



MARKETSHARE Through MINDSHARE™

PUBLISHED IRREGULARLY, NOT ERRATICALLY • VOLUME ONE, NUMBER TWO

We see things differentlySM

What Can Strategic Planning Do For You Today?

Observations by **William J. Winston**

(Part I of 2)

Strategy is about obtaining a better understanding of what is going on around you and the capabilities of your organization to capitalize on market opportunities. Today, with the marketplace more competitive than ever, strategic planning makes even greater sense. Effective strategy comes from cost-effective market research, quality decision-making and outstanding team implementation. This requires a systematic strategic process that enhances the potential for success and lowers the likelihood of failure.

Five Key Strategic Pitfalls:

I. Success and Overconfidence: Successful organizations have a tendency to “not rock the boat,” often believing they know exactly where they need to go. But success today does not guarantee success tomorrow. The best time to re-examine marketing and corporate strategy is when the organization is prospering. Why? Because it is not in crisis mode, usually has more human/financial resources available and is doing something right that can be built upon. Also people tend to have more innate confidence in their performances. This allows you to focus on people’s strategic learning and thinking processes. Forethought and planning are rarely wasted and are usually the marks of excellent leadership.

II. Fire-Fighting: Many organizations embroil themselves in dealing with crisis management rather than looking forward. It is much easier to become engrossed in day-to-day issues and busy-work while procrastinating on formulating future strategy. Worse, we get good at it and continue out of habit. Strategic planning takes time and commitment to be done well.

III. Fear of the Unknown: Strategy is closely associated with change, which includes risk. Doing nothing involves little risk (even though keeping the status quo may be the biggest risk of all). Many businesses try to be risk averse to the point of complacency. Strategic planning allows organizations to evaluate risk effectively and can make the organization’s culture more positive leaning and forward thinking.

continued...



© 2005 Progressive Marketing Group, Inc.

Information contained herein is proprietary and may not be used or reproduced, in whole or in part, without the express written consent of Progressive Marketing Group, Inc.

Strategic Planning *continued*

IV. Too Expensive or Time Consuming: Some organizations are culturally opposed to spending money on planning since no marketable product is produced. Time and money spent on strategic planning must be looked at and validated as an 'investment' that will produce a multiplied positive return.

V. Getting Buy-in: The greatest reason for failure in strategic planning is poor implementation. Getting people involved from the beginning makes it far easier for them to do a great job when the organization launches the plan. Key people at many different levels must be involved in creating and implementing strategy.

Five Key Questions Answered by Strategic Planning:

I. Am I going in the right direction?

Strategic planning:

- helps visualize your organization's future business.
- infuses a sense of purpose and vision.
- provides short and long-term direction.
- establishes clear mission, goals and objectives.
- fosters proactivity in shaping the future.

In other words, it forces the organization to initiate future activities and exert some control over its own destiny.

II. What factors influence the organization?

To obtain a keen grasp of the organization's environment, thorough internal and external assessments must become part of the strategic planning process. These allow for the identification, prioritization and exploitation of potential opportunities. They can allow you to minimize adverse conditions, adapt to changing trends and maximize the potential for success.

III. How can I take advantage of opportunities?

Once the organization's internal and external environments are analyzed, strategies and tactics are created. Through rigorous analysis, these strategies can

provide better focus, coordination, communications and control of activities. Instead of ad hoc decisions about what to do, the strategic process establishes discipline and integrity. The process is an objective, logical and systematic approach to decision-making. However, it requires human intuition to make quality strategic decisions, including past experiences, judgments, biases, values and feelings. Intuition rises in importance when making decisions under great risk, choosing between good alternatives, or in situations with little precedent. Analytical and intuitive thinking complement each other effectively in strategic planning.

IV. How do I achieve this?

The most difficult part of strategic planning is execution. It has been said that strategists should not spend most of their time on formulating strategies but on implementing them. Even the poorest strategy can be effective if implemented well. In fact, some studies have shown as little as 10% of all strategies formulated are implemented cost-effectively. Therefore, this step requires detailed tactical and functional level actions. It means mobilizing employees and managers to make concise allocation decisions and requires personal discipline, perseverance, commitment and sacrifice by everyone.

V. Once I have implemented the strategies, then what?

After implementation, a strategic plan needs to be evaluated, reviewed and updated on an ongoing basis. A formal process is initiated to measure the cost-effectiveness of the existing plan, monitor changing market conditions, identify new opportunities and initiate the next planning cycle. Therefore, the strategic plan becomes an integral and valuable part of the organization's long-term decision-making process.

The next issue of the PMG newsletter will continue this discussion of business strategy.

▶ **William J. Winston**
Senior Advisor, Strategic Services,
Progressive Marketing Group, Inc.
and Principal,
www.Strategyadvice.com.



▶ The *ballerina linebacker* symbolizes PMG. We pride ourselves on the ability to provide strategic marketing services with the creative finesse of a ballerina and the tactical marketing power of a linebacker.

Is strategic market planning right for you?

Call us at 631-756-7160.

Or email at news@pmgstrategic.com and let's discover the right answer for you.

www.pmgstrategic.com