Step 1: Be Strategic on Costs and Budgeting
Look to promote innovation, growth and productivity. Before you even start your functional planning process, make a commitment to take a strategic approach to cost management and budgeting, wherever and whenever you must decide which initiatives to pursue and fund.

Step 2: Identify Key Peers, Influencers and Sign-Offs
Win friends and influence people. From the outset of the functional strategic planning process, identify the key stakeholders who will be contributing to, reviewing and signing off on your plans. Think of them as representative of the dependencies within today’s complex organizations.

Step 3: Determine the Impact of Business Strategy on Your Function
Stay laser-focused on business strategy. Your functional strategic plan will map the key initiatives you’ll pursue to drive enterprise ambitions. You’ll need strategic focus and the confidence to act boldly and decisively to take advantage of opportunities and avoid risks created by pursuing enterprise imperatives.

Step 4: Establish Whether You Have the Right Capabilities
Do you have what it takes to drive enterprise ambitions? As you determine the impact of business goals on your functional priorities, you’ll also need to evaluate the availability and maturity of the capabilities required to bolster your function and drive the enterprise value proposition — even as that proposition evolves.

Step 5: Define Your Function’s Objectives
Things to get right in your plan. Armed with information on enterprise strategy and your function’s capabilities, strengths and weaknesses, you’re ready to define a prioritized list of functional objectives — four to five to support each strategic business goal. Each should have a time horizon of one to two years.

Step 6: Look to Fund Innovation and Growth
A plan is just a plan without resources. Strategic growth objectives should be ambitious by definition, but they still have to be funded — with budget, talent and technology. The challenge is how to allocate scarce resources to the most critical initiatives and growth investments.

The mandate for functional leaders is to identify and prioritize initiatives that will support and drive the enterprise strategy for driving innovation, growth and competitive advantage.