

## Is Strategic Planning a Relevant Concept for Cooperatives?

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What is strategic planning? According to Wadsworth (1992), "strategic planning" encompasses the development, implementation, and evaluation of strategies that enable an organization to achieve its goals, including measurement, feedback, and control. Through strategic planning, an enterprise can anticipate future events, see challenges as opportunities, and establish priorities based on the direction it wants to pursue. With proper planning and foresight, it can adapt to the changing environment and adjust product offering and operations in response to new technological breakthroughs, economic trends, changes in customer preferences and even shifts in labor laws. Being reactive instead of proactive could mean obsolescence and might even lead to closures -- a fact that all enterprises should watch out for. The concept of strategic planning was first used by the military to ensure victory over its enemies. From its roots in the military, two essential characteristics were formed: 1) creating a big picture by considering all possible alternatives amidst a dynamic environment; and 2) generating a clear and definite long-term goal (Carron 2010).

It was later adopted by the business sector where it became a standard managerial tool used by companies. The concept evolved when large, complex enterprises discovered that chances of success would be increased if strategic planning would not be limited to top management but would also be the concern of everyone else in the organization. Neither an externally hired consultant nor a dedicated internal planning unit would be suited for the job. Only through empowerment, engagement and participation of all members of the organization would goals be met.

The public sector likewise saw the applicability of employing strategic planning. While the government agencies have no competition and do not pursue profit, they are still expected to fulfill the mandate of serving the country through quantifiable results by being cost-conscious, cost-effective and result-oriented. Through the strategic planning process, old and



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inefficient ways of doing things would be challenged and new solutions for resource-optimization and cost-minimization would be highlighted. This goes to show that strategic planning is an approach that is appropriate to all types of enterprises.

Is strategic planning applicable to cooperative enterprises? The answer is a resounding "yes". As long as cooperatives see the need to achieve long-term goals and come up with more efficient ways of handling scant resources, strategic planning would always be a relevant concept. Furthermore, instilling long-term thinking among cooperatives through strategic planning would increase the enterprise's capacity to sustain the viability of its operations, thereby improving its chances of survival and success. Sustaining the operation of the enterprise would translate into longer time that it would be able to provide the needs of its members which, in turn, could lead to more self-reliant members. If a cooperative could achieve this, it would have fulfilled the very essence of its existence, which is addressing the economic, social and cultural needs of its members.

