

# NETWORK

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## The Strategic Planning Advantage

*This article continues to explore strategic planning in corporate citizenship. We talked with:*

◆ *Karen Bartz, community development manager, Hallmark Cards, Inc., and vice president of the Hallmark Corporate Foundation.*

◆ *Judi A. Hadfield, vice president, community relations, Marriott International, Inc.*

◆ *Reatha Clark King, president and executive director of the General Mills Foundation and vice president, General Mills, Inc.*

◆ *Gabriella Morris, president of the Prudential Foundation.*

◆ *Lori A. Vacek, director of corporate programs for The Consulting Network (TCN).*

Strategic planning was not a new concept for any of the professionals TCN interviewed, but they all agreed that it is crucial to having an effective, top-notch corporate citizenship program.

For example, the Prudential Foundation has engaged in strategic planning for half of its 23 years.

“We will always do a plan to help us make sure we are achieving the goals we set for ourselves, to create a roadmap,” said Morris.

“Going through a formal process also helps you check yourself against what’s happening in communities. On a practical level, it helps us get through the jungle of requests coming our way. It’s defensive as well as offensive.”

While Hallmark had done strategic planning in the past, Bartz said a more thorough process recently brought additional focus to the foundation and corporate giving program. “We didn’t have a system that was broken, but we always feel there is more we can do. We had never looked at the whole program at one time.”

General Mills does strategic planning at five-year intervals but noticed that spending money alone did not necessarily solve local problems. “We started asking, ‘What should we change about our style?’ There was a strong desire on the part of our executives and staff

to make a bigger impact,” said King. “We realized over time that while money helps, it’s the people who bring more serious change.”

“At Marriott, our business had grown so aggressively that our approach to community involvement became fragmented,” said Hadfield. “It was difficult to track, report and publicize, so there was confusion among our associates and the public. We decided to take a look at what we were doing. We knew we wanted to give more identity to our community involvement in order to better publicize it with all our stakeholders.”

### THE CRITICAL DIFFERENCE

Everyone agreed that having a time line for their planning process was an administrative plus and a tool to keep them motivated toward the completion of a strategy.

More important, however, were the other elements of strategic planning.

“It was very important for us to do an internal assessment, to talk to management and operations about

their perspectives on what we were doing and should be doing in the future,” said Hadfield.

Added King, “We needed everyone’s assessment of what we were doing well and what the critical community needs were. We wanted to connect with their passions.”

At Prudential, examining the external environment was key. “Our focus needs to be measured against what’s happening in the world. That’s what’s really important,” said Morris. “You can’t work on the solution if you don’t know what the problem is.”

“External assessment is important for accountability to our board, too. It puts things in context and helps them understand that we’re experts on these subjects.”

An external look helps Hallmark make the connections necessary for an effective program. “We get constant feedback, but it’s always informal,” said Bartz. “It’s helpful to go out, talk to people and analyze what they’re saying.”

This group found that benchmarking their peers and best-in-class companies in corporate citizenship was a beneficial part of the assessment.

Vacek said, “Management is interested in comparisons with peers and industry leaders. Best practices benchmarking demon-

strates that certain programs and processes do work.”

Working with their own staff members proved to be even more valuable. King commented, “I give staff sessions a grade ‘A’ because one thing strategic planning does is identify that point where you have consensus. Staff sessions also serve to inform and commit everyone.”

Bartz agreed. “The result of our team working sessions has been a much more consistent understanding that our contribution of dollars and volunteers are both important parts of our program, and we need to talk about both with a common language. This was especially significant when we started talking about our plant operations where contributions and volunteer programs were entirely separate and often not communicating that much.”

Interview sessions with management also were important at Marriott. “These interviews are critical to success because it’s very difficult to carry out strategy and to develop programming and infrastructure without management input and understanding,” said Hadfield.

Said Vacek, “Senior management support is crucial because they can provide access to key players and help define the expected outcomes.”

“Management interviews also provide a way to inform,” said

Morris. “Four years ago we got a new chairman, and with turnover, new people don’t have a strong sense of Prudential’s philanthropic history.”

“It’s also useful for management because they don’t always have the day-to-day update about these activities,” said King.

When the strategic planning process is complete, communicating with management can be helpful.

But at General Mills, management was not singled out for a special strategic planning presentation. “Our foundation trustees adopted the plan, and then we held meetings in key divisions,” said King. “That was our way of communicating our funding and recommendations and answering their questions.”

“Our management presentations went smoothly,” said Hadfield. “There is great interest and willingness to participate in what we proposed as a new direction for Marriott. For the most part, the reaction has been, ‘Tell us what you want us to do, tell us why it’s logical and we’re with you.’”

## COMMITMENT

Completing a thorough planning process is not easy, even though everyone agreed that they had the necessary corporate support.

“You need the stamina to endure

the time it takes,” said King. “Understand that it’s probably going to take longer than you thought,” added Hadfield.

“Having someone outside the company who could lead the process was critical,” Hadfield added. “An outside party dedicated to seeing the project through kept us on track, especially when we might have gotten bogged down in the work.”

“The only thing I was concerned about was what others might expect from the process,” said Morris. “Managing those expectations is important.”

## RECOGNIZING SUCCESS

A strategic plan is successful only when it results in change or meets its objectives; therefore, evaluation is an important step in knowing whether you have met your goals.

“Prudential just did a review in April to see where we stand against our strategic plan,” said Morris. “It allowed us to set some targets around how we distribute money — the size and number of our grants. Obviously, you have a greater chance of evaluating success if you set measures.”

“For example, one of our targets stipulated that a third of what we do is with education. Now, we’ve refined those targets even more to include neighborhoods.”

Marriott is beginning to evaluate with a system to track and report what is happening in their 1,800 operating units worldwide.

“It’s not perfect yet, but we’ve gotten underway,” said Hadfield. “Being able to track our efforts will give us a greater ability to improve.”

Also, as Bartz pointed out, the results of an evaluation can be used as a tool for volunteer recruitment and retention, as well as employee pride.

## REAL BENEFITS

A strategic plan for corporate citizenship can have massive impact on a company overall. Some of the benefits, according to Vacek, include:

- ◆ Aligning programs with the company’s strategic direction.
- ◆ Broadening ownership of the corporate citizenship program throughout the company.
- ◆ Building connections across company divisions.
- ◆ Providing a benchmark for measuring success.
- ◆ Enhancing the company’s image with stakeholders.

“Every department ultimately should have a strategic plan that supports the company’s strategic goals,” Vacek emphasized.

“Strategic planning gave us focus,” said Bartz. “It also raised some issues for future consideration, and it prepared

our system to more easily accept some changes.”

“At Hallmark, we created a mission statement that is comprehensive for community involvement and includes dollars and people. We also reorganized our areas of interest around what we’re calling ‘program priorities.’ We’ve repositioned how we describe our priorities to focus on what the organization does for the community.”

“Another change is the common language we’re using, not just within our department, but also among headquarters and the plants,” added Bartz. “It helps position our corporate citizenship work with employees and gives their committees better direction.”

At General Mills, the planning process created numerous changes, based on the internal assessment, which identified corporate citizenship strengths and areas for improvement.

“Our pattern of making a large number of grants needed improvement,” said King. “We were spread too thin. We needed to reduce the total number of grants and have a better balance between large and small grants. As a result, we have phased out about 140 grants over the past two years.”

“In addition to our four main program areas for grants, we identified two critical issues

where we could consolidate some funding and contribute volunteer time. One is called ‘Challenge U,’ which provides targeted schools with scholarships for young people and mentoring opportunities with our employees and retirees. The other is an initiative we did with Honeywell on crime and violence prevention in Minneapolis and neighboring communities.”

“The bottom line is that our strategic plan gave us the ability to make decisions about where to best apply our money and creative time as opposed to repeating grants year after year,” King said. “And that means we have increased our impact. In addition, it has increased understanding with our senior management, it has given us better leverage within the company and it has helped us communicate that we’re just as professional and demanding of ourselves as our colleagues in other units of the company.”

The most significant change at Marriott was an ability to get their arms around the many corporate citizenship programs that sprouted as the business grew.

“It gave us a new direction,” said Hadfield. “We took our diverse portfolio and defined our areas of focus. We then branded our efforts as the ‘Spirit to Serve Our Communities.’”

“With this approach, we can better focus on areas that are critical to our business interests as well as community need. Management understands that we’re not just doing good, we’re also benefitting our business.”

“In addition, we formalized our volunteer program,” said Hadfield. “And we’ve done another thing that was easy and effective. Our 800 number that associates can call to be linked with local organizations providing services related to work/life issues has been expanded to include information about volunteer opportunities.”

Hadfield added, “The whole process created internal appreciation and awareness of corporate citizenship. We will have more support and involvement of associates and management. It definitely raised our profile, but it also gave everyone a greater sense of pride, which is very important.”

A new mission statement also resulted from Prudential’s strategic planning process — one that linked business and philanthropic goals. “It’s a very good, brief message, which is a good communications tool as well,” said Morris.

“We haven’t changed much what we fund, but we have more focus. The process also allowed us to collaborate with other areas of community resources, such as local initiatives, which

manage volunteer efforts. Together, we can get greater traction.”

## EXPERIENCE IS THE BEST TEACHER

For anyone beginning a strategic planning process, our panel offered a few tips:

- ◆ From Bartz: “It is important to get outside assistance because it is difficult to lead a strategic plan for your own work. A consultant can create the framework for a plan, but the staff then has to create the specifics.”
- ◆ From King: “The process helps you put your strategy on paper so you can communicate it to others, enhance your work and get others on board. The strategy also provides you with good information to defend your work, and you will be forced to defend it. Finally, be careful about time. You need enough, but not too much. If you’re looking for the perfect plan, you won’t get there.”
- ◆ From Morris: “Do it, and be flexible, because things change. Also, use this opportunity to root your work in research and issues; then be proactive about what you want to do. The more you shape your strategic plan, the better you can do your work. Believe me, a good plan is your best weapon.”