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Strategic Planning for the Design Firm

by Richard N. Pollack, FAIA, FIIDA

A key component for starting, running, and growing a firm is setting up a strategy that provides clear direction, yet it's a component that's often absent. Just think how unprepared a professional baseball team would be without a carefully determined plan that addresses the starting pitcher rotation and batting order. Without a strategy, the team will win games, but they won't win a World Series. Many interiors and architectural firms operate without the guidance of a long-term business or strategic plan.

To me, the most compelling example of a clear strategic vision is the plans for Larry Ellison's new yacht. Ellison is the CEO of the software company Oracle, and his yacht's stateroom had an eight-foot-diameter circular space off to one side. I thought it might be the base of a satellite dish, but it turned out to have a very special use: It was where Ellison could display the America's Cup when he won it. Not if—when. The visualization of a goal is a powerful tool for achieving an objective, and since designers are visual people, it becomes even more potent.

An effective plan does not need to be dozens of pages filled with graphs. Here are steps to help organize your thinking:

1. Decide what you and the firm want to be when you grow up.

Without a clear image of where the firm is going, you are unlikely to get there.

2. Include detail. The image of the future firm must be unambiguous, but the specific tasks to get there must be particularly well-defined and clear.

3. Create winnable tactics. There will be many components needed to achieve the goals of the strategy, so make the tasks manageable enough that they can be accomplished.

4. Develop measurable milestones. Based on the strategic objective and the tactics to get there, you must establish waypoints that can be used to measure success or failure. Without objective measurement, you cannot truly affect outcomes.

5. Build a schedule that includes each identified task. Critical path tactics and measurements should be built into a schedule to ensure effective tracking. And just like you would for a project schedule, allow for bumps along the way, as well as potential shortcuts to make up for any lost time.

6. Create a visual representation. Again, we are visual people, and the strategic and tactical components should be shown graphically. That document might start as a long roll of trace paper initially hung on a wall during an off-site retreat, then condensed for easier sharing—and it should be shared with the entire office.

7. Validate efforts against the schedule. Make regular status reports to staff and share successes and failures. For example, report that you may have missed an important deadline, but have come up with an alternative approach. Staff will recognize that you are including everyone in the process and will be appreciative.

8. Deal with distractions. When you run into unforeseen business exigencies and speed bumps, do your best to handle them in a way that will not significantly disrupt the practice.

The steps outlined above show a straightforward and concise process for strategic planning, but success or failure depends upon honesty and communication. Let's say that there are two principals who have been working together for some years but are not satisfied with revenue, profit, work/life balance, type of projects, etc. The principals decide that they need a plan that will get everyone focused on specific goals and objectives. They schedule an off-site meeting to start the process; however, one or both are not being open about their business intentions. The resulting strategic plan will never be truly effective, owing to lack of honest discussion from the outset.

One solution is to have an objective third party participate in the early conversations to act as facilitator and foil. The facilitator meets with each principal separately, then both together, to help develop clarity about the principals' goals. The outside enabler might use a Socratic "listen, challenge, champion" methodology to hear each partner's goals, question the stated objectives to be certain that any hidden agendas have been revealed, and then act as an advocate to help the strategic planning process move to successful completion. But remember: The plan is never really finished and must be reviewed and updated periodically.

Richard N. Pollack, FAIA, FIIDA, writes a regular column for *Contract* on business practices in design and professional development. Pollack is the CEO of San Francisco-based Pollack Consulting, which supports firm growth and success through improved business development, winning presentation techniques, recruitment of top talent, business coaching, and ownership transition implementation.