Strategy Workshop Facilitators Ltd

Professional Facilitators of Strategic Thinking

mail@strategy-workshops.co.uk

Determine the Strategic Heartbeat

of your organisation

Create a competitive edge for your organisation... ...and change the game to your advantage

- Using our unique Strategic Thinking Process is the most cost effective way for you and your top management team to debate and define an innovative strategy.
- The solutions to the future success of your business are stored in the heads of your management team. Clients use our Structured Thinking Processes as the key to unlock those ideas.

Success comes by outthinking... ...rather than out-punching your competitors!

No organisation is immune to change!

- Our Strategic Thinking Process will release the potential of your key thinkers. The alternative method is to engage expensive external consultants.
- With the aid of a professional Strategy Workshops facilitator, you can define a future strategic vision and develop the plans needed to quickly and successfully implement strategy.
- This can be done for the investment of a few days of your time and will achieve common understanding and commitment amongst the participants.

Defining Distinctive Strategy

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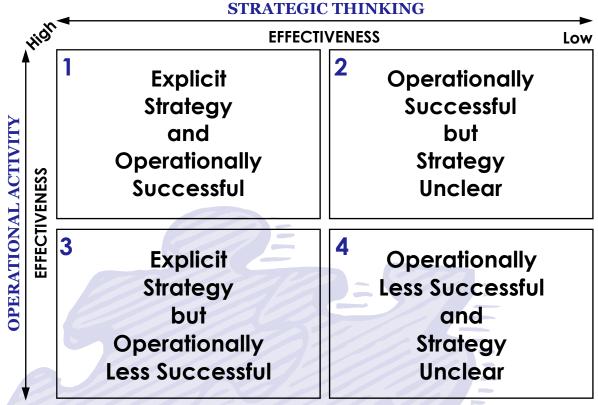
Strategy Workshop Facilitators Ltd • Company Number 03625101

An Association of International Strategy Partners • Australia • Belgium • Brazil • Canada • France • Hong Kong • Italy • New Zealand • Portugal • Switzerland • USA • UK



Compare the Effectiveness of your Strategic Thinking & your Operational Activity

What is the <u>Current</u> Strategic Effectiveness of your business?





Box 1: Best scenario. You have a clear and well communicated strategic vision and you have successfully linked this to your operational activity. To maintain this position, use Strategic Thinking to review, test and validate in the future.

Box 2: Most usual scenario. The business is successful but performance is not exceptional. Achieving operational objectives is what drives the business and there is probably sufficient growth in your market to sustain all the efficient competitors. To outpace your competitors use Strategic Thinking to develop a vision that has the buy in from all management and translate the vision into executable strategies in each strategic business area.

Box 3: The dangerous scenario. You are all clear about what sort of business you want to be but you are not achieving the results. The vision is probably not well communicated or understood by those needed to implement it and therefore they don't share your commitment to achieving the end result. The consequence of this is that they have not been able to understand what needs to be done to improve operational success. Use Strategic Thinking to build management consensus and then translate the vision into executable strategies in each strategic business area.

Box 4: The critical scenario. Things just aren't working out. The competitors are targeting you and your market share is slipping. Growth and profit are both under pressure. Don't waste time and use Strategic Thinking as soon as possible to quickly agree an attainable strategic vision. Focus all efforts and resources into developing executable strategies in each strategic business area and resolving all the critical issues that have been identified.

What is the Effectiveness of your Competitor's Strategic Thinking & Operational Activity?

Contact: mail@strategy-workshops.co.uk

What Drives Decision Making and gives the Organisation a Competitive Edge? "The organisation's Strategic Heartbeat"

An abbreviated extract from Handbook I "Strategic Thinking for top management"

Your Products or Services: A Product Concept Driven Strategy.

A product driven company is one that has committed the strategy and the future of its business to the development of products which all stem from a single conceptual idea. When you examine the product portfolio from an organisation with this type of strategy what you will see is that the current products being offered will conceptually resemble the past products. They will share the same look and be functionally similar. Future products will be derived from existing ones and will, in many cases, be extensions or adaptations from previous ones.

The emphasis is on product development. These organisations must have the best product or service by comparison to their competitors as they have chosen this route as their method of differentiating themselves. They will be skilful in forecasting future customer trends and needs in relationship to this particular product concept. They will be innovative in designing, producing and marketing their product concept. Additionally they will want to support their products and services by offering excellent service to their customers both presales and post-sales.

Possible examples: Cars, Computers, Document Copiers and Aircraft.

Your Market: A Market Needs Driven Strategy.

Unlike a product driven organisation, some companies have very wide ranging product or service portfolios that have no consistency with look and function. They are often made or provided using different technological expertise, different raw materials and different processes. These organisations pursue a strategy that is not product focused but instead is market needs focused. They identify a clearly describable segment and then pursue the customers in that segment with a wide range of products and services that fulfil a related need.

These organisations will develop the skills required to enable them to have an intimate knowledge of the customers that they are pursuing. They will underpin their strategy by developing customer and/or end user loyalty. These organisations will excel at market research in order to understand their segments needs better than any competitor. This knowledge will be used to anticipate changes and trends, which will enable them to respond with a steady stream of new and innovative products to meet those needs. These products and services will not necessarily conform to a single concept and may require different technologies, processes and distribution methods in order to satisfy the needs of their customers. Examples might be segments that can be categorised as a specific place such as a hospital, airport or office and then even to further segment that into only the x-ray room in a hospital or just the logistics at an airport or the stationery department in an office. The market segment can also be categorised as a concept rather than a place as with legal professional services or personal services like Saga's pursuit of the over 50's.

Your Capabilities: A Skills and Know How Driven Strategy.

Unlike product or market driven companies, some supply a seemingly wide and unrelated range of products to an equally wide and unrelated group of market segments and on first pass it might appear difficult to see what the strategy is of such an organisation. These organisations make strategic decisions based on exploiting their know how and capabilities. There are five different capabilities that will influence these choices:

(1) Technology Driven organisations are companies with ideas looking for applications. Always at the core of a technology driven company is a particular knowledge base that they want to exploit. They will invest heavily into research in order to enhance their technology or will acquire new but complimentary technologies even when they can see no immediate application for a product. They will then research for applications to use this technology and produce products that create new customer needs and segments. Examples would be 3M's Post It Notes, Sony's Walkman and Dupont's Nylon.

Technology driven companies will often end up with a very broad portfolio of products that will serve the needs of a wide number of customers and market segments, but what you will see is that each product will have grown from the foundation technology. The emphasis is on research and the utilisation of this research into marketable applications. These companies will typically spend more than other organisations on research into their area of expertise. Some resource will be spent on pure research to keep at the cutting edge of knowledge in this field and some resource will be invested in applied research to tease out the practical use and marketability of this knowledge.

(2) Process Capability Driven organisations will always be looking for products and services to exploit their proprietary business process skills. Manufacturing organisations will seek to build special capabilities into their production process that will enable them to make products with features that are difficult for competitors to duplicate. They often have very flexible processes, which can profitably exploit short run requirements. These organisations pursue niche markets and/or markets where they can add value, differentiate and benefit from premium pricing. Using the unique process of Strategic Thinking a top management team can quickly determine the Strategic Heartbeat of their organisation enabling them to optimise resources, make consistent decisions and encourage innovation.

Examples could be: speciality printers, same day optician services, one hour photo printing services and road side breakdown assistance.

In certain service industries, similar characteristics to those described for manufacturing can sometimes be seen. The process capability exploited in these cases centres around the soft skills and capabilities carried in the heads of highly qualified personnel. The production process here stems from teams of people in an office rather than machines and production lines in a factory. The investment is in people, either highly qualified such as engineers, lawyers or accountants, or highly skilled such as telephone support personnel.

(3) Output Capacity Driven companies offer products that enable it to keep its facility operating at maximum output. In order to maintain capacity these organisations tend to focus on products and services that have a broad customer profile and/or have a high volume demand and repeatability. They are often producers of commodity type products of mass appeal. These organisations pursue high productivity by achieving a low production cost and selling price.

They have a massive investment in assets and facilities that have to be kept fully occupied. The corporate facility can be physical plant and machinery as in a steel mill or it can be a place, building or resource that offers specific services such as an airport, a hotel or a train operator. In order to keep to capacity these organisations will produce any product or service, sell it to any customer and in any market providing this activity will exploit its process or system output facilities.

Possible examples include: Continuous process industries working 24 hours a day 365 days a year, paper mills, natural resource companies, airlines and hotels.

(4) Selling or Marketing Driven organisations pursue a strategy that has a highly differentiated or even unique method of achieving an order from it's customer. Examples of some of these methods are direct from catalogue as with Index and Argos, direct telephone service organisations such as Direct Line Insurance and First Direct banking, TV shopping as on satellite and cable, party plans like Tupperware and Anne Summers and door to door such as Avon and Prudential.

These organisations will only emphasise products that can be successfully sold by this method. They will only operate in markets that will tolerate both legally and morally their particular method of sale. They will only solicit customers that can easily be reached by this method. (5) Distribution System Driven companies offer products, services and markets determined by its distribution process. Significant investment is therefore made in systems, processes, procedures and equipment to achieve this objective. Distribution driven companies will seek any opportunities to move from place to place, tangible products such as parcels or intangible services such as data, which will fit their logistical system.

Examples will include: Logistics firms, retailers/wholesalers, broadcasting, telecommunications, and automated vending.

Your Results:

A Size/Growth/Return/Profit Driven Strategy.

Organisations that pursue a results focused strategy make choices about which products and which markets to pursue based on very different criteria to that of product, market and capability driven organisations

A company that follows a size or growth strategy does so to optimise economies of scale. Strategic decisions will emphasise products, markets and acquisitions that will focus on the achievement of growth thus meeting their rationale for wanting growth. The danger is that innovation can be stifled because the emphasis is on achieving short-term results. Holding companies are examples of this type of thinking.

A company that follows a return and profit driven strategy will make choices about products and markets based solely on the ability to make a certain level of return, or yield a certain profit. This would be the typical driver of a conglomerate. They tend to give full autonomy to each of their subsidiaries and in return expect them to deliver the agreed profits, on time every time. There are seldom any links between subsidiaries and often no synergy in terms of their products or markets. The only common criterion is that they all must return the agreed level of profit.

Results driven strategies focus solely on critical areas of measurement and use performance only, as a guide to make decisions. Size/growth driven strategies will focus on top line performance whereas return/profit driven strategies will focus on bottom line performance.

What is the Strategic Heartbeat of your organisation?



Strategy Consulting

Working together with clients to improve their strategic and operational effectiveness

Strategy Workshops is the founder organisation of an International association of strategy partners, a group of consulting firms that share a process philosophy and commitment to help clients successfully implement their strategy.

We specialise in facilitating Strategic Thinking Work Sessions at boardroom level using a methodology and unique systematic process to assist top management define and communicate corporate strategy, key business objectives and competitive tactics.

Our policy is to work with our clients at all levels within their business to help them accomplish long term tangible and measurable results that will focus their business and add real value.

Tangible & Measurable Strategic Results...

... in return for 1% of your operational time

- A clear and concise strategic vision clarifying business purpose, focus and direction that top management clearly understand and is committed to executing.
- The separation of strategic vision into operational activity by defining strategies for each strategic business area that when collectively executed will result in the successful implementation of strategy.
- A list of issues and actions that are critical to complete in order for strategy to be successfully monitored and deployed throughout the organisation.
- The documentation to communicate strategy down through the organisation and where needed externally.
- The creation of a Strategic Filter for management to use when allocating resources to improve synchronisation, focus and protection.
- The clear identification of strategic business areas and strategic business processes that are vital to success.
- A process for swiftly developing winning tactics by outthinking rather than outpunching your competition.
- A Strategic Thinking methodology and associated process that can be repeated by management whenever required.
- Adding growth and "real" shareholder value to your business.

If your top management team puts the operational activity to one side for just 2 days a year to invest in reviewing strategy: that amounts to less than 1% of your time!

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Executive Handbook I

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Strategic Thinking for top management

By Roger Handley

Book & DVD Package

55 pages compiled to provide management with a quick but in-depth summary of the critical decision making process of Strategic Thinking.

The objective is to provide you with some thought provoking concepts that are used during work sessions and which can be turned by you into profitable business practise.

You will discover some practical ideas which you will find quick and easy to convert into good strategic actions for your business.

This handbook comes with our DVD "Strategic Thinking". This DVD is a shortened overview of the PowerPoint boardroom presentation normally given to top management teams. The running time is

24 minutes and is compatible with any PC/ Laptop based program such as Windows Media Player or any normal DVD playback unit connected to a TV.



Thinking for top management

Strategic

Executive Handbook I

A proprietary decision making process for defining and executing unique & distinctive strategy



By Roger Handley Managing Director Strategy Workshop Facilitators Ltd

To request a copy just e-mail to <u>mail@strategy-workshops.co.uk</u> with your name, job title and business postal address quoting "Handbook 1 with DVD"

Client's Comment

From the Managing Director of a UK Water Authority

"Thank you so much for your efforts in facilitating our recent strategic planning activities involving our senior management team. The process has been very valuable and successful.

Although we are accustomed to formal strategic planning, the Strategy Workshops approach has proved to be the most powerful discipline we have encountered.

The outputs from the process have resulted in strategic, operational and contingency plans to deliver our vision.

For the first time staff at all levels now know what they have to deliver individually to achieve the overall plan and what they are buying into. No company with a vision can afford not to undertake the Strategy Workshops approach."

More client comments on our website www.strategy-workshops.co.uk

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