



# Strategic Planning For Professional Service Firms

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**Strategic planning? That's something we do once every few years (if at all). It's designed to talk about the firm in the future. Wrong!** Strategic planning, done correctly, will help the business become more effective, "come Monday morning."

Strategic planning was developed by McKinsey and Company in the early 1960's. The process is about answering three basic questions:

## 1) Where are we now?

- What are our current internal strengths?
- What are our current internal weaknesses or challenges?
- What are our external opportunities?
- What are our external threats?
- Of these, which are the 3-5 most critical issues we face?

## 2) Where do we wish to go?

- What is our vision of the firm 3 years out?
- What position in the marketplace do we wish to have by then?
- What changes will need to occur in the firm to achieve that position?

## 3) How will we get there?

- What are the 3-5 most important broad goals for the firm three years out?
- What are the 3-5 specific one year objectives that align with achieving our three year goals and vision?

Once the above issues and questions have been addressed, the next step is to develop a small action planning team, one for each one year objective. The assignment for each team is to develop a highly specific set of action steps for the next three months. In other words, a list of who will do what, by when, and in what sequence.



Then, once every quarter, the firm should take a mini "time out," to review what was accomplished relative to the quarterly action plans, and to develop new action plans for the upcoming quarter.

In this manner, we have effectively married the ethereal process of long range planning with the practical reality of taking specific steps in the present to achieve longer term goals.

We have also initiated, and should maintain, a "rolling" strategic planning process, that can then be transitioned into monthly priorities for the firm. We have, in effect, developed a system of "management by objectives," a process that virtually every Fortune 500 firm currently uses in one form or another. It has proven to be the most effective system for running a successful business operation.

Truelson Associates has served over 200 clients in its 20+ years of existence. Our greatest concentration has been in the independent community banking field. We have served in excess of 50 such institutions, including several in the \$1+ billion asset size range, plus a number of start ups, and every size in between.

We were generally considered to be the leading firm in this field in the northern and central California market. In 2009, we transferred the firm to Oregon, and are prepared to serve the Oregon bank community from our offices in Portland.



We are associate members of The Oregon Bankers Association.

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