

# Should we do away with traditional annual planning?

## PROS

Companies have to make decisions and budget based on the assumption that the future will happen according to plan. If and when those assumptions don't come to fruition, plans need to be adjusted beyond once/year.

According to Kaplan and Norton's balanced Scorecard, nine times out of ten, annual plans becomes irrelevant.

A well-communicated rolling (or real-time) plan can keep everyone on the same page.

## CONS

Details can adapt, but if the larger direction stays the same, it serves as a North Star of where you're heading as a company.

The best annual planning processes connect all the different teams together. It's a big coordination exercise across the entire company.

Annual planning gets all your employees and their teams on the same page, which is huge for morale.