

# E-PAPER: **THINK, ACT, FOCUS**

## Mastering the 3-Step Strategic Approach

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## EXECUTIVE SUMMARY

The core purpose of this whitepaper, entitled "**THINK, ACT, FOCUS: Mastering the 3-Step Strategic Approach for every organization,**" is not the creation of an entirely new strategic model. Rather, it harnesses established strategies that have demonstrated their effectiveness through numerous workshops. Its primary goal is to empower organizations to efficiently develop or refine their strategies due to changing contexts, ideally **within a one to two-day period**. Due to its time limitation, it can be used as a framework to raise the skill of strategic thinking and planning. Every step can and should be elaborated.

This paper is designed to stimulate thoughtful consideration about these existing frameworks. I am convinced that to effectively manage an organization, a comprehensive understanding and application of these strategies is essential, as they are interconnected and mutually reinforcing. You, with your unique organizational context, are in the best position to determine which strategies are most applicable to your needs.

A clear, succinct, and actionable strategy is crucial for fostering **alignment within the leadership team and the organization**. And it's this alignment that is a vital component of organizational success.

I invite you to enjoy your reading journey, do it yourself (or reach out) and encourage you to share the insights you gain.

**In every challenge lies an opportunity. Find it, decide and focus to make it happen. – Stijn Vander Plaetse**

## **THE SIGNIFICANCE OF TEAM ALIGNMENT IN SUCCESSFUL COMPANIES**

Successful companies distinguish themselves through highly aligned teams. This alignment is a result of team members sharing a common vision and values that direct them towards the organization's goals.

### **Five key benefits of an aligned Leadership & Organization:**

#### **1. Enhanced communication:**

- Alignment fosters open and effective communication within the organization. When teams share a common vision and understand their collective goals, misunderstandings are minimized, leading to smoother and more efficient communication channels.

#### **2. Increased efficiency and productivity:**

- Aligned teams work more cohesively, reducing duplication of efforts and improving productivity. When everyone understands their role in achieving the organization's objectives, they can focus their efforts more effectively, leading to increased overall efficiency.

#### **3. Improved decision making:**

- With a shared vision, decision-making becomes more streamlined and consistent across different levels of the organization. This alignment ensures that decisions at all

levels are in sync with the organization's strategic goals, leading to more effective and strategic decision-making processes.

#### **4. Stronger organizational culture:**

- A shared set of values and a common vision contribute to a stronger, more cohesive organizational culture. This culture breeds a sense of belonging and commitment among team members, resulting in higher morale and job satisfaction.

#### **5. Better adaptability to change:**

- Aligned organizations are better equipped to adapt to changes in the market or industry. When teams are united by a clear vision and understand how their work contributes to the organization's goals, they can more readily adjust and respond to external shifts and challenges.

## **EMPLOYEE ENGAGEMENT AND BUSINESS STRATEGY**

The interplay between employee engagement and a firm grasp of business strategy is pivotal for organizational success. Engaged employees are deeply invested in the company's overall success. When employees are in tune with the business strategy, they're able to seamlessly align their individual efforts with the broader organizational objectives, enhancing their motivation and engagement.

Moreover, this alignment between employee engagement and strategy comprehension equips staff to nimbly respond to evolving challenges and shifts in the market. Such adaptability is a cornerstone of maintaining a competitive edge in today's dynamic business landscape. In essence, nurturing a workforce that is both engaged and strategically informed is key to fostering a resilient, agile, and thriving company.

# Step 1: **THE UPDATED SWOT**

## **START WITH YOUR EXISTING SWOT**

A SWOT analysis offers comprehensive insight into an organization's internal strengths and weaknesses, as well as external opportunities and threats. This clarity is crucial for strategic planning, enabling leaders to make informed decisions based on a well-rounded understanding of their organizational context. By identifying these key elements, a SWOT analysis provides a solid foundation for developing strategies that capitalize on strengths and opportunities, while addressing weaknesses and mitigating threats.

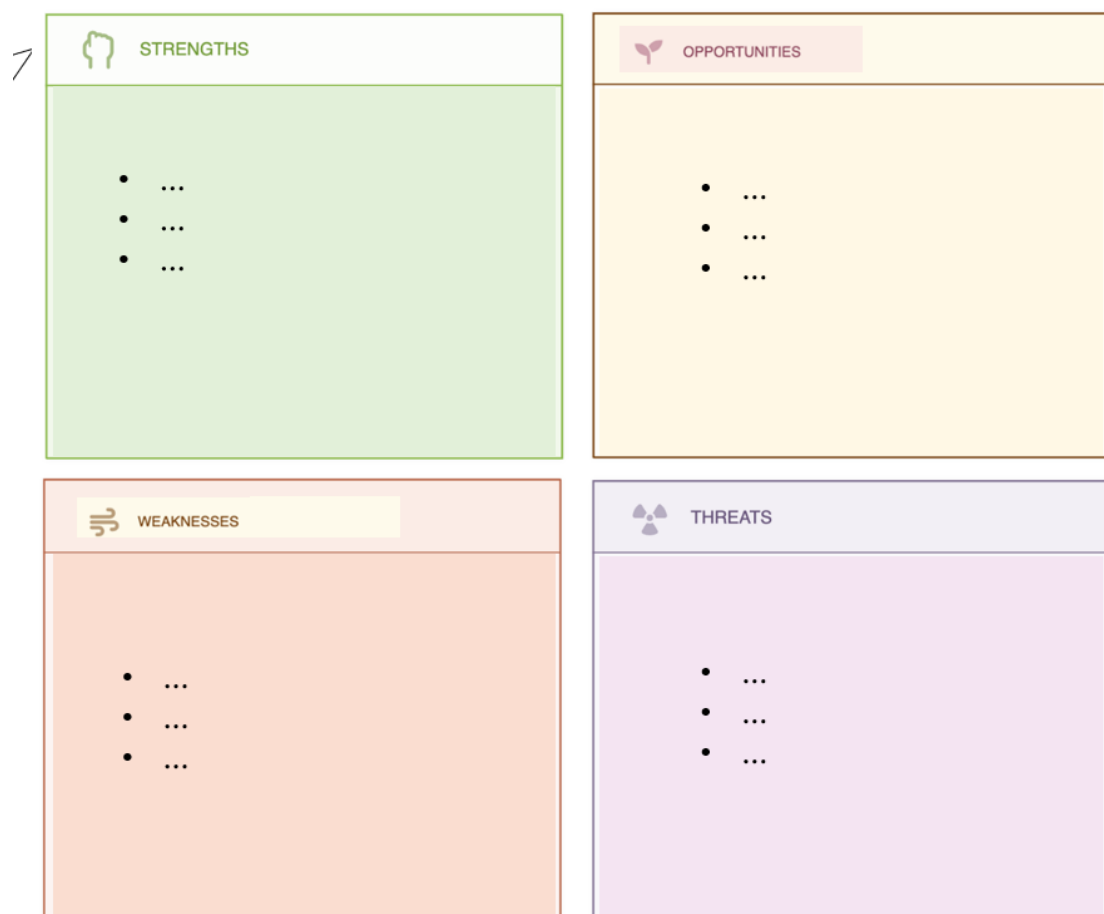
Initiating the strategic process with a SWOT analysis is essential to ensure all participants are on the same page. This analysis serves as a foundational step to align everyone's understanding of the organization's current position.

### **What :**

It's common for SWOT analyses to become overwhelming with lengthy lists in each quadrant. To make it more effective, it's advisable to start with a comprehensive list and then engage in a

focused discussion to **distill this down to 3-5 key topics per quadrant.**

These topics should specifically concentrate on the organization's core areas: its overall structure, processes, supporting technology, and the products or services offered. By refining the SWOT analysis in this manner, it becomes a powerful tool to identify the most critical areas for strategic development, ensuring that subsequent steps are based on a clear, shared understanding of the organization's most pressing strengths, weaknesses, opportunities, and threats





## THE FORESIGHT EXERCISE

A foresight exercise is in my believe an important step in the strategic exercise, designed to expand the team's perspective and prepare for future challenges. **This exercise encourages participants to look ahead 5 to 10 years**, considering various trends that could impact the organization. It's an opportunity to explore potential changes in the sector, societal shifts, competitive dynamics, and behavioural evolutions. Understanding these trends helps in anticipating and preparing for future scenarios, ensuring the organization remains adaptive and forward-thinking.

### 1. **Sector-specific trends:**

- These trends might include technological advancements, regulatory changes, or shifts in industry standards. For instance, in the tech industry, the rise of artificial intelligence will revolutionize product development and customer interaction.

### 2. **Societal changes:**

- This includes demographic shifts, changes in consumer values, or global movements like sustainability. An example is the increasing emphasis on eco-friendly practices, influencing consumer choices and corporate responsibilities.

### 3. **Competitive landscape dynamics:**

- Trends here involve new market entrants, evolving business models, or shifts in market dominance. For example, the emergence of disruptive startups can challenge established market positions.

### 4. **Consumer behaviour shifts:**

- This covers changes in buying patterns, preferences, or customer engagement methods. The growing preference for online shopping over traditional retail is a pertinent example.

## What

Start before the exercise in identifying possible trends and explain them briefly to assure alignment in the interpretation of the trend. Allow the team to add trends in the discussion.



Upon identifying these trends, the team votes on their likelihood and potential impact on the organization. This voting process not only quantifies perceptions but also highlights areas of consensus or divergence in thinking about the future. Analysing the distribution and average of these results can reveal which trends are seen as most pertinent, sparking further discussion, and possibly revealing alignment or gaps in the team's view of the future. This exercise is not about forecasting; it's about opening minds to multiple possibilities and preparing the organization to navigate them effectively.



## THE UPDATED SWOT

After completing the foresight exercise, the next step involves updating the existing SWOT analysis with the futuristic insights, if any. This update allows the organization to recalibrate its strengths, weaknesses, opportunities, and threats considering the anticipated trends and changes identified in the foresight exercise. For instance, a newfound external opportunity or emerging threat may arise from technological advancements or shifts in consumer behaviour, necessitating a reassessment of the organization's current capabilities and market position. Ultimately, this revised **SWOT analysis becomes a more comprehensive tool, combining present realities with future possibilities**, thus guiding the organization towards more informed and forward-looking strategic decisions.

A more in-depth discussion could take place on the what's next at this stage. A first draft of the action plan.

The diagram illustrates the updated SWOT analysis and its connection to an action plan. It consists of five main components:

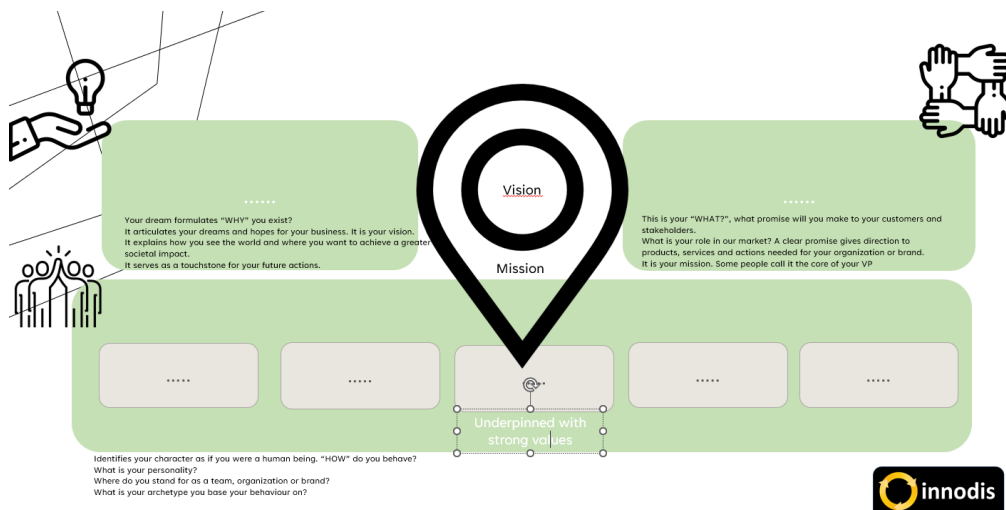
- STRENGTHS** (Green box): A box with a head-and-gears icon and three bullet points.
- OPPORTUNITIES** (Yellow box): A box with a butterfly icon and three bullet points.
- WEAKNESSES** (Orange box): A box with a broken chain icon and three bullet points.
- THREATS** (Purple box): A box with a radiation icon and three bullet points.
- ACTION PLAN** (Blue box): A vertical column on the right with three rows of questions:
  - How can we use our strengths to pursue opportunities?
  - How can we improve our weaknesses?
  - How can we defend against external threats?
  - What should we stop doing?

Updating the SWOT does not need to take long. It is always good to start a strategic exercise with the SWOT as a recall/refresher for the attendees.

## CHECK WITH YOUR VISION-MISSION-VALUES :

In many companies' strategy and strategy realization is regarded as a leadership topic. I strongly disagree. Strategy and especially strategy realization is every staff member responsibility. Therefore, every member should be aware of the strategy. For this extreme simplicity is needed.

Creating a one-pager that succinctly articulates an organization's vision, mission, and corporate values offers several significant benefits. Firstly, it serves as a clear and concise reference point for all stakeholders, ensuring everyone understands and aligns with the organization's core purpose and direction. Secondly, a well-crafted one-pager acts as a powerful communication tool, both internally and externally, effectively conveying the organization's identity and aspirations to employees, customers, and partners. It helps in building a strong brand image and reputation, which is vital in today's competitive market. Lastly, having these foundational elements clearly defined and easily accessible aids in strategic planning and execution, as they provide a framework against which all actions and strategies can be measured, ensuring consistency and coherence in pursuing the organization's goals.



# STEP 2: BUSINESS STRATEGY FRAMEWORK DISCUSSION

## SELECT A STRATEGY FRAMEWORK:

In any strategic exercise, it's invaluable to periodically reassess your organization's current state using a structured framework before starting the discussion on action plan (**yes, we all want actions but the helicopter view is needed**). Employing strategic models like the Lafley model or a Business model canvas offers a systematic approach to analyse and document key aspects of your business strategy. These frameworks which I prefer to provide a clear, structured way to evaluate your company's strategic position, value proposition, and competitive environment. This is not just a tool for strategy formulation but also serves as essential documentation for onboarding new employees, offering them an insightful overview of the organization's strategic landscape. Additionally, being mindful of strategic positions such as the Red Ocean (competing in existing markets) and Blue Ocean (creating new markets) strategies, helps in identifying the nature of competition and opportunities for innovation and growth. Regularly documenting and updating this strategic overview ensures that all team members, new and old, are aligned and informed about the core strategic principles guiding the organization.

## BLUE OR RED OCEAN STRATEGY FRAMEWORK:

RED OCEAN STRATEGY	BLUE OCEAN STRATEGY
Compete in <b>existing</b> market space	Create <b>uncontested</b> market space
<b>Beat</b> the competition	Make the competition <b>irrelevant</b>
Exploit <b>existing</b> demand	Create and capture <b>new</b> demand
<b>Make</b> the value-cost trade-off	<b>Break</b> the value-cost trade-off
Align the whole system of a firm's activities with its <b>strategic choice of differentiation or low cost</b>	Align the whole system of a firm's activities in <b>pursuit of differentiation and low cost</b>

It is useful to discuss the ocean the organization operates in or wants to evolve. It can give inspiration for the third step: the action plan.

Navigating the strategic landscapes of Red and Blue Oceans requires distinct actions to ensure success:

### 1. In a Red Ocean

- **Differentiate from Competitors:** In a Red Ocean, where competition is fierce, it's crucial to distinguish your offerings from those of competitors. This can involve enhancing product features, delivering superior customer service, or adopting innovative marketing strategies. Differentiation helps in capturing a larger market share and establishing a strong brand presence.
- **Cost Management:** Efficient cost management is key to thriving in a Red Ocean. Organizations should strive to optimize their operations, reduce costs, and improve overall efficiency. This approach can involve streamlining processes, adopting cost-effective technologies.

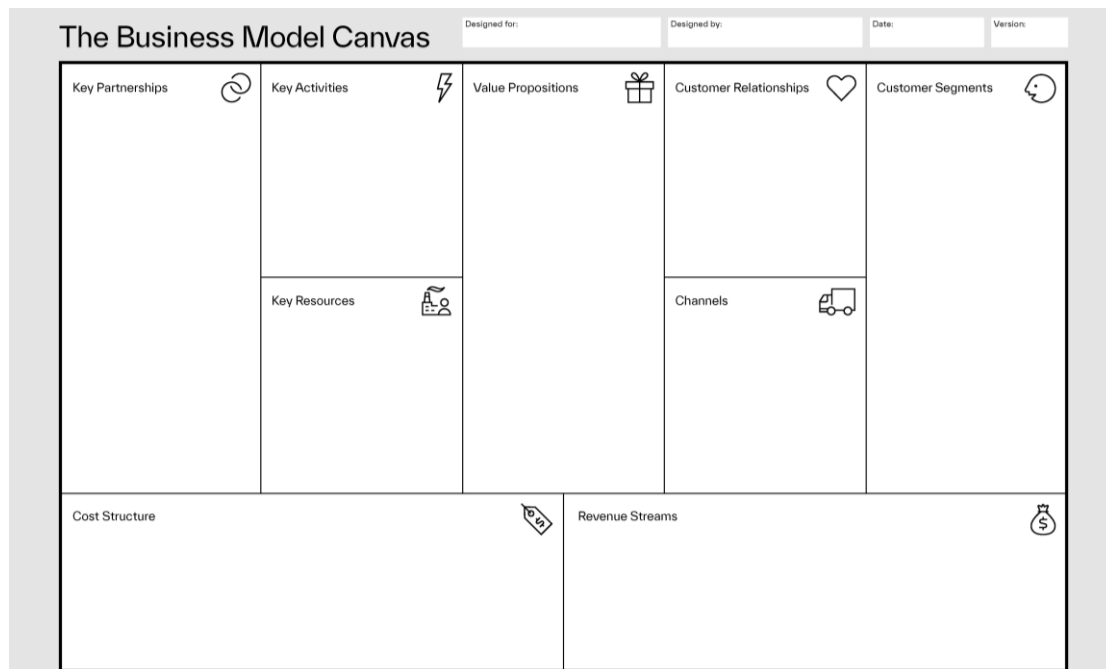
- **Focus on Existing Demand:** Since Red Oceans are characterized by existing demand, the focus should be on capturing and retaining customers. This requires understanding customer needs deeply, maintaining high-quality standards, and engaging in aggressive marketing and sales tactics.

## 2. In a Blue Ocean:

- **Innovate and Create New Demand:** The primary action is to innovate and create new market spaces, making the competition irrelevant. This involves thinking outside traditional industry boundaries and offering unique products or services that open new demand.
- **Value Innovation:** It's about creating value for both the company and its customers while simultaneously reducing costs. This can involve eliminating features that the market no longer values and focusing on factors that are truly important to consumers.
- **Build and Educate the Market:** In creating new demand, a significant part of the strategy involves educating potential customers about the new market and why your product or service is essential. This requires effective and strategic communication, emphasizing the unique benefits and value proposition of your offering.

Both strategies require a keen understanding of the market dynamics and a clear vision of how to navigate them. The choice between Red and Blue Ocean strategies should align with the organization's strengths, market position, and long-term objectives.

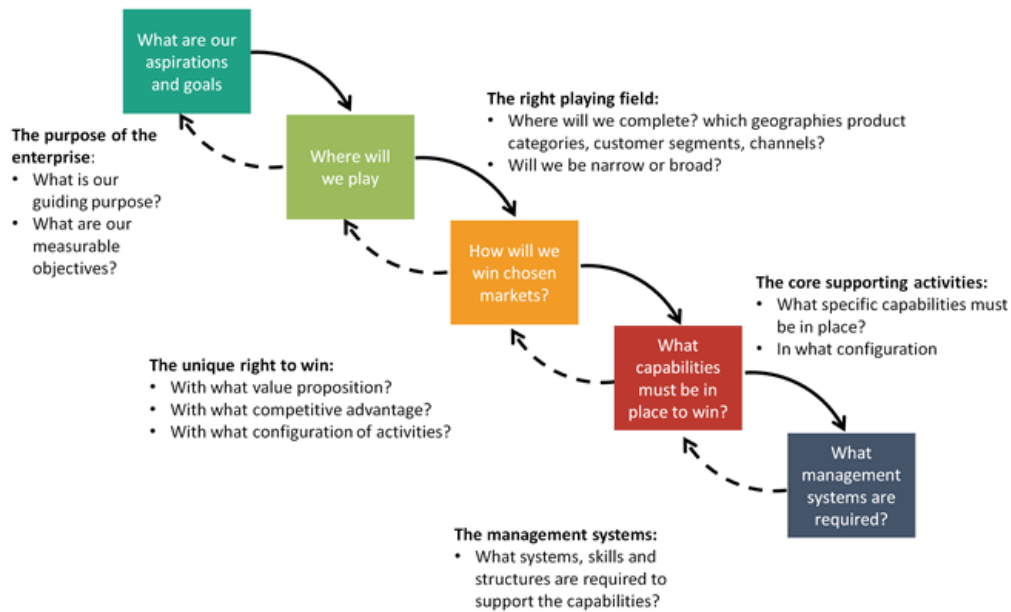
## THE BUSINESS MODEL CANVAS:



The Business Model Canvas is a strategic management template used for developing new business models or documenting existing ones. It offers a visual chart with elements describing a firm's value proposition, infrastructure, customers, and finances, assisting businesses in aligning their activities by illustrating potential trade-offs. The canvas is divided into nine segments. This approach enables organizations to understand how each aspect of their business interconnects and supports their overall strategy. By mapping out these components, companies can easily identify how they create, deliver, and capture value, making it a valuable tool for innovation, strategic planning, **and communicating** business models. It is always useful to regularly revisit and update the canvas.



## THE MODEL LAFLEY-MARTIN : PLAYING TO WIN

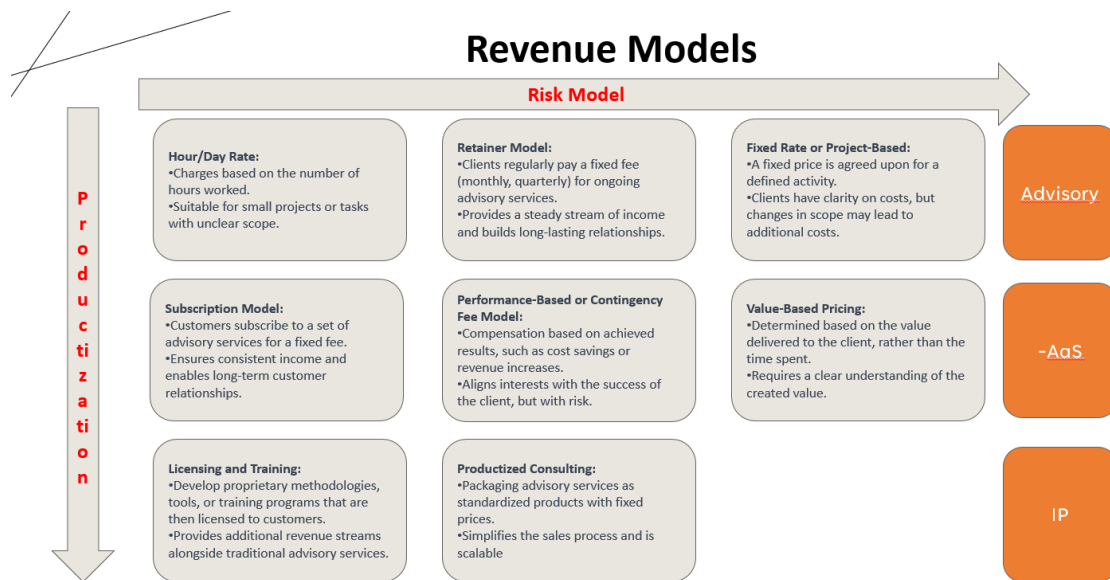


This is the most comprehensive one and often due to time constraints only possible if well prepared before the sessions. The Lafley Model provides a framework for organizations to formulate their strategies through a series of interconnected choices. It begins with defining the organization's aspirations and goals, establishing a clear purpose and measurable objectives. Next, it prompts leaders to consider 'Where to play,' which involves choosing the right markets, customer segments, and channels. The 'How to win' aspect then outlines the strategies to achieve success in the chosen areas, focusing on unique value propositions and competitive advantages. 'What capabilities must be in place' addresses the necessary core activities and competencies needed to execute the strategy. Finally, 'What management systems are required' considers the support systems, skills, and structures essential to sustain the capabilities. This model emphasizes the importance of making deliberate and interlinked strategic choices that align with the company's overarching goals, leading to a coherent and actionable strategy.

# REVENUE MODEL REVIEW

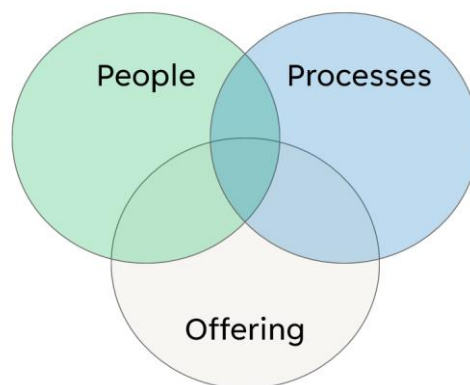
It is always useful to spend some time to revisit the pricing strategy. It can be briefly touched but most often requires more in-depth investigation and discussion. We all aspire to have a stable revenue flow which makes an organisation more robust against headwind. Unfortunately, this is not always the case. Many pricing models exist. One could gradually move from one to another when launching new services or products.

Pricing strategies differ in different industries. Hereunder one that is used in the advisory services industry.



# STEP 3 : TURNING STRATEGY INTO ACTIONS

Transitioning from strategy definition to action involves a (structured) brainstorming process that translates high-level strategic goals into tangible initiatives across three critical domains: people/organization, processes, and products & services.



## **BRAINSTORM ON ACTIONS TO TURN STRATEGY INTO ACTION**

In the domain of people and organization, actions may include targeted talent acquisition, development programs, or organizational restructuring to align human resources with strategic objectives. For processes, the focus shifts to operational enhancements, such as implementing lean methodologies or adopting new software that streamline workflows and improve efficiency. In the realm of products

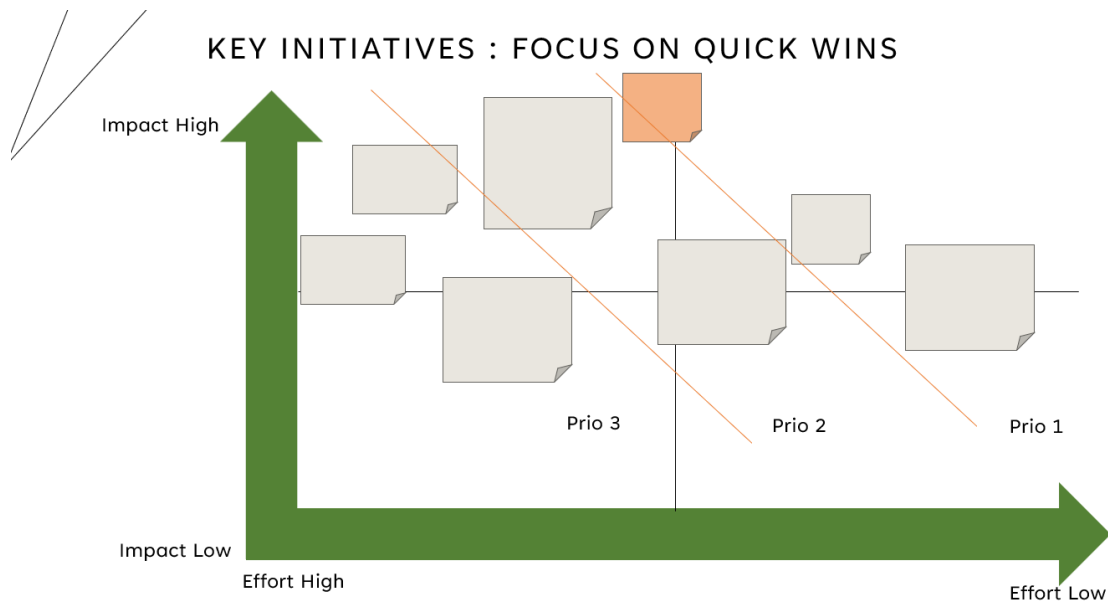
and services, innovation takes centre stage, with actions aimed at product development, service diversification, or quality improvements that respond to identified customer needs. Throughout this exercise, technology is acknowledged as a pivotal enabler. Leveraging technological advancements can facilitate these actions, whether through automation, data analytics for better decision-making, or digital platforms that enhance customer engagement.

Action on the crossroad is most often those with most impact but often requires most collaboration between teams.

**TIP :**

- *Decide on the timeframe of the actions: actions of this year/ actions of this quarter,...*
- *ask each **team member to propose up to 3 actions***
- *my experience is that project at the crossroads have most impact.*
- *Visualise every action and **as a team select** the top 3 per domain at this stage.*
- *Avoid big bets actions : these require a separate process*

## SELECT THE KEY INITIATIVES TOGETHER



The culmination of the strategic reflection is the prioritization of actions, a collaborative task that requires the team to collectively evaluate and rank the identified initiatives. Employing a 2x2 matrix, actions are plotted against two axes—impact and feasibility—to visually aid in the decision-making process. This matrix helps to clarify which actions should be tackled first, aligning the team's focus on the top 6-9 initiatives that promise the most significant benefit and are achievable with the available resources.

During this session, each action is scrutinized, debated, and finally, visualized for everyone to see, fostering a shared understanding and commitment. Ownership is then assigned for each priority action, ensuring accountability within the team.

Although the subsequent step of creating a detailed action plan with timelines, resources, and budgets is beyond this phase, establishing a structured process for this prioritization step is essential. Such a process not only aligns team efforts but also ensures that strategic

actions are methodically addressed, paving the way for cohesive and successful implementation.

**TIP :**

- *Each action is carefully crafted to ensure it is specific, measurable, achievable, relevant, and time-bound (SMART), setting the stage for the successful execution of the strategy.*

# WHAT'S NEXT ? IT'S ALL ABOUT COMMUNICATION

In many organizations plans are drafted , presented and hopefully executed.

Having a strategic framework is great but it is of no use if it is not known. On average less than 30% of the members are aware of the strategy.

It is important to communicate about the organization's strategic plan as soon as it has been developed and finalized. This allows all stakeholders, including employees, customers, and investors, to understand the direction in which the organization is heading and how it plans to achieve its goals.

Effective communication about the strategic plan can help to create buy-in and support from all stakeholders, as well as to ensure that everyone is working towards common goals. It is also important to keep stakeholders informed about progress towards meeting the goals and objectives outlined in the strategic plan, as this can help to build trust and demonstrate transparency.

There are several ways that organizations can communicate about their strategic plan, including:

- Sharing the plan with all employees: Make sure that all employees have access to the strategic plan and understand how their work contributes to the organization's goals.
- Holding meetings or presentations: Conduct regular meetings or presentations to discuss the strategic plan with employees, stakeholders, or other interested parties.
- Using internal communication channels: Use internal communication channels, such as email, newsletters, or intranet sites, to share information about the strategic plan with employees.
- Communicating through external channels: Use external communication channels, such as the organization's website, social media accounts, or press releases, to share information about the strategic plan with customers, investors, and other external stakeholders.

Effective communication about the strategic plan is an important part of ensuring that all stakeholders are informed and engaged in the organization's efforts to achieve its goals.

It is important to communicate **all** of these elements to stakeholders in order to effectively align efforts and resources towards the organization's goals and priorities.



# CONCLUSION AND A PERSONAL NOTE:

Taking the time to meticulously craft, visualize, and document a strategic action plan is a crucial endeavour for any organization, as well as for individual units within larger entities. The three-step process described provides a structured and proven approach based on extensive experience in supporting various organizations. This process affords the essential 'helicopter view,' offering guidance and, most importantly, fostering alignment among team members. Summarizing this strategy into a concise set of slides ensures that the information is accessible and digestible, serving as a valuable tool to keep all stakeholders and newcomers well-informed. Remember, the creation of a strategic plan is not just a procedural task; it's an engaging and rewarding journey that contributes to the success of your organization. Such success is not an end in itself but a means to a greater good, as thriving organizations form the backbone of a prosperous society. Enjoy the process.

## Some quotes :

"The best strategy is to be very flexible, to be able to change direction as you go." - Tim Cook

"Strategy without execution is just a hallucination." - Bill Gates

"The essence of strategy is choosing what not to do." - Michael Porter

"The world is changing very fast. Big will not beat small anymore. It will be the fast beating the slow." - Rupert Murdoch

"The only thing that matters is putting your strategy into action." - Tony Robbins

"The difference between a successful person and others is not a lack of strength, not a lack of knowledge, but rather a lack of will." - Vince Lombardi

"The most effective way to do it, is to do it." - Amelia Earhart

"The only limit to our realization of tomorrow will be our doubts of today." - Franklin D. Roosevelt

"The best way to predict the future is to create it." - Peter Drucker

"The best time to plant a tree was 20 years ago. The second best time is now." - Chinese Proverb

"The most difficult thing is the decision to act, the rest is merely tenacity." - Amelia Earhart

"A business has to be involving, it has to be fun, and it has to exercise your creative instincts." - Richard Branson

"The only way to do great work is to love what you do." - Steve Jobs