



# STRATEGIC ALIGNMENT

INFORMATIONAL ARTICLE

# Strategically Aligning Forms Management with Corporate Initiatives

All organizations have a strategy. It defines their reason for being and what they plan to accomplish in the long term. It is generally divided into five sections:

- **Mission**
- **Vision**
- **Values**
- **Objectives**
- **Goals**

The Mission and Vision statements are developed by senior management and approved by the Board of Directors or Governing Board. They are generally published for all in the organization to see and adopt. Properly used, these guiding statements set the tone for organizational behavior and are used to evaluate current and future opportunities.

All departments and work groups within the organization should establish their Mission, Vision, Objectives, and Goals such that they are congruent with the organization's direction. Do so, and the department becomes strategically aligned with the overall organization.

Seems like a simple concept. Yet, in practice, too many departments work in a direction different from that established by senior management. A careful look at department priorities too often reveals a variance between the stated Mission and departmental practices. This invariably creates organizational dysfunction and conflict.

Forms management departments are frequent participants in this organizational dysfunction. Priorities and departmental practices seem more intent on forms control than forms management. Activities center around cost management rather than new business and customer support. The drive to add staff deviates from organizational Objectives to cut costs. Strategic dysfunction results and the forms management department cannot win that fight.

It all begins with a thorough understanding of the Organizational Mission, Vision, Values, Objectives, and Goals statements. It is important not only to read the words but to incorporate these statements into the departmental Mission, Vision, Values, Objectives, and Goals. Activity should be driven by these statements and results measured in terms of helping to accomplish them. Anything short of complete congruence will set the department up for failure, where downsizing and outsourcing become predictable outcomes.

So, given their importance, let's examine each of these statements. Of course, there could be differences in definitions and implementation among the various organization components. The important thing is to understand what your Chief Executive wants. Then commit yourself to helping accomplish it.

Here are some standard definitions to consider:

1. **Mission.** Documents the purpose for the organization's existence.
2. **Vision.** Represents strategic management's strategic intent (a description of what competitive position the organization wants to attain over a given period, and what core competencies it will need to acquire to get there).
3. **Values.** States the operating principles that guide actions and the organization's interaction with each other and outside the organization.
4. **Objectives.** Uses operating statements to define desirable outcomes. (These are longer-term in nature, with general time frames.)
5. **Goals.** Identifies more specific outcomes. (Must be measurable and within a specific timeframe, usually shorter-term)

Once you have a thorough understanding of the organization's direction, you should establish your own departmental direction. It should follow the same outline as the organization, using the same terms and definitions. It must be consistent with the overall organizational direction. Let's examine each of them.

## 1. Departmental Mission:

Your Mission statement should support the organizational Mission, focus on revenue generation and customer retention, address cost control, and define the value proposition. It should be short (no more than two or three sentences or short paragraphs) and to the point.

Example:

*Provide total forms development, management, and deployment support to the Enterprise consistent with effective customer acquisition, service, and retention.*

*Support the Enterprise's Mission and Objectives. (Restate them here.)*

*Deliver effective forms at the lowest total cost while providing support to all Divisions.*

## **2. Departmental Vision:**

The Vision statement should establish what the department will look like in the future. Consider trends and technologies, as well as organizational direction. It could include scenarios based on technological change, define the benefits achieved by the organization from the department's success, and establish the department as the resource area for your expertise. Again, the Vision statement should support the organization's Vision, be short and concise, and it must be realistic.

The opportunity here is to establish your department as a visionary. Don't be constrained by the present. Be aware of opportunities that might present themselves.

Example:

*"We will support all form types using Best Practices and the best available technology for analysis, design, deployment, and management."*

## **3. Departmental Values:**

Generally, your department should adopt the same Values as the organization.

Example:

*(Repeat Corporate Values Statement here).*

*"We respect individual opinions and input while striving to perform as an effective team."*

*"We value all departments and will endeavor to work with them to achieve Organization Goals."*

## **4. Departmental Objectives:**

This is an area where considerable thought must be given. For the most part, Mission Vision and Values should mirror organizational statements. Departmental Objectives must support the organizational objectives but need to be specific to the department. They should include limitations and risks.

It is important to align your department with Document Management, Records Management, Information Technology, and Financial Management, among others. Sometimes, senior management tends to lump all these areas into a single function. In fact, there is considerable overlap. However, the requirements, and tool sets, for each function are different.

You should begin by providing definitions for your function. What is a form? How are forms different from other documents? How are they different from records? These definitions set the framework for alignment with other departments and define why it is important to differentiate and acquire specialized tools for forms.

Some suggested definitions are:

1. **Document.** A container of information. This simple definition speaks volumes. A document can be anything, ranging from financial statements, to email, to reports, to graphic files, to annual reports, and virtually anything in between. It includes signs, posters, word-processing documents, letters, memos, and manuals. Documents can exist on a physical substrate, as audio clips, in digital formats, or as combinations of these formats.
2. **Form.** A specialized document that contains fields for the capture and/or display of variable data. It is the presence of these fields that differentiate a form from other documents. Forms include labels, envelopes, tags, mailers, checks, continuous forms, and more. Forms can be on a physical substrate such as paper, they can be in electronic format, or they can exist as an Internet form.
3. **Record.** An individual instance of a document. This includes forms after they are filled out.

These definitions clearly differentiate forms from other document types. They provide the basis of the differentiation of Document Management, Forms Management, and Records Management.

Example:

*“Our top five Objectives for (Current Year) are:*

1. *Convert paper forms to electronic format whenever ROI is positive, and payback is within one year.*
2. *Reduce active forms population while supporting the company's Mission.*
3. *Select, install, and learn the latest forms software.*
4. *Establish Best Practices for all aspects of forms.*
5. *Develop a partnership with Information Technology.”*

#### 4. **Departmental Goals:**

Goals are short-term in nature. They must be realistic, measurable, and with a specific time frame for each goal. Goals must be relevant and important and should include a calculation of the expected return on investment (ROI). Goals include project goals, personnel goals, and equipment and software acquisition plans.

Once established, Goals are what drive departmental actions. Of course, they may change or require modifications as events unfold, but these are the specific actions by which the department will be measured. You should report on your progress regularly and to as high a level of management as you can reach.

Departmental Goals should include a continuing education plan for yourself and your people and should include a succession plan (for when you get promoted!).

Example:

1. *Review all active forms annually for improvement opportunities on the established review date or upon reorder.*
2. *Complete the class on PDF Forms (all designers) by (Date).*
3. *Convert Top 100 forms to Fill and Print PDF for deployment on the intranet by (Date).*
4. *Manage 95% of the approved budget for (Year).*
5. *Establish a mentoring program for future department management succession by (Date).*

#### 5. **Budget:**

Establishing a budget is a critical aspect of your plan. It is also difficult to do. Too often, budgeting is an exercise in game playing, as people ask for more than they need in expectation of being asked to cut back. Budgets sometimes become spending plans in fear of getting a smaller budget next year if you don't spend all of it this year. It is difficult to align your department strategically if these games are a part of your budgeting process.

I recommend you establish a realistic budget that includes support for your goals. If reductions are necessary, they should be planned in accordance with these goals.

There are two ways to look at it:

- **Line-Item Budgets.** These are the traditional “accounting view.” They provide expected expenditures for each area of revenue and expense. They include operating budgets and capital budgets and are what most people think about when budgeting.
- **Activity-Based Budgets.** This is another way to look at it. With Activity-Based budgeting, the department’s activities are defined, inputs and outputs are measured and associated with each activity, and the cost for performing each activity is detailed. This clearly shows how much income and expense is associated with the actual work performed. It also helps identify process costs and where cost reductions are possible through productivity improvements and process re-design. Activity costs are much easier to manage and should be a part of every department plan.

The activity budget, of course, must balance with the line-item budget. You should keep them current and aligned.

**Example of Line-Item Budget:**

- Traditional view of Costs

– Salaries	\$267,000
– Benefits	59,000
– Postage	17,000
– Supplies	18,500
– Telephone	12,000
– Equipment	6,500
– Travel	3,000
– <u>Miscellaneous</u>	<u>4,000</u>
– Total Budget	\$387,000

**Example of Activity-Based Budget:**

- Process View of Costs

– Receive orders	\$161,499
– Resolve errors	119,797
– Generate confirmations	85,006
– Answer Inquiries	19,212
– <u>Generate reports; Management</u>	<u>2,329</u>
– Total Budget	\$387,000

The next step is to establish metrics. There is an old management axiom that states “You cannot manage that which you do not measure.” In other words, if you don’t know where you are going, any road will get you there. Without clearly defining what you want to measure and how you will measure it, it is difficult to communicate the value of your department.

Once established, each metric should be measured daily. You will need a process in place to capture and organize the data. Waiting until the end of a reporting period makes it difficult to accomplish, as well as subjecting the measurements to doubt and questioning.

Be sure to track what is important to management and to your customers (internal and external). Gain agreement every step of the way. For projects, secure user agreement as to savings achieved. Track these savings in your database. This will form the basis for your reporting.

Every organization needs a forms Style Guide and Program Manual. Once developed, it should be made widely available, and your department should support them and keep them current. Today, we recognize that forms will be developed throughout the organization. To the extent you can’t control this development, you should help manage it. This means providing technical support and consultation to your users. A Style Guide will help them develop to your standards.

A well-functioning forms department sets goals for helping the organization achieve its Mission. This includes helping acquire new customers, servicing existing customers (customer retention), keeping forms technology current, and aggressively managing costs associated with work processes as well as forms production.

Forms are generally considered to be a cost center, to be managed to minimize the costs. To the extent you can align the department with organizational Objectives, your department can be viewed as a revenue center. That will gain senior management attention and support.