

Strategic Planning Guide for Digital Services Companies

2021

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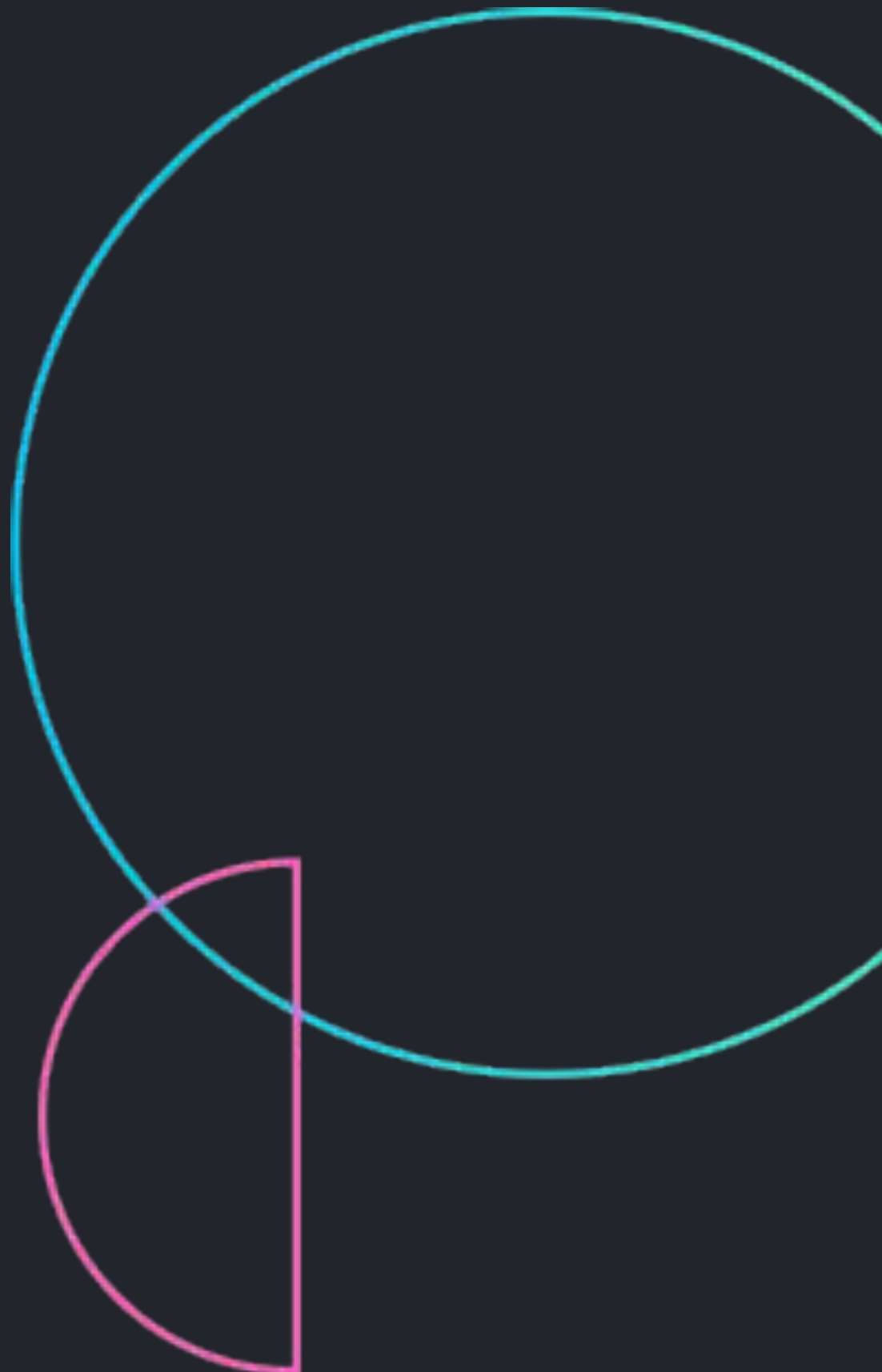
Scale your magic and clone your heroes

When digital services companies are small, it's easy for them to stay focused and aligned on what's most important. They can often rely on gut instinct, team chemistry, and sheer talent to succeed and grow. Everything feels a bit magical, and teams are made up of brilliant “heroes” who do great work.

But at a certain point, priorities shift as agencies and consultancies win new business, develop new capabilities, and expand their teams. Expectations and company objectives can become murky without well-communicated and documented strategies and goals. Leaders begin to wonder how they can get their magic back and clone their best people.

A solid strategic planning process can align teams and be the most critical catalyst for business growth. This *Strategic Planning Guide for Digital Services Companies* shares simple methods and habits you can implement at your business to support your next phase of growth. Depending on your current state, you may not need to complete every exercise, so feel free to jump around to customize your planning process.

Need any help or feedback along the way? Shoot us a note at hello@getparallax.com. We'd love to chat.



Step 1

Prep for Planning



Step 1 | Prep for Planning

Start by clearly defining what you're trying to achieve through strategic planning and outline a simple project plan for your strategic planning process.

Strategic planning objective

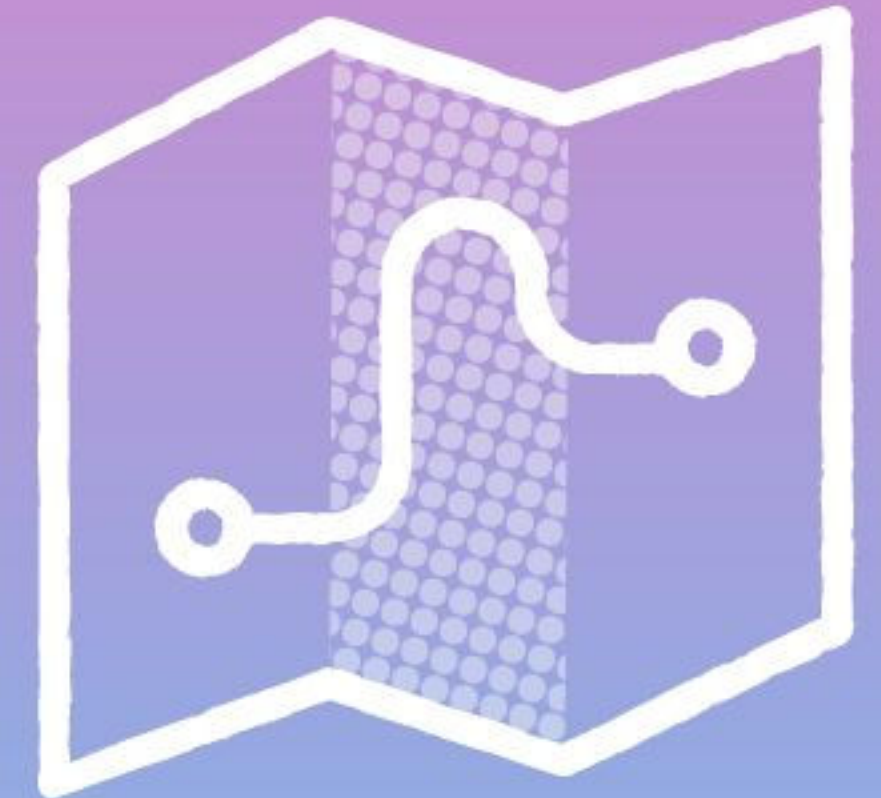
Example: To have confidence that strategic planning will create an aligned leadership team around actionable goals and initiatives.

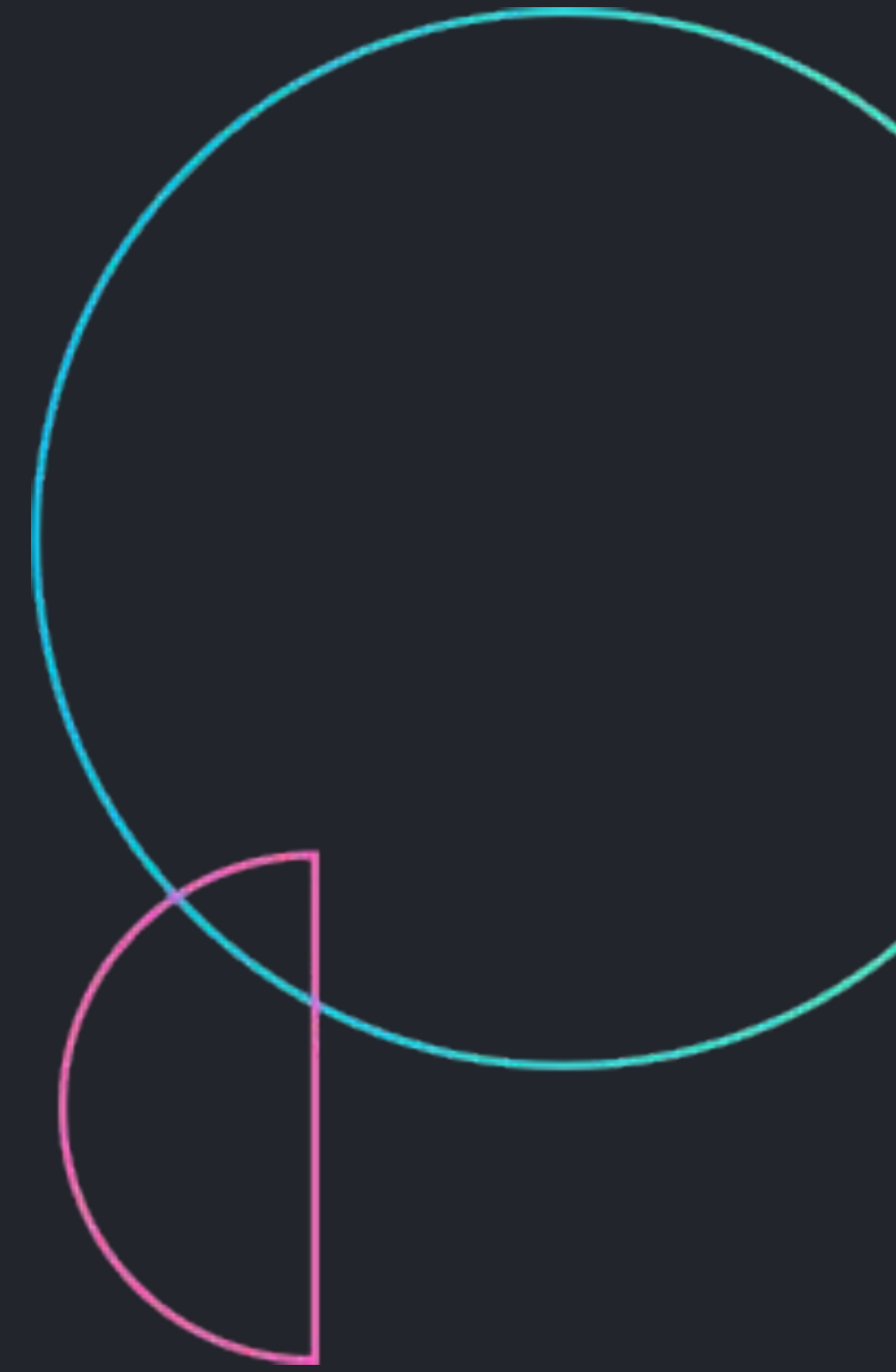
List of deliverables

- Project plan & timeline ([Example Template](#))
- Strategic planning team roles & responsibilities ([Example Template](#))

Planning checklist

- Assign facilitator
- Identify strategic planning team
- Document the timeline/project plan
- Identify key objectives for planning process
- Schedule kick-off and workshops with planning team
- Prepare communication plan for strategic planning & roll-out
- Send welcome email and project plan to planning team





Step 2

Clarify Your Why

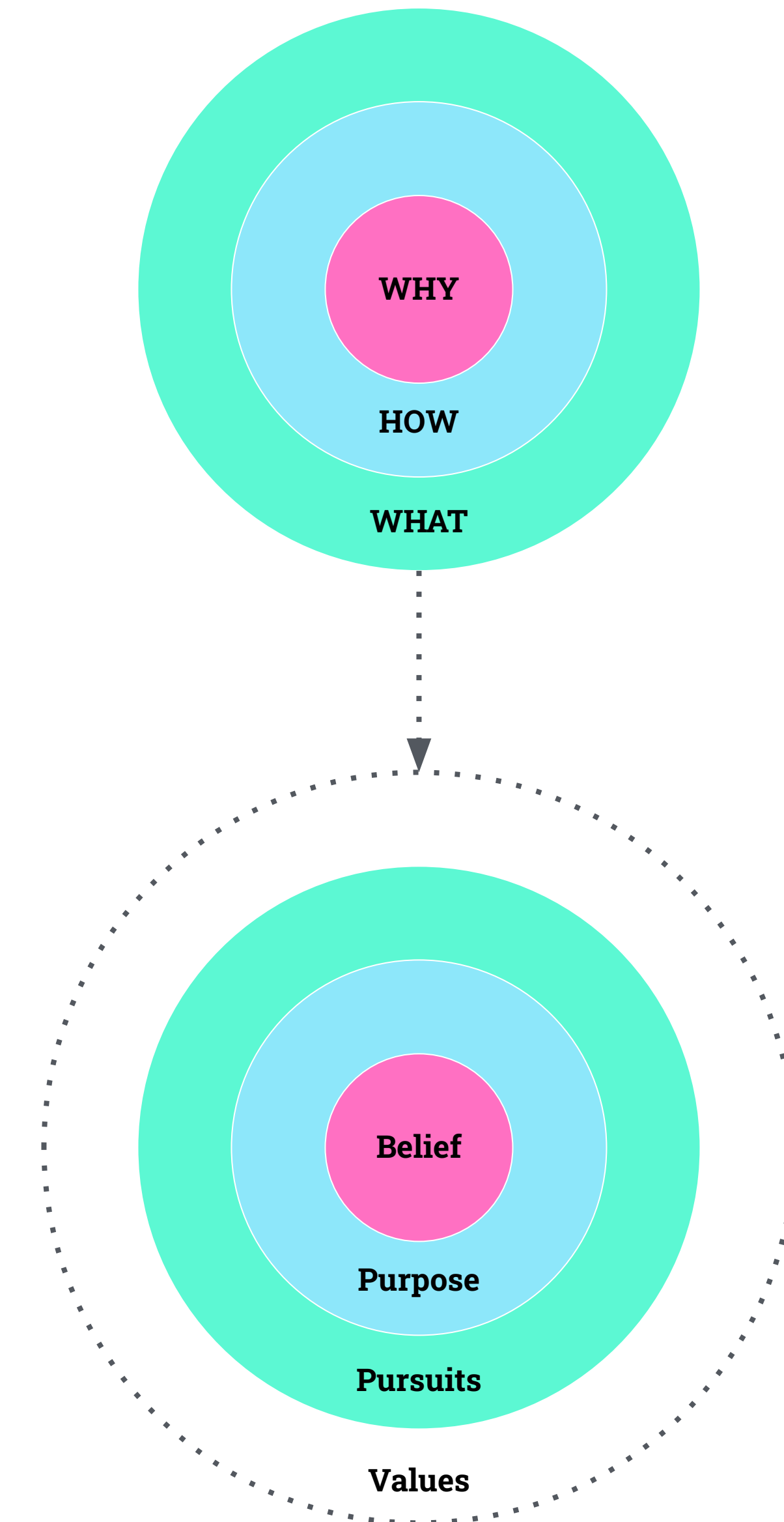


Your beliefs shape your purpose

A foundational first step when approaching strategic planning is to ensure your organization has clear alignment around the highest order reason for why you exist in the world and what you hope to achieve as an organization.

At Parallax, we use a Belief & Purpose model that is heavily influenced by the frameworks we used at [Zeus Jones](#) to help fortune 100 brands create internal alignment and drive meaningful action.

Many of these purpose frameworks draw on [Simon Sinek's "Why" model](#) as a starting point. Our approach is no exception.



“Purpose depicts what the organization can be and goes beyond positioning to take a stand. Rather than being only market driven, a purpose-based organization is also driven by values, culture, and ethos. It reframes an organization’s compact with the world; instead of being an obligation, social responsibility is seen as an opportunity.”

[Purpose with the power to transform your organization, BCG](#)

Step 2 | Clarify Your Why

Clarifying why you exist in the world and what you hope to achieve as an organization is important when approaching strategic planning. Customize the work in this step based on work you've already completed. You can use the tools and templates provided here to establish a Belief + Purpose framework or clarify an existing version.

Objective of step 2

To have clear alignment around the highest order reason for why you exist in the world and what you hope to achieve as an organization.

List of deliverables

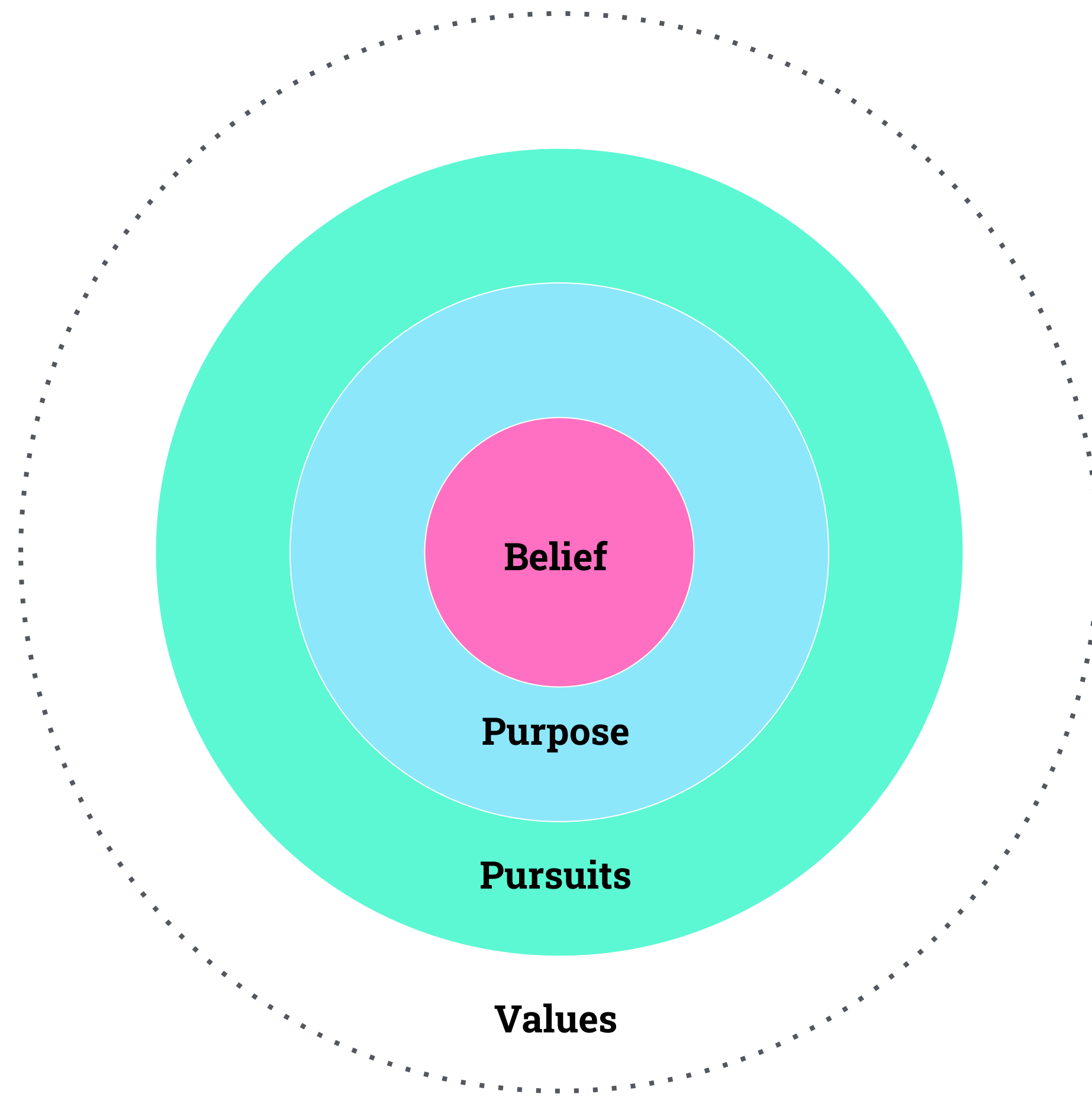
- Belief, Purpose, and Pursuits (BPP) framework ([Slide 18](#))
- *Optional:* Belief, Purpose, and Pursuits (BPP) framework w/ Values ([Slide 23](#))

Progress checklist

- Compile mission, vision statements + any relevant strategic documents
- Schedule Belief, Purpose, Pursuits (BPP) workshop
- Conduct Belief, Purpose, Pursuits (BPP) workshop
- Synthesize BPP results + refine BPP framework as a team
- Optional:* Schedule values brainstorm
- Optional:* Conduct values brainstorm to add onto BPP framework
- Optional:* Synthesize values results + refine BPP framework as a team



What are Beliefs, Purpose, Pursuits & Values?



Belief: Is the fundamental truth you believe about the world at large.

A good belief...

- Is big and about the world at large
- Inspires passionate agreement
- But isn't for everyone – if no one disagrees, it's probably uninteresting
- Stakes out a cultural space to play in
- Sets the stage for the brand to play a strong role

Purpose: Is why you exist and what you're going to do about it.

A good purpose...

- Defines your role in fulfilling or acting upon the belief
- Inspires actions that help drive a brand, business, or organization
- Is clear and succinct
- Is ambitious (no foreseeable finish line)
- Has implications for all aspects of the business
- Helps shape communications, but is not designed to be customer-facing

Pursuits: Are strategic paths that help you get there.

Good pursuits...

- Inspire and prioritize actions
- Invite others to participate
- Have an outsized impact

Values: Are the ways you behave while in pursuit of your purpose

Good values...

- Are authentic and genuine
- Are recognizable
- Are meaningful and used to drive action
- Influence every aspect of the business

Belief, Purpose, Pursuits workshop agenda

In order to get to your BPP, we recommend holding the following workshop to internally identify and agree on themes that exist across your team. Use these themes to inform your BPP framework.

Pre-WS homework

20 mins

Take a [personality assessment](#) prior to the workshop.

Intro + Icebreaker

10 - 20 mins

Make time for team introductions as needed, and share an interesting take away from the personality assessment.

Brainstorm 1 | Belief

30 - 60 mins

Use this first brainstorm to uncover initial inputs into your core beliefs as an organization and additional insight on who you are looking to serve.

Brainstorm 2 | Purpose

30 - 60 mins

This second brainstorm will help you identify what opportunities and/or challenges you should consider for each belief identified in Brainstorm 1.

Brainstorm 3 | Pursuits

30 - 60 mins

Now that you've identified some key themes across potential belief and purpose territories, you'll brainstorm and discuss ways you can take action to fulfill your purpose.

BPP initial build

30 - 60 mins

Revisit key themes and outputs of your Belief, Purpose, and Pursuits brainstorms.

Discuss and evolve them together as a team and start building out your drafted framework.

Brainstorm 1 | Belief

Use this first brainstorm to uncover initial inputs into your core beliefs as an organization and additional insight on who you are looking to serve.

There are 2 parts to this brainstorm.

Part 1

First, spend 10 - 20 minutes in small groups brainstorming against the following belief input questions.

- Who are we?
 - What do we care about?
 - What do we stand for?
 - What does this say about the world?
- Who are we looking to serve?
 - What are they like?
 - What do they need?
 - What do they want?
 - What are their fears?



Brainstorm 1 | Belief

Use this first brainstorm to uncover initial inputs into your core beliefs as an organization and additional insight on who you are looking to serve.

There are 2 parts to this brainstorm.

Part 2

Now, spend 20 - 40 minutes sharing your responses to the larger group, and identify key belief themes and/or trends as they begin to emerge. Use the questions below to guide your share out.

- Is it inspiring?
- Are we excited about it?
- Is it ambitious?
- Is someone else already doing it?
- Does it build on or tap into a relevant cultural trend?

Brainstorm 2 | Purpose

Use the top belief themes from the first brainstorm to inform this next brainstorm on identifying your purpose. In this session, you'll brainstorm what opportunities and/or challenges you should consider for each belief. There are 2 parts to this brainstorm.

Part 1

First, spend 10 - 20 minutes brainstorming in small groups against the following purpose input questions.

- If we believe XXX (pull from brainstorm 1), what should be done about it?
- What opportunities or challenges does belief XXX (pull from brainstorm 1) uncover?



Brainstorm 2 | Purpose

Use the top belief themes from the first brainstorm to inform this next brainstorm on identifying your purpose. In this session, you'll brainstorm what opportunities and/or challenges you should consider for each belief. There are 2 parts to this brainstorm.

Part 2

Now, spend 30 - 40 minutes sharing your responses with the larger group and identify key purpose themes and/or trends as they begin to emerge. Use the questions below to guide your share out.

- Is it inspiring?
- Are we excited about it?
- Is it ambitious?
- Is it clear?
- Can it scale across all aspects of our business?



Brainstorm 3 | Pursuits

Now that you've identified some key themes across potential belief and purpose territories, spend the next 25 minutes brainstorming and discussing ways you can take action to fulfill your purpose. There are 2 parts to this brainstorm.

Part 1

First, spend 10 - 20 minutes brainstorming in small groups against the following pursuit input question.

- What are we uniquely positioned to do to take action on XXX belief / purpose?



Brainstorm 3 | Pursuits

Now that you've identified some key themes across potential belief and purpose territories, spend the next 25 minutes brainstorming and discussing ways you can take action to fulfill your purpose. There are 2 parts to this brainstorm.

Part 2

Now, spend 30 - 40 minutes sharing your responses with the larger group and identify 3 - 5 key pursuit themes and/or trends as they begin to emerge. Use the questions below to guide your share out.

- Do these actions feel natural to who we are as an organization?
- What are we already doing to support this?
- What partners might we need (new or existing) in order to deliver on these pursuits?

Complete your Belief, Purpose, and Pursuits framework

Belief

The fundamental truth we believe about the world at large.

Purpose

Why we exist and what we're going to do about it.


Pursuits

The unique ways in which we align our assets and actions to make progress toward our purpose.

Pursuit 1

Pursuit 2

Pursuit 3




Optional Brainstorm | Values

Companies that choose to involve employees in brainstorming and defining their organizational values will craft more authentic values that employees buy into more easily. There are 3 parts to this brainstorm.

Part 1 | Personal Values Brainstorm

Give each employee a [values worksheet](#), and go through a multi-step process of elimination to identify your 5 core personal values.

You can read [detailed instructions on how to complete the values brainstorm here](#).




Optional Brainstorm | Values

Companies that choose to involve employees in brainstorming and defining their organizational values will craft more authentic values that employees buy into more easily. There are 3 parts to this brainstorm.

Part 2 | Company Values Brainstorm

Now, ask employees what actions, behaviors, and rituals the company has demonstrated over time and which have had the most positive and negative impacts on the culture.

Reflecting on the demonstrated actions taken, discuss what values those represent.



Optional Brainstorm | Values

Companies that choose to involve employees in brainstorming and defining their organizational values will craft more authentic values that employees buy into more easily. There are 3 parts to this brainstorm.

Part 3 | Values Output Exercise

As a leadership team, set up a separate session to compare employees' personal values with the company's demonstrated values.

After identifying themes, leaders should identify the company's values and define what they mean.

Create a system to reinforce & promote values

Perhaps the most important part of defining values is creating a system that shows people what “good” looks like.

WHY?

It helps employees recognize that behavior in the organization and encourages them to strive to do the same.

It reinforces your values and holds people accountable to them.

HOW?

Put your values into practice and reward people who act according to them.

Make values visible.

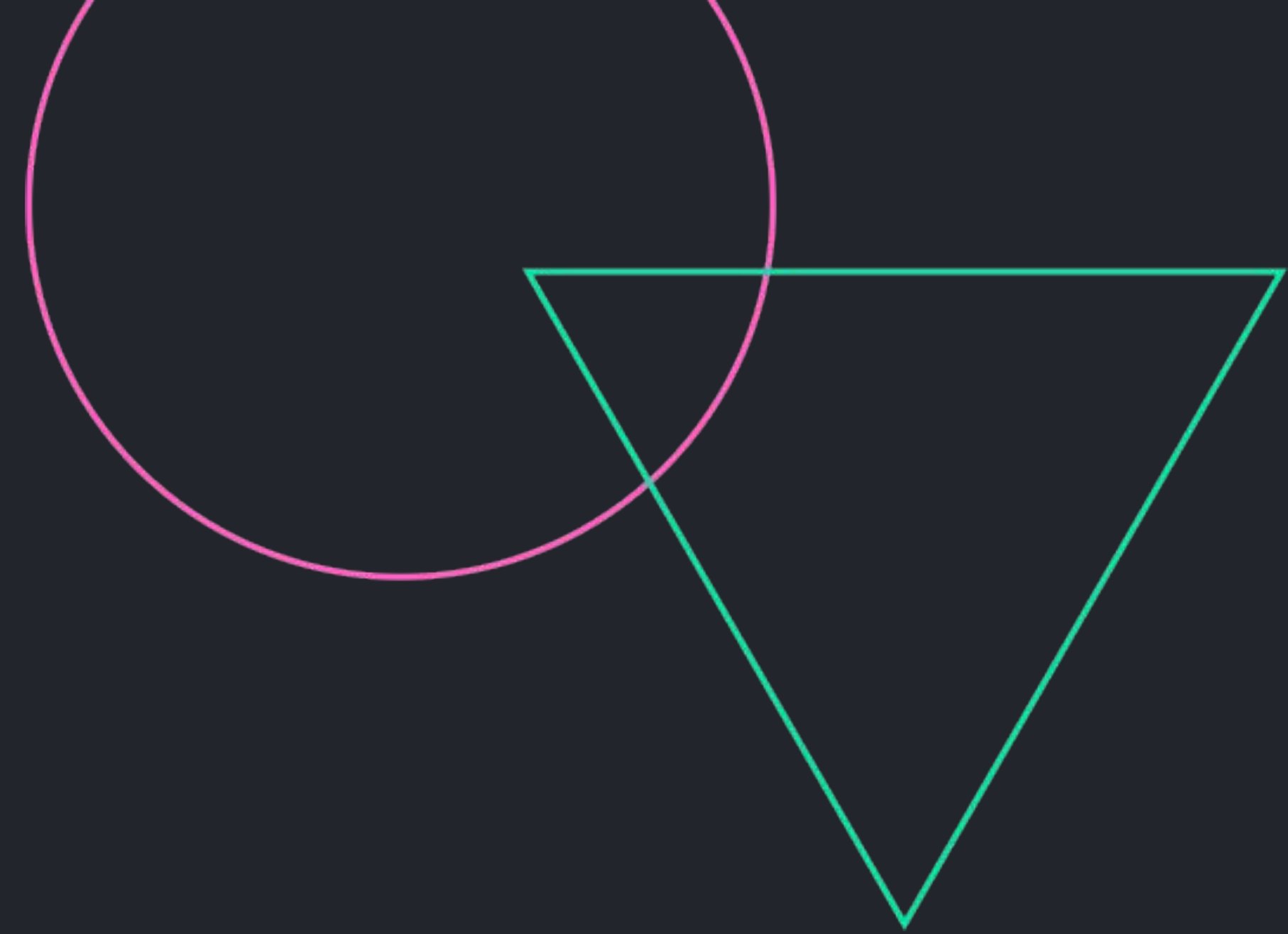
Example: Parallax stickers

We created a sticker system to reward and recognize employees when they live our values. Each sticker represents one of our values. At the end of each week, we determine if anyone has earned a sticker by demonstrating our values. This ritual reinforces our values and has become a fun part of our culture. Our people treat them a bit like Pokemon cards — gotta catch ‘em all! 😊



Optional: Complete your Belief, Purpose, Pursuits, and Values framework

Belief	The fundamental truth we believe about the world at large.			Values	Value 1
Purpose	Why we exist and what we're going to do about it.				Value 2
Pursuits	The unique ways in which we align our assets and actions to make progress toward our purpose.				Value 3
	Pursuit 1	Pursuit 2	Pursuit 3		Value 4
					Value 5



Step 3

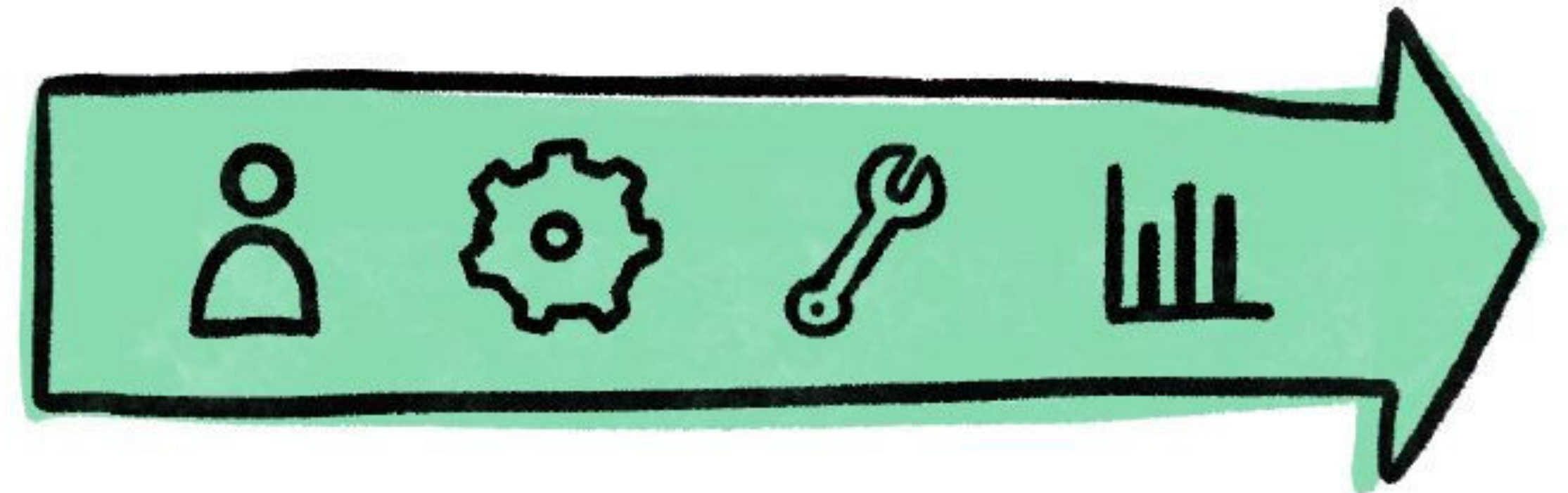
Understand Your Strategic Starting Point

Know where you are, so you know where to go next

This phase sets the foundation for where your team will go in the future.

To effectively prioritize what your organization should do next, the leadership team must have a shared perspective on where you are today, taking into account:

- the operational maturity of the organization,
- its strengths and weaknesses, and external opportunities and threats.



Step 3 | Understand Your Strategic Starting Point

Completing a maturity assessment and SWOT analysis will create alignment around your strategic starting point.

Objective of step 3

To create internal alignment around the strategic position while identifying both internal and external factors that will impact success.

Deliverables

- Digital Services Maturity Assessment ([Example Template](#))
- SWOT Analysis ([Example Template](#))

Progress checklist

- Complete a Digital Services Maturity Assessment
- Facilitate a 2-hour review of Assessment results & SWOT workshop with key stakeholders
- Synthesize results, and produce SWOT report
- Present findings to stakeholders with analysis



Digital Maturity Model Assessment & SWOT analysis

To kick off this phase of strategic planning, have each leader complete the Digital Services Maturity Assessment. This should take ~30 minutes to complete, and is an important step to creating a shared perspective on where you are today as business.

Once each leader has completed the assessment, have your facilitator synthesize the results. Highlight where the team has similar opinions and where they differ on how the business is performing. Then, bring everyone back together to review and discuss as a leadership team.

Reviewing this feedback and synthesis together is a great precursor to then conduct a SWOT analysis. SWOT stands for Strengths, Weaknesses, Opportunities, and Threats, and is a technique for assessing these four aspects of your business. It's an excellent tool for helping the team align and prioritize their focus for improvement. We recommend a simple SWOT analysis that includes Parallax's unique external perspective informed by broad industry knowledge and deep industry experience.

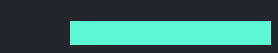
In this step, it's common for each leader to be more critical of their area of focus and more optimistic about other areas in the company. We've found these share outs tend to ignite meaningful and engaging conversation as peers perceive their work in a positive light.

[Download our Digital Services Maturity Assessment](#)

[Download our SWOT analysis](#)

Step 4

Identify & Prioritize Your Objectives



Step 4 | Identify & Prioritize Objectives

Clear objectives and measurable results give structure to ambitious growth goals. These give digital services companies a path forward that improves communication and decision-making and drives valuable action.

Objective for step 4

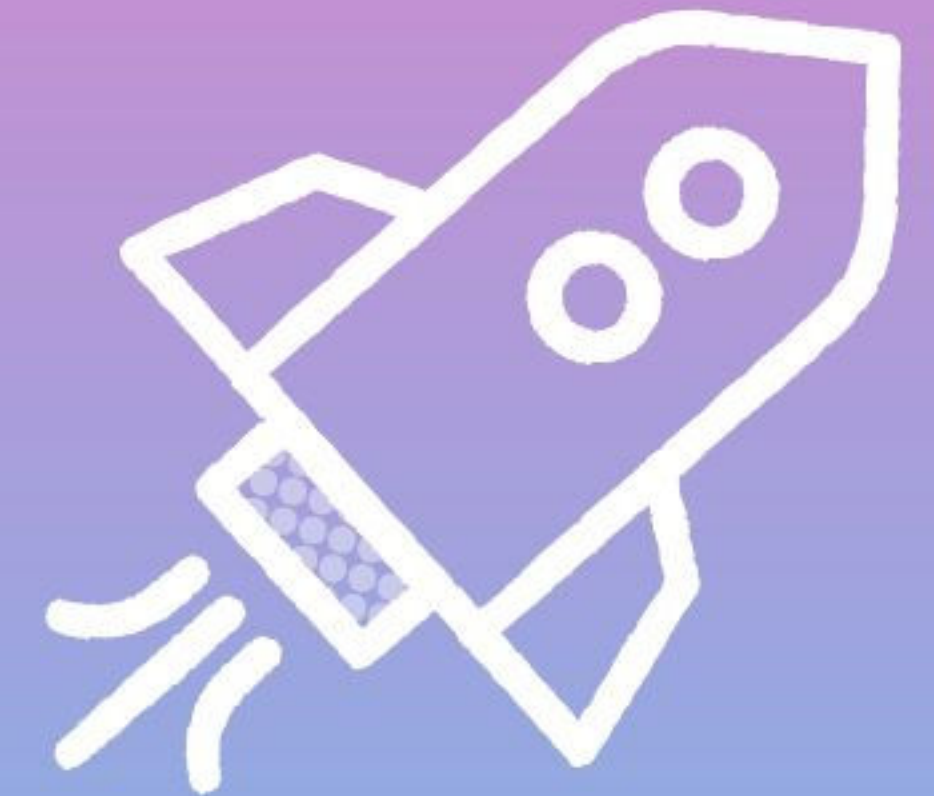
Identify and prioritize high-level goals and objectives for next year, including quick wins that can happen within weeks, by working backward from annual to quarterly to monthly objectives.

List of deliverables

- Annual objectives and measurable results ([Example template](#))
- Next quarter objectives that support annual goals and strategies
- Next month objectives that support quarterly goals and strategies

Planning checklist

- Hold initiatives ideation & prioritization workshop
- Complete objectives & initiatives analysis
- Present findings to stakeholders with analysis



“OKRs” – more than a tech industry buzzword

OKRs are a framework that helps companies set ambitious goals (objectives) and track how they are doing against them (key results).

Former Intel CEO, Andy Grove, popularized the idea for OKRs at Intel. In his book, *High Output Management*, Grove wrote that there are two essential questions companies need to answer to use a framework like OKRs:

1. **Where do I want to go?** – This gives you the objective.
2. **How will I pace myself to see if I am getting there?** – This gives you the key results.

Example OKRs

Companies typically align OKRs with their org chart. There’s a high-level company OKR, supported by department OKRs, and eventually individual employee OKRs.

Objective:

Be regarded as the industry leader in our market

Key result #1:

Speak at or write for 3 industry events or publications

Key result #2:

Rank #1 on the G2 grid in our category

Key result #3:

Exceed Net Promoter Score® of 80

OKRs for digital services companies

While the OKR framework is simple, actually implementing and writing your objectives and key results can be tricky. You can find tons of advice about how to implement OKRs (including from [Google](#), [Hacker Noon](#), and [Sachin Rekhi](#)). **When it comes to writing yours, don't reinvent the wheel!**

A lot of people (including us!) have already put in the work to craft OKR examples based on industry standards and best practices for what to measure.

To make this process simpler for you, we wrote OKR examples for all levels of a digital services company. These OKRs will help you align your company to its goals, create a workplace that wins the best clients, and attract and retain the best employees.

[Download our OKRs for Digital Services Companies Here!](#)

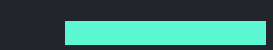


Section	Objective	Key Result 1	Key Result 2	Key Result 3	Key Result 4
Sales OKRs	Consistently bring in new opportunities that enable us to innovate our craft and do our best work	Maintain a pipeline value that is at least 250% of quarterly bookings target	Hit 100% of each quarter's bookings goals for new leads	Achieve at least 100% across the sales team	At least 50% of all new sales are from CTEs
Business Devlop	Consistently identify, act on, and close new business opportunities	Identify at least 400 new leads	Send thought provoking content to at least 20 prospects each month	Set at least 20 introductory meetings	...
Account Execs	Develop and grow relationships with clients	Hit 100% of client logins	Perform quarterly business reviews with at least 50% of clients	Convert 50% of meetings to sales opportunities	...
Project Manager OKRs	Deliver measurable and meaningful impact in all of our work	Lead customer in defining measurable success factors for each active project	Deliver at least 80% of all customer defined success factors for projects completed	Actively update 100% of all resource plans on a weekly basis	Complete 100% of timesheets by the weekly due date
UX Designer OKRs	Gain meaningful engagement with customers in product development	Conduct monthly feedback sessions with customers	Conduct at least 1 design workshop with customers each quarter	Add 10 new user stories each sprint	...



Step 5

Communicate, Measure, and Manage



Communicate

In order for strategic planning to take root, your prioritized objectives and key results need to be shared across the organization.

Sharing the outcomes with everyone in the organization is crucial. Different levels of management need to communicate, measure, and manage their teams based on what they are responsible for so that they close the gaps that exist between desired objectives and current performance. Without this communication, managers may inadvertently prioritize their teams efforts on activities that are not aligned with what is most important, leading to potential feelings of being undervalued or misaligned.

Eventually you'll want to set OKRs all the way down to the individual level. That's a great goal. However, we recommend starting with senior leadership first. This way you can lead from experience having worked out some of the kinks relative to how your team works.

In the meantime, we recommend sharing progress toward OKRs as an organization frequently and consistently. At Parallax we hold "all team meetings" every Tuesday during which leadership shares OKR progress with the entire organization.



Measure & Manage

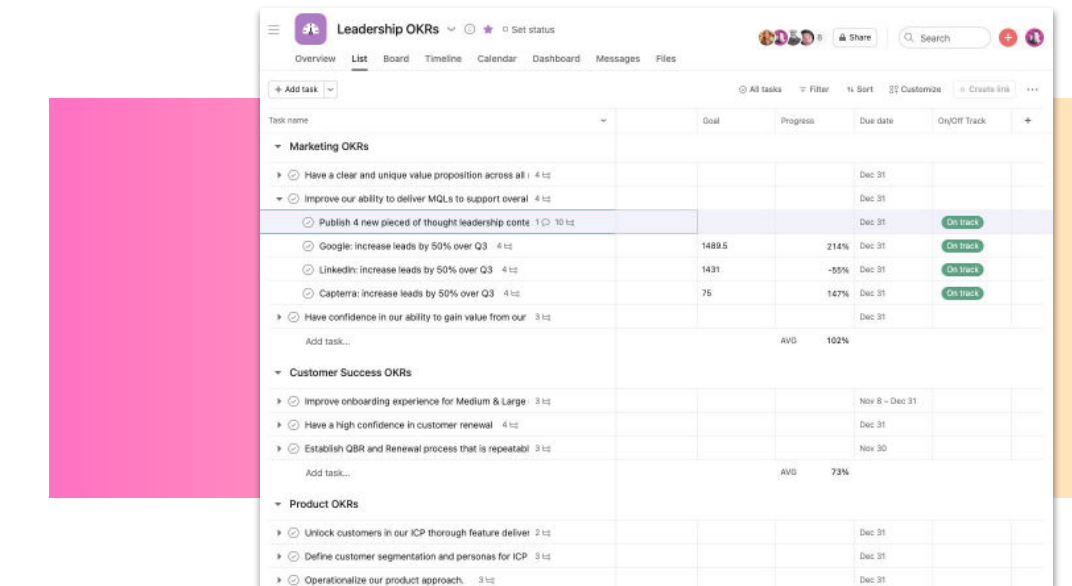
As with any communication, a consistent cadence for measuring and reporting progress against objectives is crucial.

However, every organization is different and will require a unique set of cadences, rituals, and tools.

Example: How we do it at Parallax

1) Use a shared project in [Asana](#) that includes:

- Company and team objectives
- Key results per objective
- OKR owners
- Goal line
- Progress
- Due date
- On/off track progress



2) Attend weekly leadership review meetings

- Leaders update OKR progress and weekly activities ahead of the meeting
- Leaders review their OKR progress focusing on anything that is "off track" and requires input from others to move forward.
- Items that need more than a couple minutes are put into a "parking lot" to discuss after each leader has done a high-level review of their OKR progress.

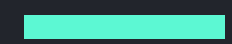
3) Send a recap specific next steps, to-dos, etc.

4) Add updates to the weekly all hands meeting to be shared with all team members.



Final thoughts

Why this matters



A successful organization has to be two things: Smart and Healthy

<https://www.nbforum.com/nbreport/patrick-lencioni-untapped-advantage-organizational-health/>

Patrick Lencioni

President of The Table Group, a management consulting firm specializing in executive team development and organizational health

Organizational “Smarts”

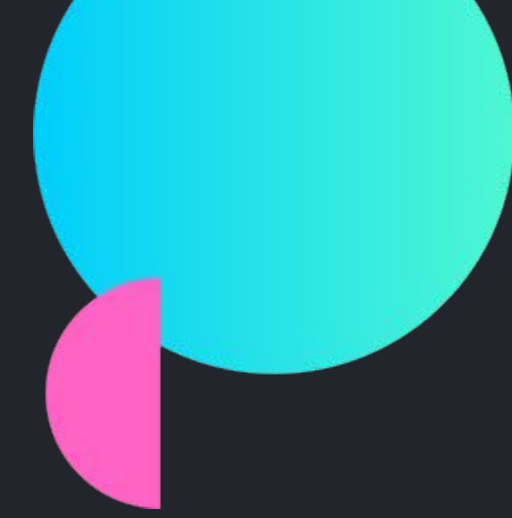
The right brain, quantifiable, measurable stuff that 95% of organizational leaders focus on. Stuff like:

- Clear objectives and measurable key results (OKRs)
- Intimate familiarity with organizational outputs, products, etc.
- Clear understanding of financials, leverage, market share, etc.
- Clear understanding of the competitive landscape
- Accurate performance measurement and forecasts

Organizational “Health”

The other stuff, like having minimal office politics and confusion, high morale and productivity, and very low employee turnover. Stuff like:

- **A cohesive team—characterized by:**
 - Trust
 - Interdependence
 - Minimal politics & effective conflict resolution
 - Strengths-based, efficient decision-making
- **Over-communicated clarity through:**
 - Belief, Purpose, Pursuits, and Values
- **Clarity across organizational systems for:**
 - Recruiting, performance reviews, recognition, individual development, etc.



Be Smart. Be Healthy. Be a Unicorn.

At Parallax we believe in unicorns because we believe in possibilities.

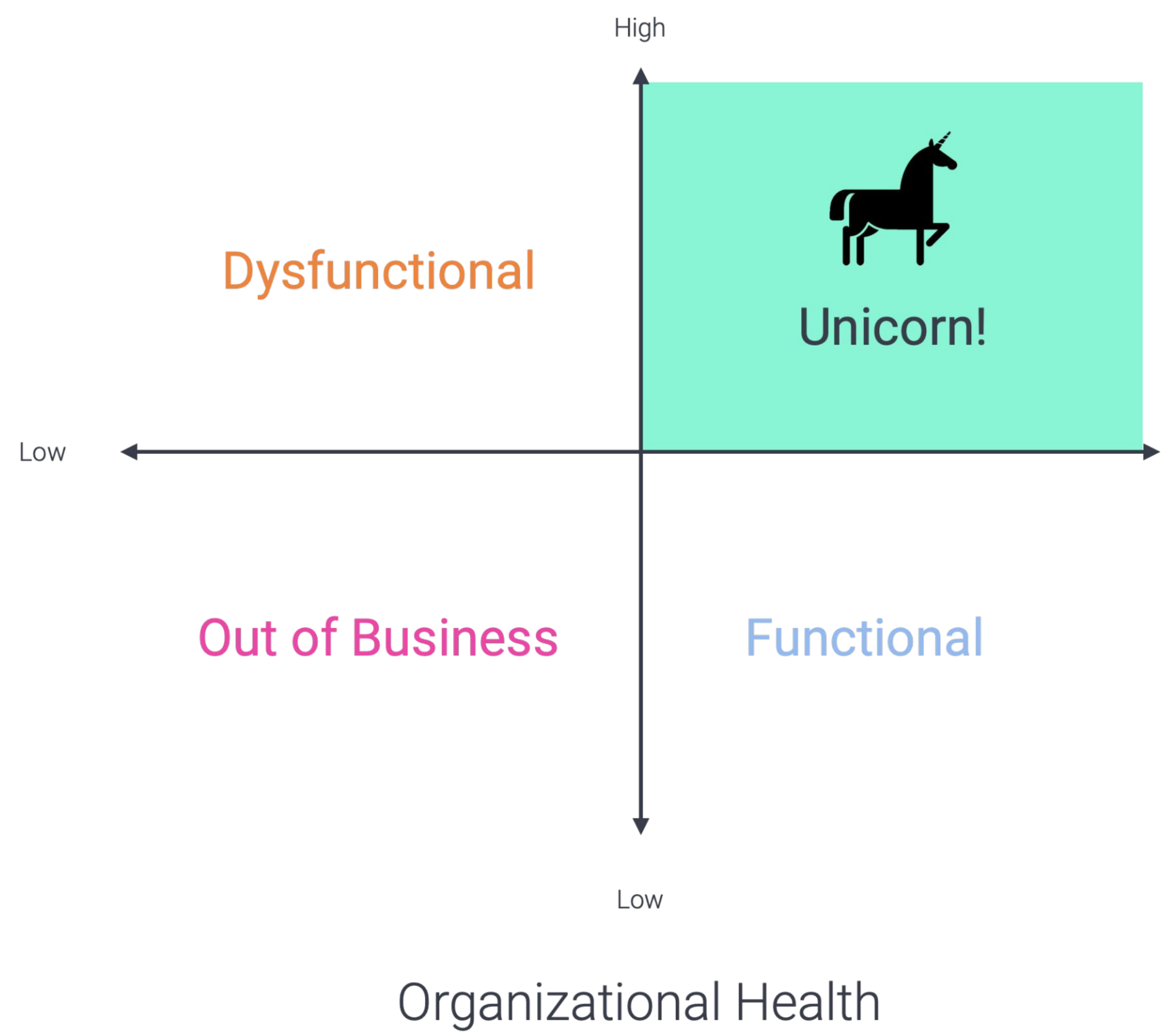
Strategic planning helps you and your people perceive the possibilities for growth in your business, embrace the change needed, and establish a confident path toward measurable, positive impact.

If you are interested in learning how Parallax helps digital services companies like yours grow with confidence, please reach out.

We'd love to help.

- The Parallax Crew

Organizational Smarts



Links and Templates

Just need the links to all of our templates provided? See below.

Step 1 | Prep for Planning

- [Project plan & timeline](#)
- [Strategic planning team roles & responsibilities](#)

Step 2 | Clarify Your Why

- [Personality assessment](#)
- [Values worksheet](#)

Step 3 | Understand Your Strategic Starting Point

- [Digital Services Maturity - self assessment](#)
- [SWOT Analysis](#)

Step 4 | Identify & Prioritize Objectives

- [Example OKRs for Digital Agencies](#)





Learn more at
getparallax.com