to identify the opportunities and threats in the economic environment by selecting the two most important opportunities and threats

Economic Environment

Opportunities	Threats

4. Ask the groups to present their findings and conduct a general discussion on the issue. Discuss how the assessment of the economic environment can help the EO focus in its strategy on, for example, increased growth, employment generation, improved access to finance for SMEs, reduced taxation, etc. . .

5. Point out to the above last question regarding the impact of the liberalization of trade on local manufacturers who will face serious difficulties in competing with low cost imported products from China, for example (the case of garments in a number of Arab countries). It is important to note that not just local manufacturers are negatively affected, but also large number of workers who will have to be laid off. This economic factor cannot thus be dissociated also from its social impact (see social factors below). While one of the EO first principles may be on free market economy, it has to adopt a strategic option on how to defend the interest of both local manufacturers and workers.

Step 4: Analyze social factors

1. Explain the importance of social factors in influencing people's choices and which include the beliefs, values and attitudes of society. So understanding changes in this area can be crucial to the EO, so the EO agenda/proposal will not be portrayed as having negative unnecessary social consequences, particularly on key stakeholders.
2. Carry out a general discussion in the plenary on how social factors can have impact on the work of the EO. Social factors could include: unequal income distribution, social unrest due to economic slowdown, poor education, etc. . . . Ask the participants about any social tensions in their country; for example, the widespread social protests requesting the non-removal of subsidies on basic food products. Any EO proposal which obviously come to protect the interest of employers will not result in large public support in such an environment. It should not be portrayed as having negative unnecessary social consequences. In other cases, the EOs policy solution could alleviate the social tensions if the EO advocates for increased job creation in view of the social tensions resulting from high unemployment.
3. The EO is to take into consideration the social beliefs and attitudes (ethnic tensions, for example), and its proposal should not be misinterpreted as favouring an ethnic group over another one. In this respect the EO needs to carefully shape its proposals and communicate them accordingly. Brainstorm with the participants how this could happen in their own country, if relevant.

Based on the above analysis, ask the groups to identify the opportunities and threats in the social environment by selecting the two most important opportunities and threats

Social environment

Opportunities	Threats

Step 5: Analyze technological factors

1. Explain that advances in technology can have a major impact on EO policy: impact of new technologies - the Internet, mobile phones, and the increasing advances in computing and computers. Also poor internet speed, outdated technology poor communication networks, etc... can constitute areas where the EO can advocate for change.
2. Brainstorm with the participants on how technological change may have impact on employment and labour relations, as firms may have to lay off large number of employees and/or bear costs in retraining of labour. Technological change may also result in the reduction of working hours per week. The EO needs to take these changes into consideration when formulating its strategic objectives and policy.

Also advances in research and innovation in the universities could open the door for new responsibilities for the EO to advocate for policy change in government to provide incentives to investment in innovative projects.

3. Ask the groups of participants to assess the technological developments relevant to their country, by answering the questions in the table below. Allow 15 minutes for the exercise.

Issues	Answers
What efforts the government is exerting in the area of technology? What is their impact on businesses?	
Is there any government spending on research?	
What is the impact of changes in information technology on the EO operations?	
How technological changes are affecting employment and labour relations?	

4. Based on the above analysis, ask the groups to identify the opportunities and threats in the technological environment by selecting the two most important opportunities and threats

Technological Environment

Opportunities	Threats

Step 6: Stakeholders' analysis

1. Tell the participants to use the findings of the “Members’ needs survey” in assessing stakeholders (see also, Pillar three: Assessing the external environment – stakeholders’ analysis).

2. Brainstorm with the participants on the importance of a stakeholders' analysis when assessing the external environment. Explain the importance of identifying and assessing EO's key stakeholders, since stakeholders have the power to influence the EO agenda positively or negatively: they can be allies or opponents to the EO when the latter takes a course of action to affect policy or regulatory change.

There are two groups of stakeholders:

- Primary stakeholders: are those ultimately affected, either positively or negatively by the EO's agenda.
- Secondary stakeholders: are the 'intermediaries': persons or organizations who are indirectly affected by the EO's agenda.

3. Ask the groups of participants to undertake the stakeholders' analysis by answering the questions in the table below. Allow 20 minutes for the exercise.

Issues	Analysis
What is the interest of the stakeholders in our organization? What are their expectations from their relationship with us?	
The influence they can have on the EO agenda	
Relevance of the stakeholders to the EO's agenda	
Their 'power' such as governing or legislative ability	

4. Discuss in the plenary the findings of the working groups.

Step 7: Use PEST results to carry out opportunities and threats in SWOT

1. Ask the groups to present a summary of their findings of the PEST analysis, followed by a discussion in the plenary.
2. On the basis of PEST and stakeholders' analysis, the groups of participants are requested to prepare the opportunities and threats, by giving particular attention to the following questions:
 - What are the opportunities that we can take advantage of in the environment?
 - Which of the factors identified above in the PEST analysis present opportunities to EO agenda?
 - What are the challenges and threats facing us as an organization in our external environment?
 - Which of the factors identified above in the PEST analysis present threats to the EO?

PEST Analysis

Opportunities	Threats
Political environment	
Economic environment	
Social environment	
Technological environment	

3. Ask the groups of participants to present the opportunities and threats/challenges, to be followed by a discussion in the plenary.

Step 8: How can we use findings of SWOT analysis in strategic planning?

1. Ask the participants (in plenary) about the most important outcome that they would like to see emerging from this strategic planning process, by answering the following questions:

- How can we build on our strengths to improve our service delivery to members?
- What can we do to take advantage of the opportunities?
- How can we use our strengths and the opportunities to reduce the threats facing the organization?
- How can we use the opportunities to reduce or neutralize our weaknesses?

2. Ask the participants how the results of the SWOT analysis can be used in the formulation of the vision, values, mission, overall goal and strategic objectives. Have a short discussion without going into the details of the elements of a strategic plan.

3. Indicate how strategies can be derived from the SWOT analysis, and prioritized:

Strengths – Opportunities (S-O) strategies pursue opportunities that are a good fit to the organization's strengths.

Weaknesses – Opportunities (S-O) strategies overcome weaknesses to pursue opportunities.

Strengths – Threats (S-T) strategies identify ways that the organization can use its strengths to reduce vulnerability to external threats.

Weaknesses – Threats (W-T) strategies establish a defensive plan to prevent the organization's weaknesses from making it highly susceptible to external threats.

	Strengths	Weaknesses
Opportunities	S – O strategies	W – O strategies
Threats	S – T strategies	W – T strategies

Session 4: Situation analysis through the problem tree approach

Alternative: In case the EO didn't undertake an organizational capacity assessment or members' needs survey, it would be appropriate to undertake the situation analysis using the problem tree approach before the SWOT analysis.

Objective

To identify problems and core problem facing the organization in service delivery through the use of the problem tree approach

To identify the causes of the core problem and its effects on the enterprises

To derive the objectives from the problem tree diagram

Duration: **120 minutes**

Materials

- Flip Chart
- Markers

Power point: Strategic Planning Workshop

STEPS

Step 1: What is a problem tree?

Explain to the participants that the Problem tree approach is another way to undertake a situation analysis through a participatory approach involving EOs staff, members and other stakeholders. Point out that this approach cannot be considered as a substitute to the surveys proposed above as preparatory work for the strategic planning framework. The surveys are much more comprehensive and effective than the problem tree approach.

The situation analysis using the problem tree approach aims to identify and understand the main problems faced by EO's members and the services needed, as well as the various causes and effects that are linked to the problems.

The situation analysis consists of:

- Identifying the major problems faced by EO's members

- Defining the “core problem” within these major problems
- Visualizing the “cause-effect” relationship in a problem tree diagram

Step 2: Problem analysis

1. Ask the participants to write on a card one problem facing EO's members, and then cluster on a board the answers into groups of similar problems. After a discussion with the participants, try to reach consensus in summarizing each group of problems into one major problem.
2. Facilitate the discussion with the participants to identify the CORE problem among the major problems identified.
3. Ask each participant to write two major causes that led to the core problem, each cause in a card. Then, cluster them into groups of similar causes. Distribute the participants into 4-5 groups and request them to summarize the groups of causes into major causes (one major cause for one group of causes).
4. Ask the participants to identify also the effects caused by the core problem. Then, summarize the major causes and effects into the Problem tree Diagram.

Step 3: Objectives Analysis

1. Ask the groups of participants to undertake the “Objectives analysis”, which consists of:
 - Restating all negative conditions of the Problem Tree into positive conditions, which are desirable, and realistically achievable.
 - Deleting causes which cannot be converted into achievable objectives.
 - Examining the “Means-and-Ends” relationships thus derived to assure the validity and the completeness of the Objectives Tree.

The Core Objective, Means, and Ends of the Objective Tree are thus identified.

Step 4: Strategic analysis

1. In the plenary, discuss with the participants about possible strategies that can be derived from the Objectives Tree. The analysis consists of:

- Identifying objectives, which are neither “desirable” nor “achievable”.
- Identifying alternative solutions as possible strategies.

Clarification here will help in moving ahead in the strategic planning process.

MODULE 3:

FORMULATION OF STRATEGIC GOALS, STRATEGIC OBJECTIVES AND ACTION PLANS

Module 3 consists of **three** sessions

- > Session 1: Formulation of strategic goals
- > Session 2: Formulation of strategic objectives
- > Session 3: Preparation of action plans

Session 1: Formulation of strategic goals

Objective

To enhance capacity of participants in the formulation of strategic goals and in relating the goals to the SWOT and PEST analysis

Duration: 90 minutes

Materials

- Flip Chart
- Markers

Power point: Strategic Planning Workshop

STEPS

Step 1: Explain to the participants that goals are related to the vision of the organization and are more specific than the mission statement. They address strategic issues. The goals are directly related to the core problem identified in the situation analysis and the results of SWOT and PEST analysis. They indicate the general changes that will take place in the organization as a result of the strategic planning process. Goals describe the desired end result. The strategic priorities identified above as a result of the SWOT and PEST analysis would be considered as the goals of the organization.

Step 2: Explain the difference between goals and strategic objectives, as per table below

Goals	Objectives
Are broad	Are narrow
Are intangible	Are tangible
Are not tied to a timeframe	Are always tied to a timeframe
Are long-term	Are short to medium term
Are contributed to by several organizations	Are achievable by the organization alone

Step 3: Clarify that goals should meet certain criteria in order to be considered goals and not strategic objectives:

- They should clarify the vision and mission
- They address the core problem identified in the situation analysis (SWOT and PEST)
- They are related to the findings of the organizational assessment and the results of the members' needs survey
- They address the gaps between the current and the desired level of service
- They are achievable in a relatively long-term period, at least 5 years or more (up to 10 years)

Step 4: Ask the groups of participants to prepare and prioritize the goals. Allow 30 minutes for this exercise.

Step 5: Ask the groups to present their findings, to be followed by general discussion.

Session 2: Formulation of the strategic objectives

Objective

To enhance capacity of participants in identifying the strategic objectives in order to achieve the goals, by turning the strategic priorities into strategic objectives

To enhance their capacity in applying the SMART criteria and in formulating the indicators of success for the objectives

Duration: **120 minutes**

Materials

- Flip Chart
- Markers

Power point: Strategic Planning Workshop

STEPS

Step 1: Explain that strategic objectives are means to achieve the goals. In the problem tree analysis, the immediate objectives are directly related to the causes of the core problem, as the overall goal is directly related to the core problem itself. By achieving the strategic objectives, the organization would be able to contribute to the achievement of the goals.

Step 2: Explain that objectives should follow the **SMART** criteria:

- They should be **specific**: they reflect specific accomplishments rather than specific activities; an objective should reflect the target the organization wants to achieve
- They should be **measurable**, which means that the attainment of the objective can be confirmed and assessed on the basis of indicators of achievement
- They should be **attainable**: in other terms, they can be achieved if they are consistent with the available resources
- They are **result-oriented**: objectives should specify a result
- They are **time-bound**: a time-frame to achieve the objectives needs to be specified

Step 3: Divide the participants into groups of 4-5 per group, and ask them to prepare the strategic objectives with the indicators of achievement. Allow 60 minutes for the working groups

Goal 1 Strategic objective 1.1 Strategic objective 1.2	Indicators Indicators
Goal 2 Strategic objective 2.1 Strategic objective 2.2	Indicators Indicators

Step 4: Ask each group to present their findings, to be followed by a discussion in the plenary. Try to achieve consensus on the strategic objectives and on the indicators.

Session 3: Preparation of action plans

Objective

To prepare action plans for their organization, understand the relation between strategic objectives and action plans, and on how to turn strategic objectives into action plans

Duration: **150 minutes**

Materials

- Flip Chart
- Markers

Power point: Strategic Planning Workshop

STEPS

Step 1: Tell the groups they have to prepare the action plan in order to achieve the goals and strategic objectives identified in the previous sessions. The action plan is to include:

- All steps/activities necessary to achieve the strategic objectives
- The time frame to implement each activity
- The party or person responsible of the implementation of the activity
- The inputs/costs required to carry out the activity

Provide coaching to the groups for each of the components of the action plan.

Step 2: Activities

Ask the groups to list the steps (activities) necessary to achieve each of the strategic objectives in the template below (table 1). The groups should brainstorm on the most effective and efficient options that will achieve the desired result. The activities need to be realistic taking into consideration the limited human and financial resources available to the organization. They should be sequenced in a logical order. Each step/activity can be written on a small card, and then placed on a large piece of paper. Alternatively, the steps can be written directly on the large paper.

Step 3: Time frame

Tell the groups to indicate when each activity will start and when it will end. The groups should ensure that activities do not overlap significantly, so that the organization can implement them without delay and with available human and financial resources.

Step 4: Responsible party/person

Ask the groups to specify the party or person who will be responsible to implement each of the activities. The responsible person should have the skills and experience as well as the time needed for carrying out the activity.

Step 5: Calculating costs

Inform the groups they have to include the cost for each of the activities. The cost include: human resources (time spent by staff and experts), materials, transport, etc... The cost of each activity is to be then incorporated in the overall budget. Tell the groups that in the exercise, they should indicate the inputs needed without costing.

Step 6: Incorporation of all strategic objectives and activities in an action plan

1. Ask the groups to incorporate all results areas, indicators and activities in one template, as per table 2 below.
2. Ask the groups what they learned from the action plan exercise.
3. Tell the groups they need to follow up on the implementation of the action plan (monitoring and evaluation: see module on M&E).

Action Plan

Goal 1	Objective 1 Indicators	Objective 2 Indicators	Objective 3 Indicators
Activities			
Time Frame			
Party or person responsible			
Costs/inputs			