

Strategic Planning

'Creating communities you're proud to call home!'

Overview

Strategic Planning is the cornerstone of every large-scale strata community. Without it, the community will never know where its going, much less know if it ever got there. Strategic Planning helps communities achieve two key outcomes: clear *decisions* about purpose and strategy and *commitment* to those decisions.

Strategic Planning is projecting where your community expects to be in 5, 10 or 15 years – and how your community will get there.

The strategic planning process has many advantages:

- It stimulates ideas to make good use of the strata communities resources;
- identifies responsibilities;
- assigns work;
- coordinates efforts;
- reveals obstacles;
- identifies opportunities; and
- tends to limit decisions based only on today's concerns.

It is a systematic planning process involving a number of steps that identifies the current status of the community, including its mission, vision for the future, operating values, needs (SWOT), goals, prioritised actions and strategies, action plans and monitoring plans.

An important concept of strategic planning is in understanding that in order for the community to flourish, everyone needs to work to ensure the teams goals are met.

Team members are the owners, committee, strata management, onsite management team and perhaps other service professionals such as accountants, maintenance plan professionals. This team needs to work as a collective body to be successful. Part of the team concept is the establishment of roles for the team players.

There are three main components to strategic planning being, **plan development**, **plan execution** and **plan review**.

The process outlined below may differ or be best varied dependent on the size and complexity of your community.



1. PLAN DEVELOPMENT

Plan Development is the first component of strategic planning. During the stage the following steps should be completed:

1.1. Assess the history and significant accomplishments

develop a history of the strata community. List the important milestones to where it is today.

In order to visualise the changes over the years, include items such as hiring on site staff, management, key committee decisions, major works etc.

1.2. Assess the strata communities current status

ie: state of the facilities, financial statements, demographics and so on.

1.3. Evaluate the strata communities current governance structure

Review the operations to determine how responsibilities are assigned, defining communications and authorities.

Determine the chain of command with the staff, strata manager and the Committee.

Critical is the point of contact for the staff, management and the committee and for oversight and communications between them. Critical is the point of contact for these parties to preclude misunderstandings, duplications of efforts and things falling through the cracks.

1.4. Develop mission and vision statements

Vision statement is the image or state to which the community aspires. It emphasizes the dream of where the community will be at a specific time.

The mission statement is the communities purpose stated in a memorable phrase.

It describes the business it's in. It should be geared toward fulfilling the communities purpose and what it is intended to do with some specifics contained in the governing strata communities documents.

1.5. Determine operating values

Also called guiding principles these values state the communities intentions and expectations. They are used to judge the communities policies and actions, as well as individual conduct.

1.6. Reform a needs assessment

Determine the needs of the community by analyzing the present state of the community, addressing any critical issues, identified through a SWOT [Strengths, Weaknesses, Opportunities and Threats] analysis.

1.6.1. Determination of key result areas – define five to ten areas in which the community must be successful in order to accomplish its mission, based on owner expectations.

1.6.2. Determine customer expectations
determine the clients customers (owners, suppliers, employees etc)

expectations of the communities as stakeholders. Group the expectations into five to ten key results.

1.7. Determine critical issues

list the critical issues faced by the community that must be addressed for the community to achieve its mission and vision, based on an assessment of the SWOT analysis.

1.8. Define the roles of the key people responsible for each aspect of the strategic plan

1.9. Educate and communicate the plan

Without education and communication, team members can neither perform their roles nor efficiently interact with each other. Make sure every player has the necessary documents and basic knowledge to perform effectively.

1.10. Listen and take Notes

During the strategic planning process it is important for all parties to actively listen and take notes. Don't make assumptions about what you think owners priorities or challenges are; ask questions and learn to listen.

1.11. Develop and prioritise long-range goals

1.12. Develop short term goals and action plans

1.13. Monitor the progress

It is important to establish a monitoring process to assess the progress made on both short-term and long-term goals.

2. PLAN EXECUTION

Plan execution is the second phase of strategic planning. In this step a community approves and puts its plan into action through the allocation of resources. This step has four components:

2.1.1. Approval

table and adopt the plan at a general meeting of the community.

2.1.2. Programs

community programs server as the impetus for converting objectives into reality.

2.1.3. Procedures

procedures are the specific tasks required to complete the programs.

2.1.4. Budgets

time to be strategy driven not budget driven. You need to prepare budgets to fund programs, not develop programs based on the budget.

3. PLAN REVIEW

Plan review is required to constantly improve the plan and ensure its execution.

It's arguable that a plan review occurs when there is a change of legislation, but it's not reasonable for the plan to be reviewed simply due to a change of committee. Any newly elected committee need to respect and recognise the process that has been undertaken and adopted by the community. It would be unreasonable to considerably amend the plan without a further community engagement and consultation process.

Having said that a plan review needs to be scheduled to ensure the plan is meeting the community goals. This can be achieved through surveys, management reviews at information sessions or discussions at meetings. If the community fails to update the plan, the plan will eventually fail the community. It's arguable that the plan should be reviewed annually and a complete review undertaken every three to five years.

Use of consultants

An outside consultant or professional facilitator brings impartially, pointed questions, and the facilitation skills needed to balance differences of opinion. If budgetary constraints do not allow for assistance through the process the community may want to at least consider using a consultant for the initial sessions, where an objective assessment of the communities current position is necessary.

About the author:

Michael Darby is Managing Director of Quantum United Management.

Quantum is a strata management and consulting specialist operating within large scale residential communities. He has over 10 years experience in this specialist niche field and welcomes any questions around strategic planning for residential communities.



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