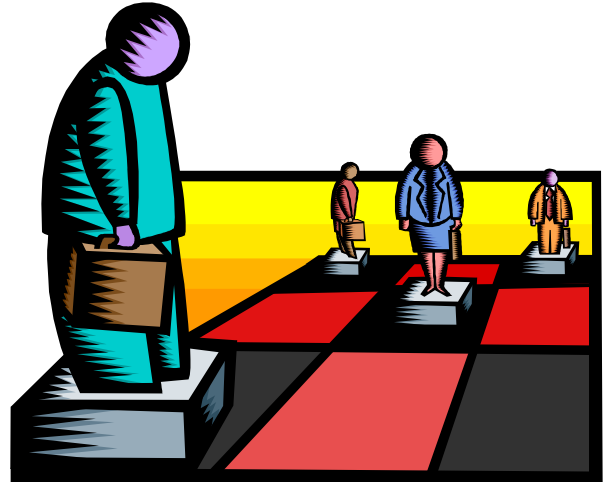


## Strategy: Getting There

Most organisations in the UK have a strategy – just as most UK organisations think they should have a strategy. But is the strategy going to make a difference? The more important question, perhaps, is: could it make a difference?

Yes, it could transform a company from being a ‘player’ to a leader. I, personally, have been involved with several companies where we significantly altered the strategy, and the result was a double-digit growth in market share. This, in turn, led to a major expansion in both the top line and the bottom line.



The difficulty is that, all too often, strategy is a ‘must do’ item for the top management team. It is part of the business plan which must be presented each year. It is often the product of two or three people, and is not really debated or scrutinized – even by the head office staff. Unless the strategy has *real leverage*, and unless people *really believe* in it, it is unlikely to make much difference.

*Real leverage* suggests that the strategy allows your organisation to achieve far more of real value to the customer with, say, 100 units of energy input, than your competitor(s) can achieve with the same 100 units of energy.

How does one achieve *real leverage*? It involves thinking about the business situation in new ways, because if a business isn’t getting very far, continuation in the same direction is unlikely to open new horizons. The top management team needs to consider:

- What makes us different and better than our competition (or could do so)?
- What are the vulnerabilities (and over-used strengths) of our competitors?
- In what ways is the marketplace changing? How can we take advantage of this?
- Can we change the ‘way the game is played’ to our advantage and the disadvantage of competition?
- Can we change our processes (the way we serve our customer) to our advantage and the advantage of customers? Process differentiation and competitive positions which are built on organisational culture are very difficult for a competitor to match.

Much of this work can be done in a structured 1-2 day workshop with some preparation beforehand by 2-3 key players. The key players are challenged to respond to some thought-provoking questions, and while the rest of the management team may not ‘buy

in' to the preparatory material, the material provokes debate and clearer thinking about where the business is – and could be.

There are two components to the *really believe* part. First we want to be sure that we aren't taking unacceptable risks (which may lead to failure). And, second, ideally, all employees who will be asked to implement the strategy need to be involved in debating it, understanding the potential risks and rewards, refining the details, and planning just how it will be implemented.

There are effective risk management tools which perform well in a workshop setting, and which help management to refine strategy and its implementation. The participation of employees, below senior management, in the refinement of strategy needs to be thought through with some care. On the one hand, we want *real belief*, which suggests direct involvement, but time may not permit a highly participative process. Much depends on how different the strategy is, and how much it is likely to influence habits and behaviours in the organisation.

A really effective strategy can have a very positive impact on an organisation. That effectiveness is a function of *real leverage* and *real belief*.