## **H4 Consulting Brief**

## **Business Planning**

Publicly funded organisations are complex collectives of diverse and, at times, unconnected teams. Some parts of an organisation may struggle to relate to other parts, or to understand how their work contributes to organisational goals. Executives may find it difficult to build and communicate coherent business plans that assemble the pieces of the organisational jigsaw to achieve shared strategic objectives.

Most work in publicly funded organisations is made up of business as usual (BAU) activities. These are the frequently repeated, rarely altered, tasks that are undertaken in similar ways by similar people day after day, month after month, and year after year. Over time, these tasks tend to blend into the background, with little oversight relative to newer initiatives. Because these activities are so familiar and well understood, they tend to be left out of formal plans.

Over time, as organisational priorities shift, these BAU activities may not be reassessed and adjusted to reflect new objectives. Misalignment between the day to day work of staff, and the organisation's stated objectives, can result in substantial amounts of time and public funds being invested in activities that are no longer a good use of those resources.

without business planning, organisational goals can appear distant and vague



Business planning enables publicly funded organisations to use their resources more efficiently when they recognise interrelationships between different areas of the organisation. A good business planning process can identify overlap in activities and where resources could be better used.

The business planning process also offers significant opportunities to communicate goals and delineate tasks across the organisation, and help individuals and teams understand the connection between their work and organisational success. When individuals recognise how their work aligns with an organisation's strategy, this leads to an increase in individual and organisational performance.

This leaves publicly funded organisations vulnerable. Without a clear plan guiding effort toward objectives, organisations may not recognise underperforming activities or react well when functions need to change over time.

Publicly funded organisations that plan, and can execute plans, better understand how their functions align and are better prepared to respond to changes. This means that when publicly funded organisations face political turbulence, such as machinery of government changes, they are better prepared to respond and realign their functions.

The business planning process requires organisational decision makers to analyse how BAU activities and systems are performing, as well as any new projects.



effective business planning helps organisations define their objectives and set out a path to achieve them

An effective business planning process will ensure both BAU and new activities align with the organisation's strategic vision, objectives, and priorities, and help ensure resources are being used in the right places. Business planning can help ensure public funds are being allocated appropriately and public value is being maximised.

Deliberate and systematic business planning equips publicly funded organisations with the necessary skills and tools to adapt to change and make better informed and more effective decisions. Realigning disjointed functions to fit the organisational jigsaw will set publicly funded organisations up to achieve their objectives.

