The Planning Hierarchies

Your unit needs to develop a plan. As you develop the plan, questions arise. Is it a strategic plan? Do you have goals or objectives? Are you identifying tactics or specifying actions? This Innovation Insight provides some background to help you answer those questions.

One way to look at planning is as a hierarchy of the components of a plan.

- **Vision**: Where the unit wants to be or how it wants to be viewed at some point in the future
- **Mission**: Why the organization exists, what services or products it provides
- **Values**: What is important to the organization at its core
- **Goals**: Specific accomplishments that will indicate the unit is moving toward its vision
- **Strategies**: Specific approaches to achieve each accomplishment or goal
- **Processes and Actions**: What must actually be done on a day to day basis to implement a strategy
- **Measures of Performance**: Quantitative or qualitative data that will indicate how close a unit has come to accomplishing a goal

The key concept here is the hierarchy, not the specific language or terminology that is used for each component.

Language and terminology can be determined or set by the organizational culture, language used in past plans, or the level within the organization at which the unit doing the planning exists. Some organizations talk about objectives rather than goals. For others, an objective is a measure, or a target. Focus on the purpose of the plan, not the language. But ensure that all the people developing, implementing, or reviewing the plan use the same language and have the same definitions for the terms.

Dixon (1993) presents a different hierarchy of plans: three levels based on length of the planning time frame, level of detail in the plan, and where within the organization the plan is developed.

- **Strategic plans** address a time frame of five to ten years, may be vague, and are developed at the organizational, board, or executive level.
- **Managerial/tactical plans** address a 12 month time frame, have a high level of detail, and are developed at the unit or department head level.
- **Operational plans** may address only a one to four week time frame, are very detailed, and may be developed at the supervisory level.

Additionally, to accomplish a specific task **project plans** may be developed.

The longer the time frame addressed by the plan, the less detail it includes, the more uncertainty and risk it involves, and the more senior the people who develop it.

Strategic, managerial, and operational plans can be thought of as a set or a waterfall of plans. **Alignment** is the key word for all plans in the set. It should be clear...
how activities in a plan at one level support, or are aligned with, the goals or strategies of the plan at the next level up. Conversely, goals and strategies at one level should drive the activities in a plan at the next level down.

As an example, in Penn State University’s current strategic plan (2009), Goal 1 is to Enhance Student Success, and Strategy 1.6 is to assist students to explore ethical issues. The next organizational level down within Penn State is the budget unit level, including individual colleges and campuses. At this level, the ‘how’ of accomplishing the strategy of ‘exploring ethical issues’ becomes more specific. Workshops and guest speakers, and opportunities to incorporate ethics issues into instruction are identified. Then individual units, faculty, and staff plan and schedule these events, activities and components on a daily, weekly, or monthly basis. This is operational or project planning.

Whether strategic, managerial/tactical, operational, or project related, all well-developed plans have three components: what you have learned from the past, what you have to work with in the present, and what you will accomplish in the future.

The bottom line in planning: to have a successful plan, take the time to develop, or plan, your plan.

In determining what type of plan you will be developing, consider the hierarchies and ask:

- How far into the future will my plan reach?
- How general or specific are the accomplishments in my plan?
- How detailed does my plan need to be to achieve those accomplishments?
- What language or terminology best suits my plan?
- Who needs to be involved in the planning process?

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