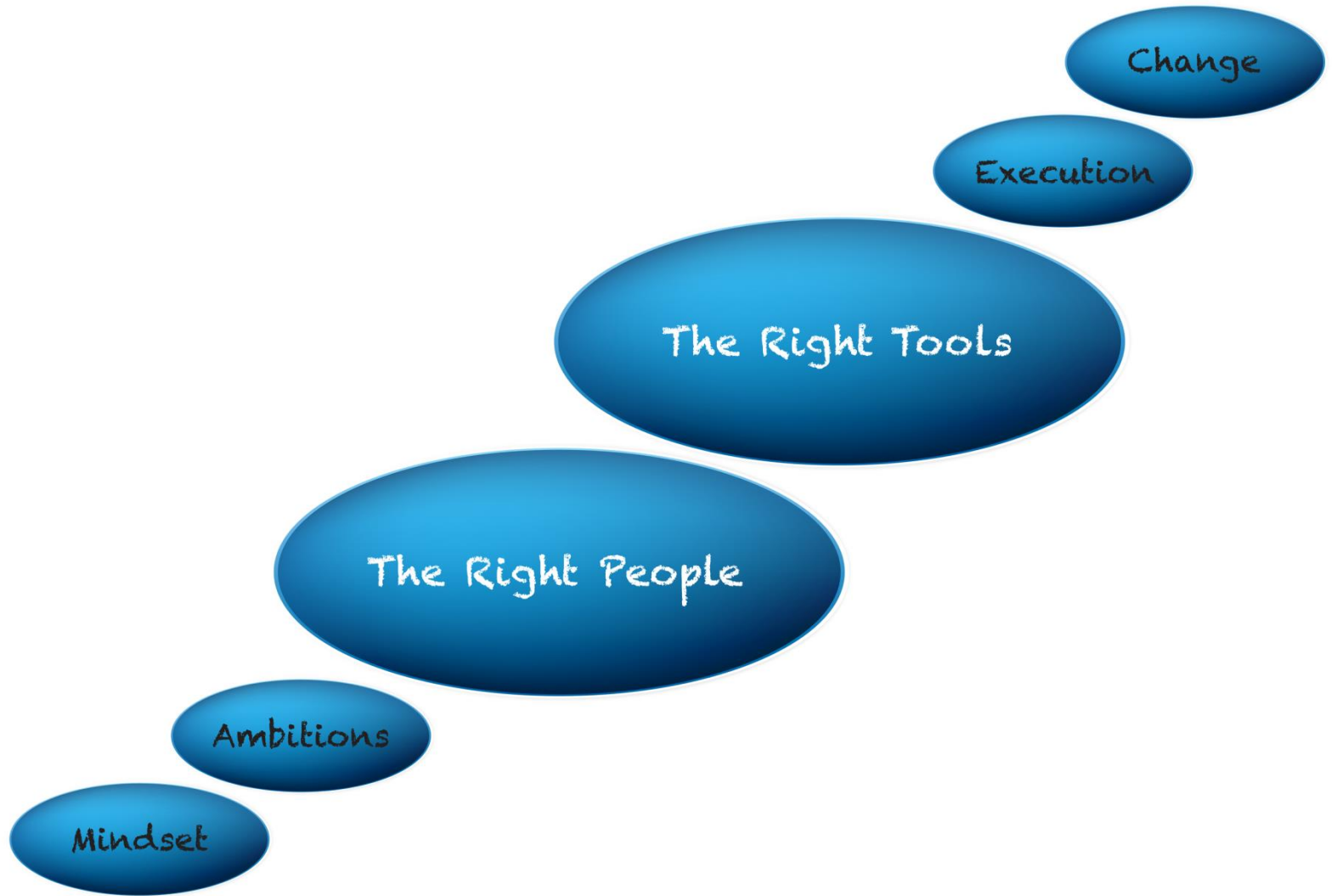


Some thoughts about Strategy....





The Six Steps of Strategy



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Strategy is:

- ✓ A series of *actions*,
- ✓ Developed *after* thorough observation and analysis,
- ✓ That will enable a business or organization to reach its *goals and objectives*,
- ✓ Allowing for the *environment* in which they (will) operate,
- ✓ Aligning with all the *stakeholders*,
- ✓ Based solidly on the observations and deep understanding of the *issues* of the organization.

Real Strategy lies not in figuring out what to do, but in devising ways to ensure that, compared to others, we do more of what everybody knows they should do. [Because it is noteworthy how similar most strategies really are: provide outstanding customer service, act like team players, provide a good place to work, invest in your future].

“Strategy is the collection of actions not the goal”.

Business decays if you try to please all possible market segments:

“Strategy means saying no”.

“Strategy is a journey, not a destination”

“Strategy is a set of rules or guidelines that tell you how to go about making decisions”

If you want a **GROWTH STRATEGY** what is your **CURRENT STRATEGY**?

Compete for profit

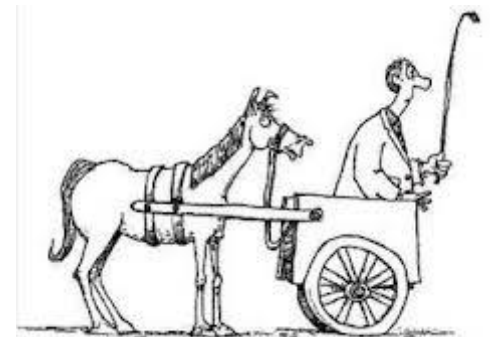
Business is not about having the largest market share or about growing fast. It's about making money.

'I want to grow my business' is not a strategy.

Those things (unfortunately) don't happen by themselves.

Growing is not a strategy, it's a consequence.

When someone includes growth in their strategy, there should be an orange light starting to blink. That does not mean that you cannot use the word 'growth'. I use it a lot in the analysis phase – for example, when you talk about **growth areas of the business or when you look for growth platforms** – areas where you can reach potential that will give you additional profit. In short, strategic management demands a profit focus.



Strategic management = **learning to say no**

If you have clearly defined what you go for – a clear value proposition for a specific client segment (who) and a set of distinct, unique activities in your value chain to offer the needs of this client group (what), you will find out that there are lots of things that you are **not** going to do.

There will be customers that you are **not going to serve**, activities that you are **not going to perform** and services/products that you will **not be offering**. In strategy, choosing what **not to do** is equally important.

Michael Porter: *“The essence of strategy is choosing what not to do”.*

Each strategy should also have a section where it clearly states the noes. Ask yourself the following questions: “In our organisation, what do we say no to?”, “Which customers in our industry do we make unhappy?” and, more practically, “Where did we systematically deliver a clear ‘no’ last year?”. Be as specific as possible. A clear ‘no’ is a very good indication of a ‘yes’, a choice you or your company have made, maybe even without putting it in writing. So, when working on strategy, pay as much attention to the yeses as to the noes. In more academic terms: **you need to know where your trade-offs are. You cannot be everything to everyone.**

If you decide to go north, you cannot go south at the same time.