



ASP Webinar Series

Integrated Strategic Planning and Management (Advanced Level)

By Randall Rollinson



THE
STRATEGY
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LBL STRATEGIES
look before you leap

Your Presenter



Randall Rollinson



- ✓ Co-Founder & President/CEO, LBL Strategies, Ltd.
- ✓ 35 years experience as an international educator, trainer, counselor, facilitator, author, software developer, social entrepreneur and consultant
- ✓ Co-Author, ***Strategy in the 21st Century: A Practical Strategic Management Process***
- ✓ Lead Instructor, Strategic Management Certificate Program / Offered in Conjunction with ASP Chicago / DePaul University
- ✓ Co-Founder, Chicago Chapter, ASP
- ✓ Bachelors in Psychology and Master degrees in Counseling – Southern Illinois University / MBA in Management, DePaul University



Webinar Overview

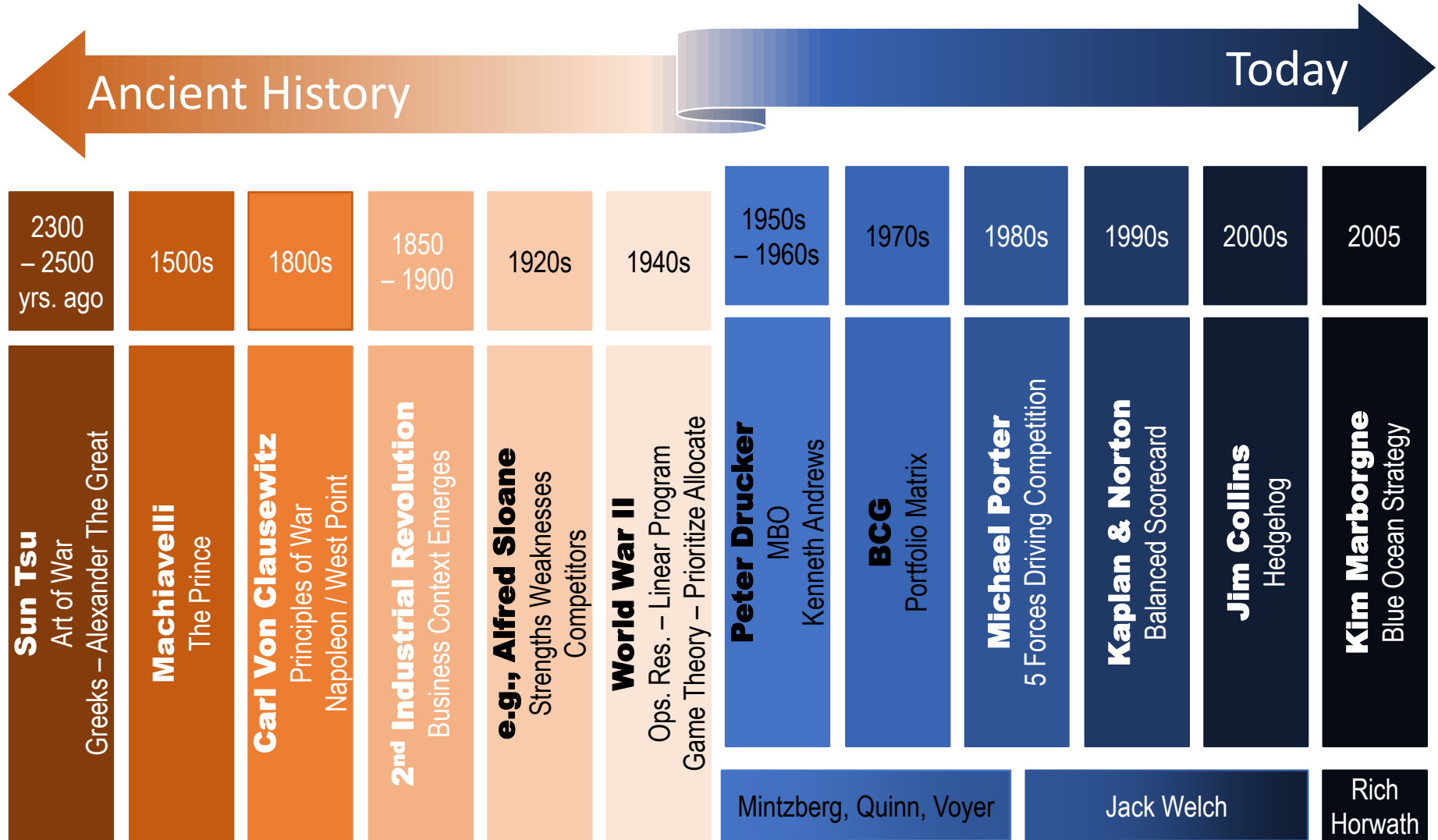
Part 1: Rich History

Part 2: Strategic Planning (Project)

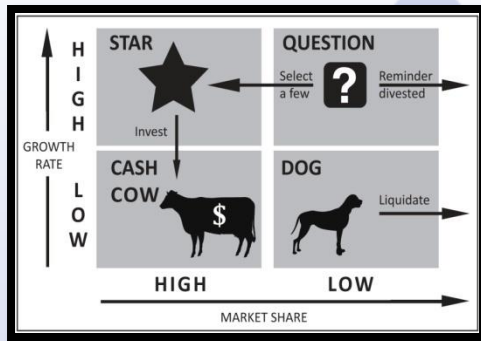
Part 3: Performance Management (Process)

A Strategic Planning (Project) + A Performance Management
(Process) = A Strategic Management (System)

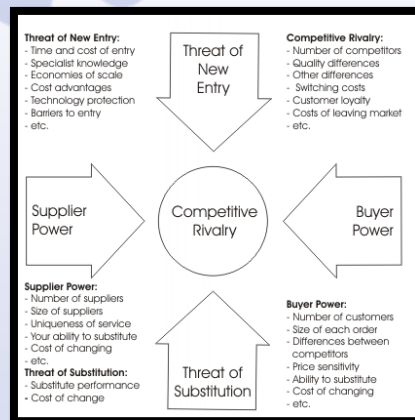
Strategy Timeline



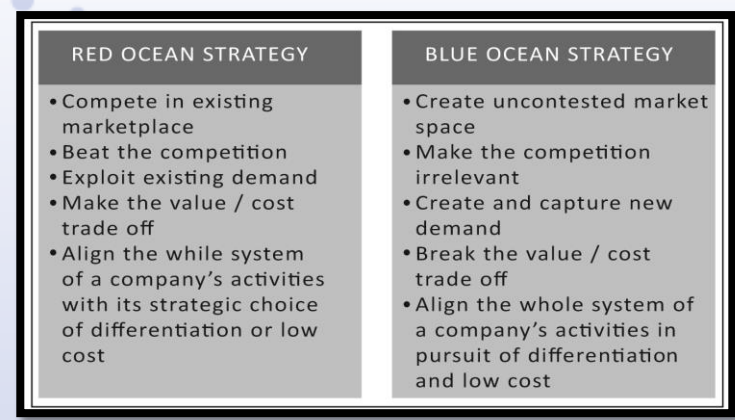
Remember! Use the tool that best meets the organization's needs.



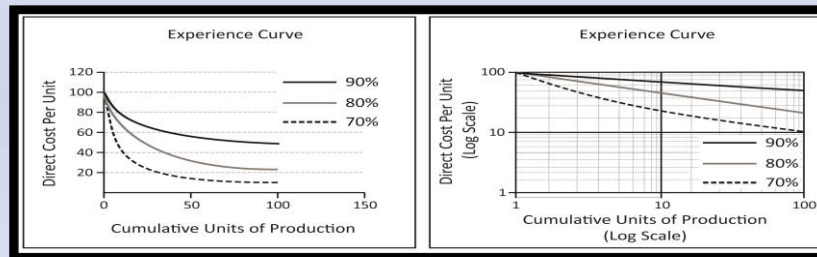
BCG Growth-Share Matrix



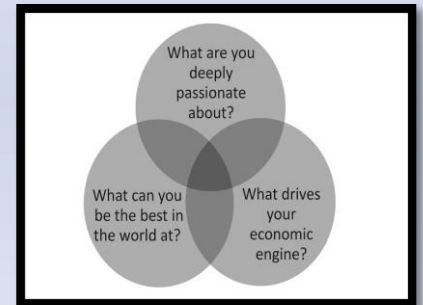
Porter's 5 Forces



Blue Ocean Strategy



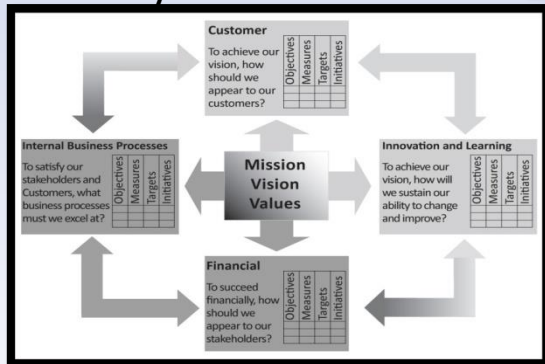
BCG "Experience Curve"



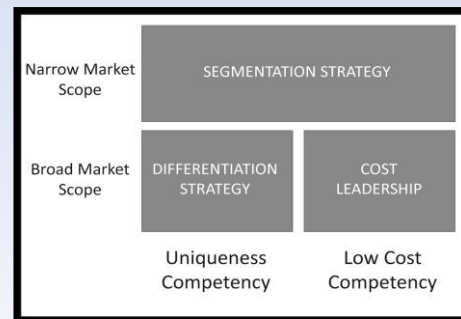
The Hedgehog Concept



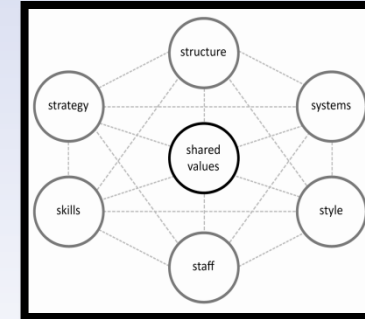
McKinsey's "9-Box Matrix"



Balanced Scorecard

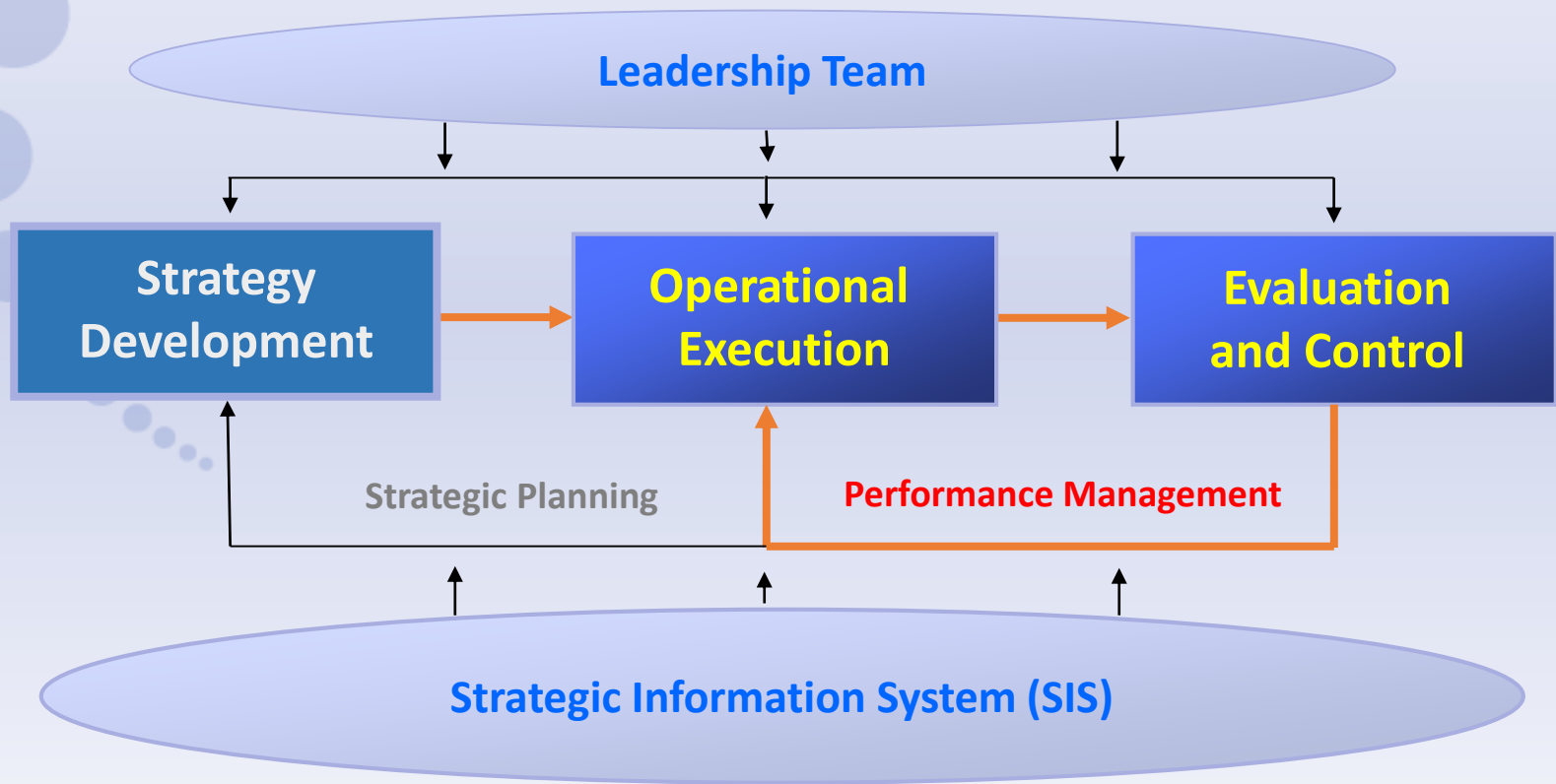


Porter's 3 choices



Seven S

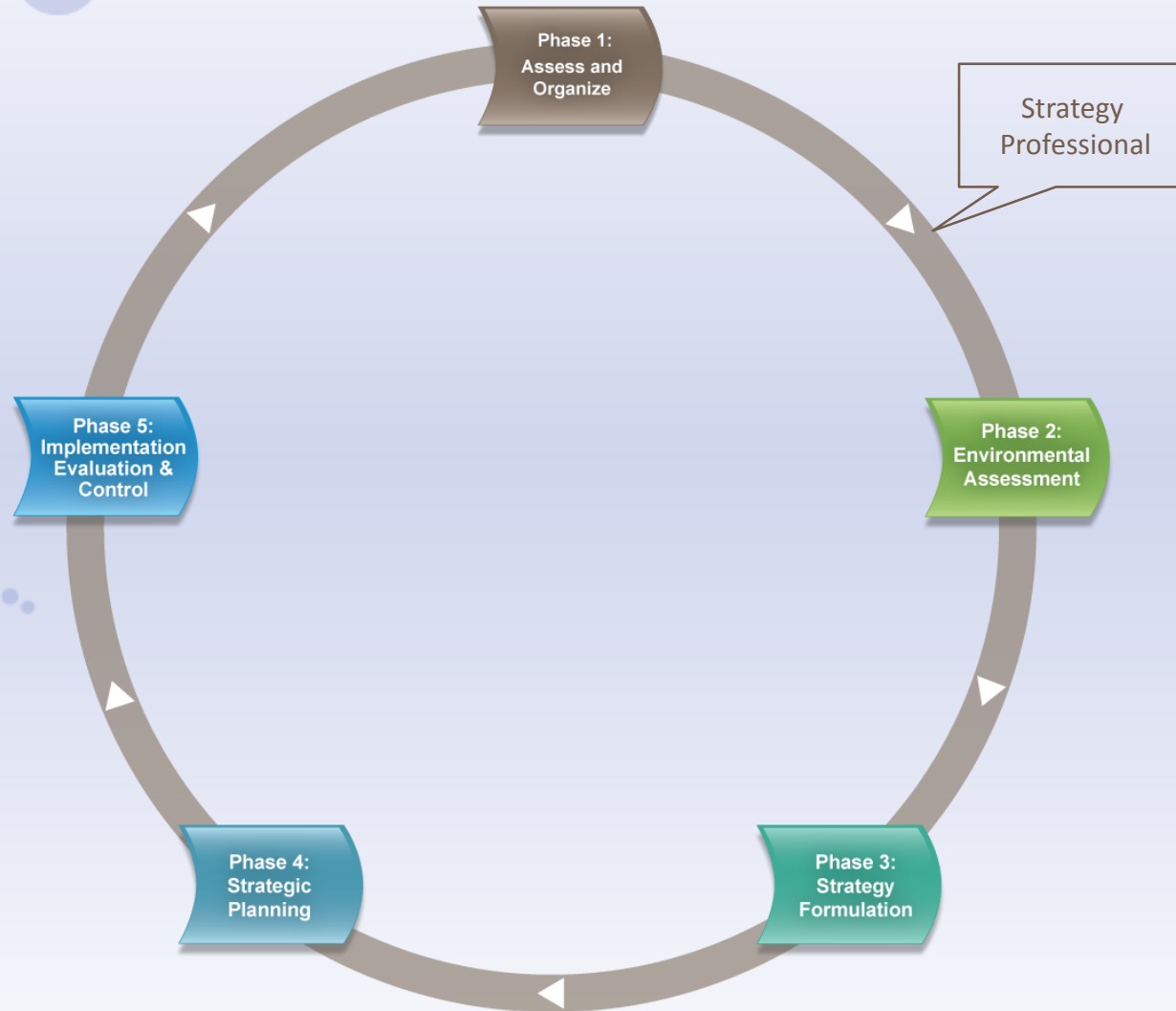
Classical Strategic Management



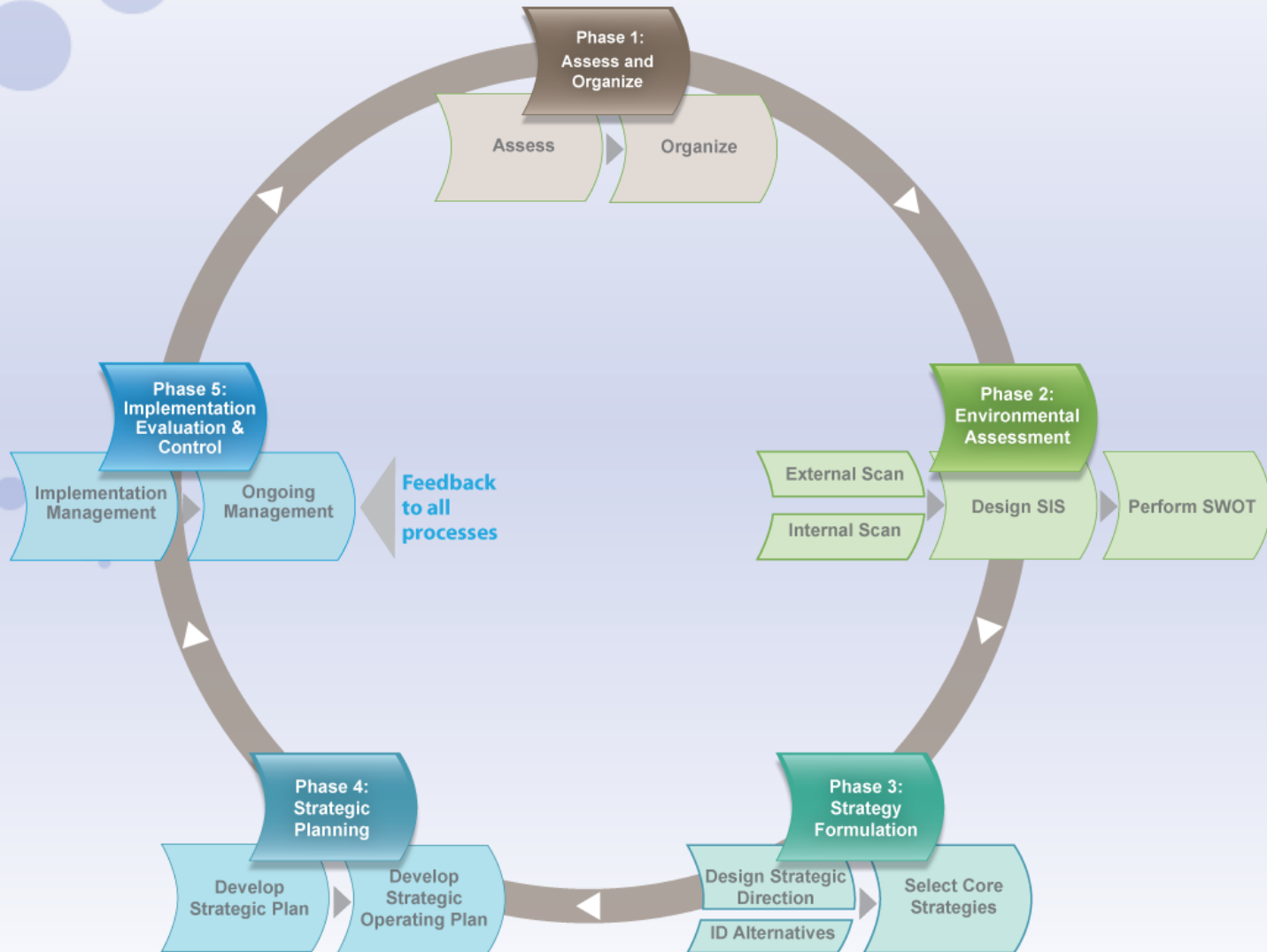


Part 2: Strategic Planning (A Project)

Strategic Management System



Strategic Management System with MAPP Overlay

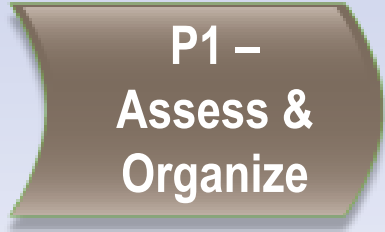


MAPP with ASP Certification Overlay



P1 - Important Considerations

1. Is the current strategy working?
2. What is the performance and perceived potential of existing offerings?
3. What are the strategic management capabilities of the team?
4. What is the scope of the program?
5. What is the work plan?
6. Who will be on the planning team?
7. Is there commitment from the top?
8. Is there a preliminary change management plan in place?
9. Is there a “strategy management champion?”



P1 –
Assess &
Organize

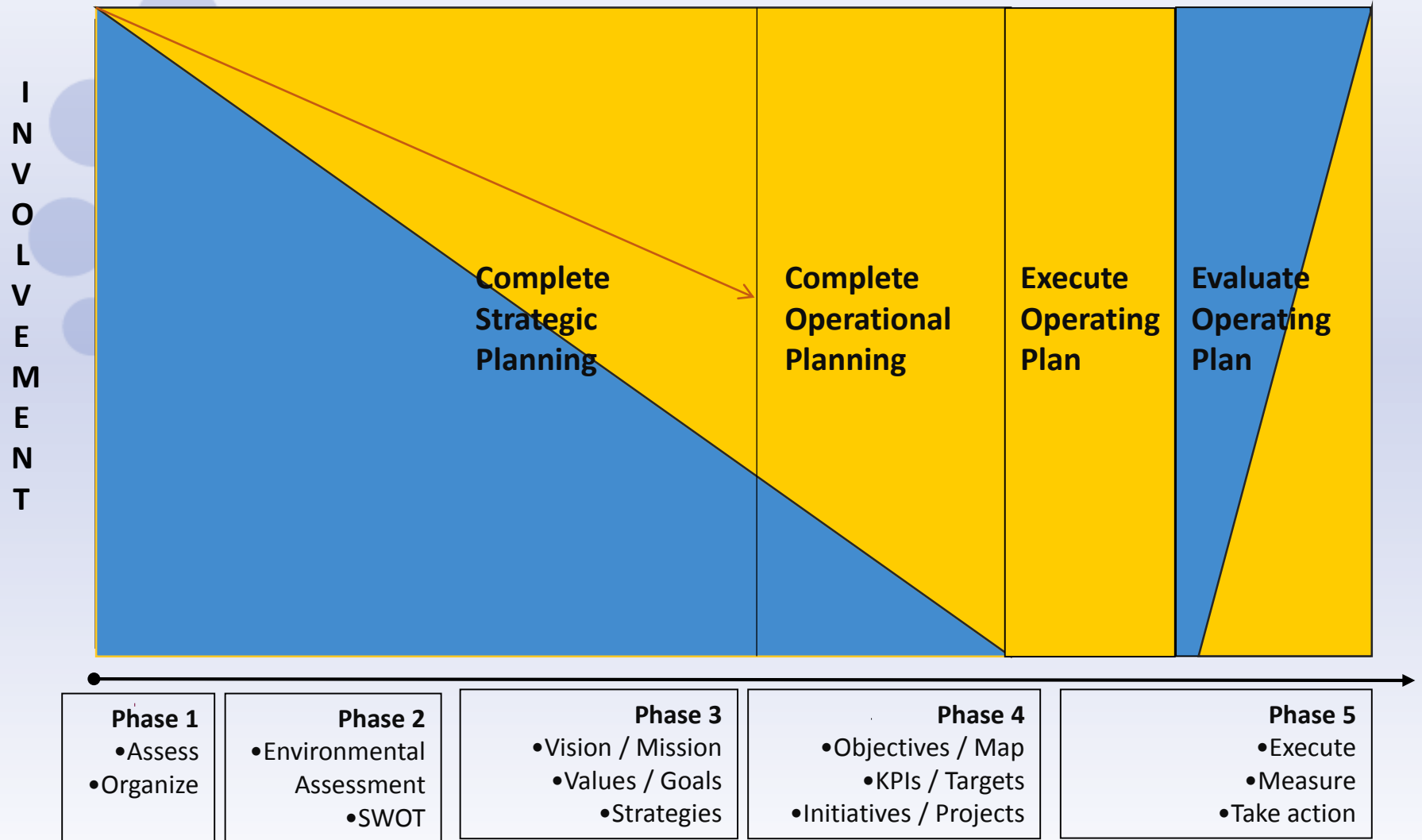
Gap Analysis – Start With What You Have*

Management System Component	Developed	Partially Developed (Needs Work)	To be Developed	Comments
Environmental Scan (External & Internal)				
SWOT Analysis				
Core Competencies / Competitive Advantage				
Vision / Mission / Core Values				
High Level Goals (Strategic Results)				
Customer Value Proposition				
High Level Strategies				
Perspectives				
Strategic Objectives				
Strategy Map				
Key Performance Indicators & Targets				
Prioritized Strategic Initiatives / Projects				
Communications & Change Management Plan				
KPI Data Collection & Reporting (Automation)				
Implementation & Cascading				
Strategy Management and Budgeting Calendar				

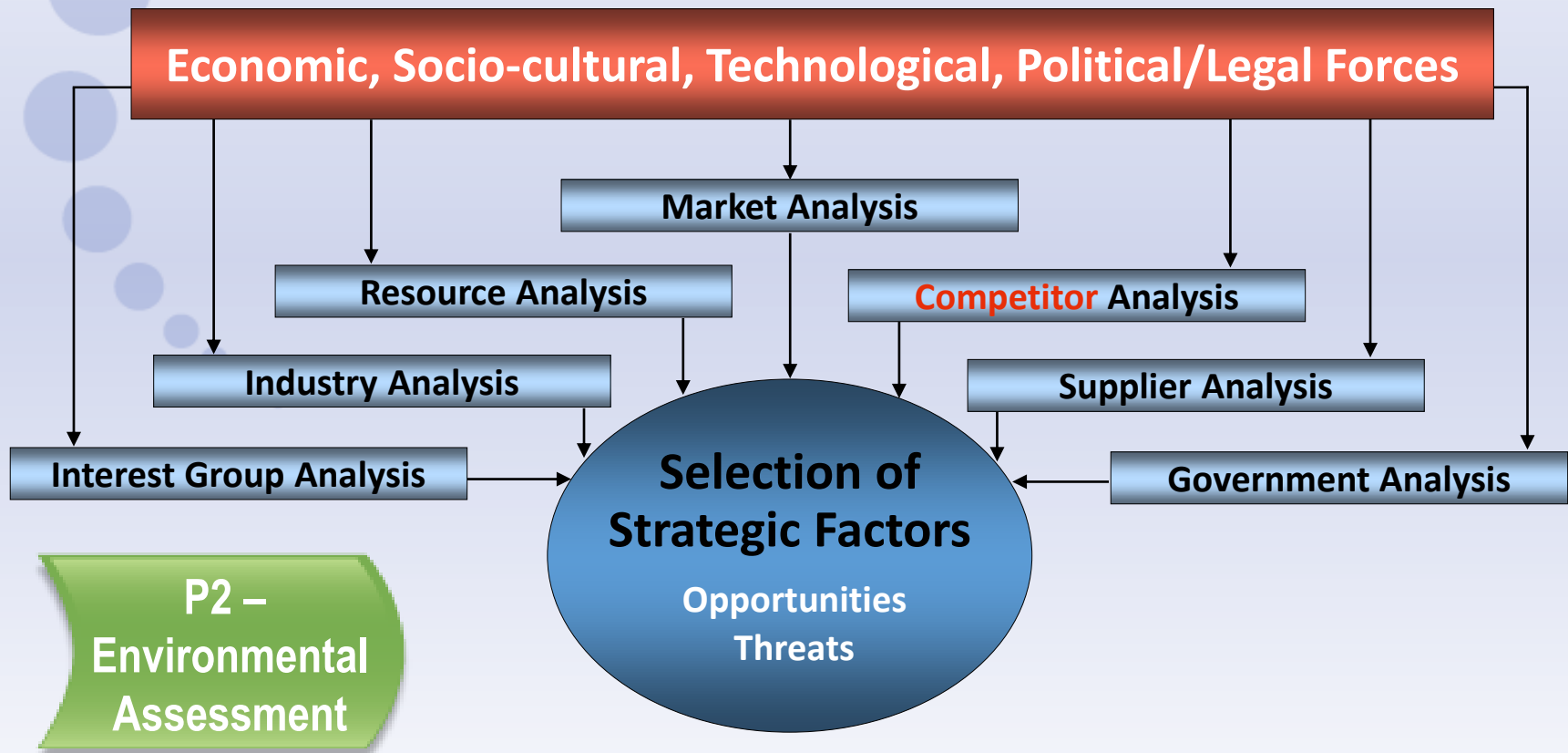
*Adapted with permission from a similar model developed by the Balanced Scorecard Institute

Strategic Management Roles and Responsibilities

(Governance / ADMINISTRATION/STAFF)



Environmental Assessment



SWOT Analysis (OTSW Evaluation)

INTERNAL

EXTERNAL

+

S
Strengths

O
Opportunities

—

W
Weaknesses

T
Threats

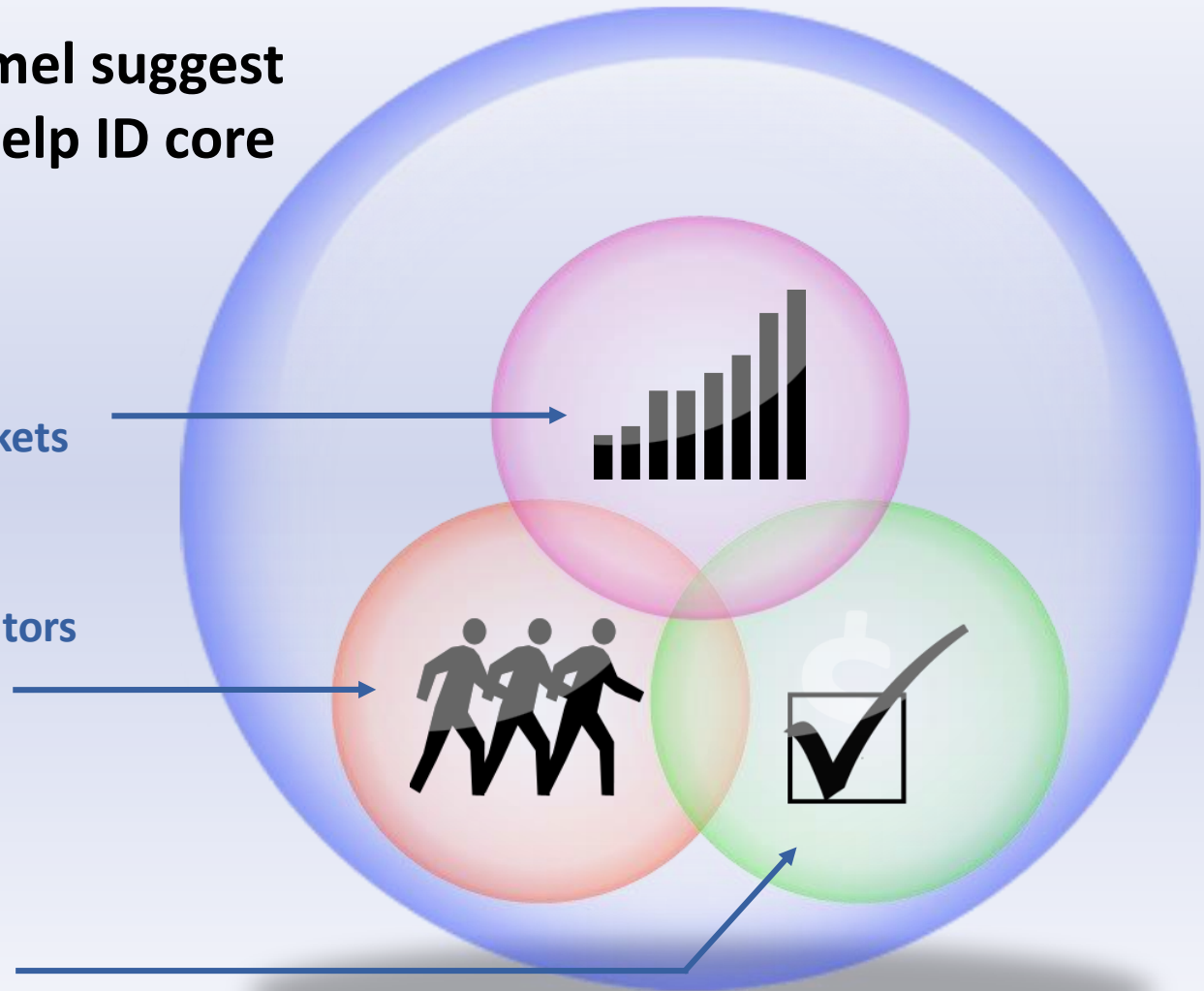
Core Competency Characteristics

Prahalad and Hamel suggest three factors to help ID core competencies:

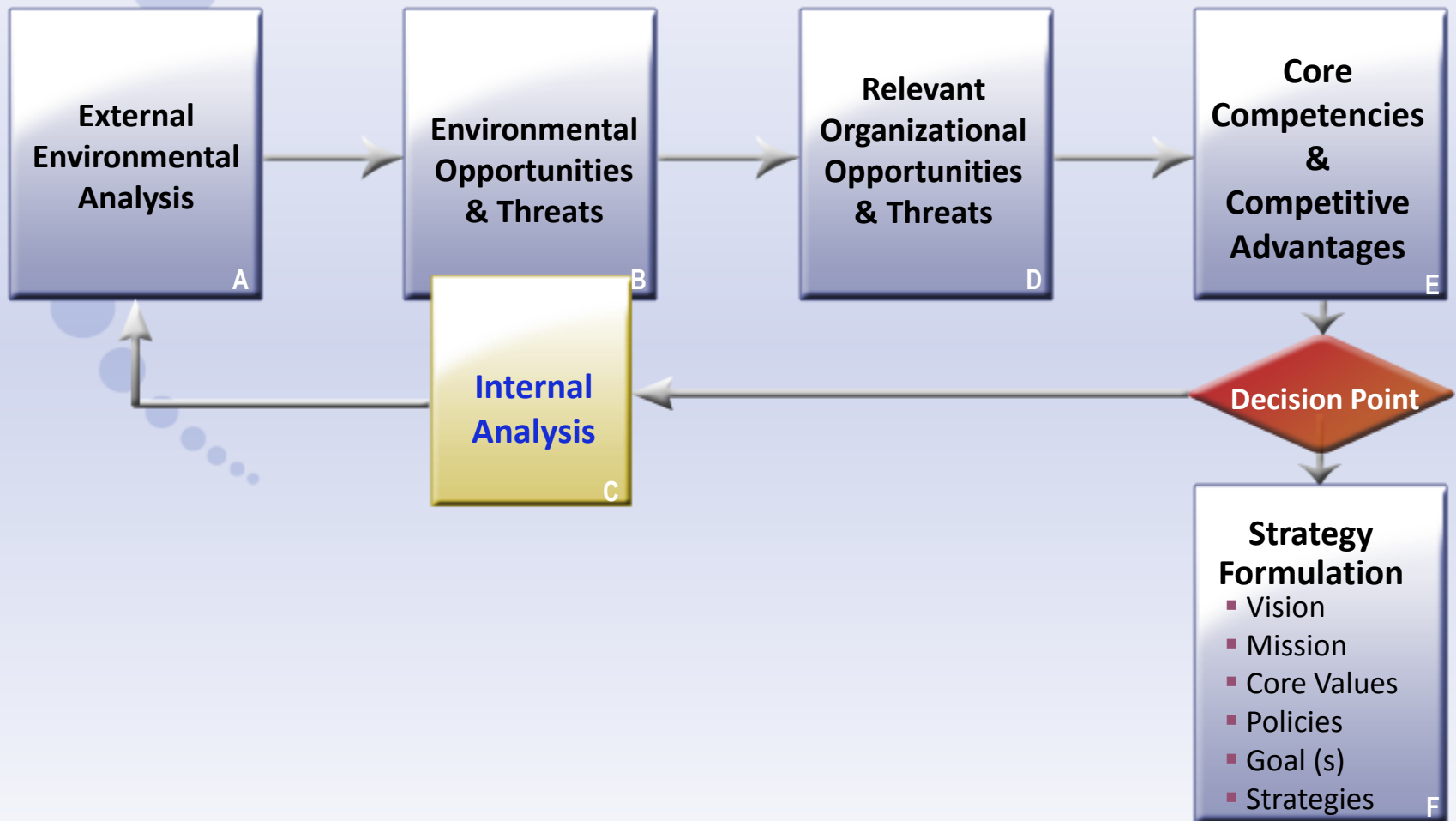
Provides access to a wide variety of markets

Difficult for competitors to imitate

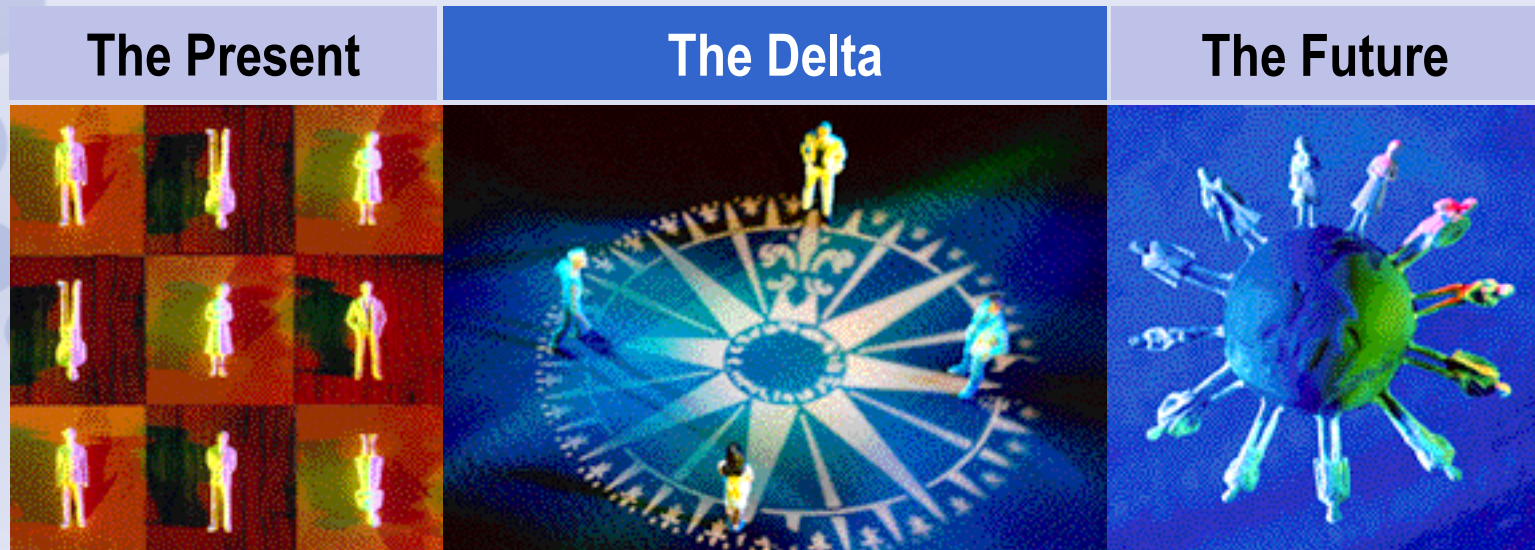
Makes a significant contribution to the perceived customer benefit



Strategic Thinking Framework



From the Present to the Future



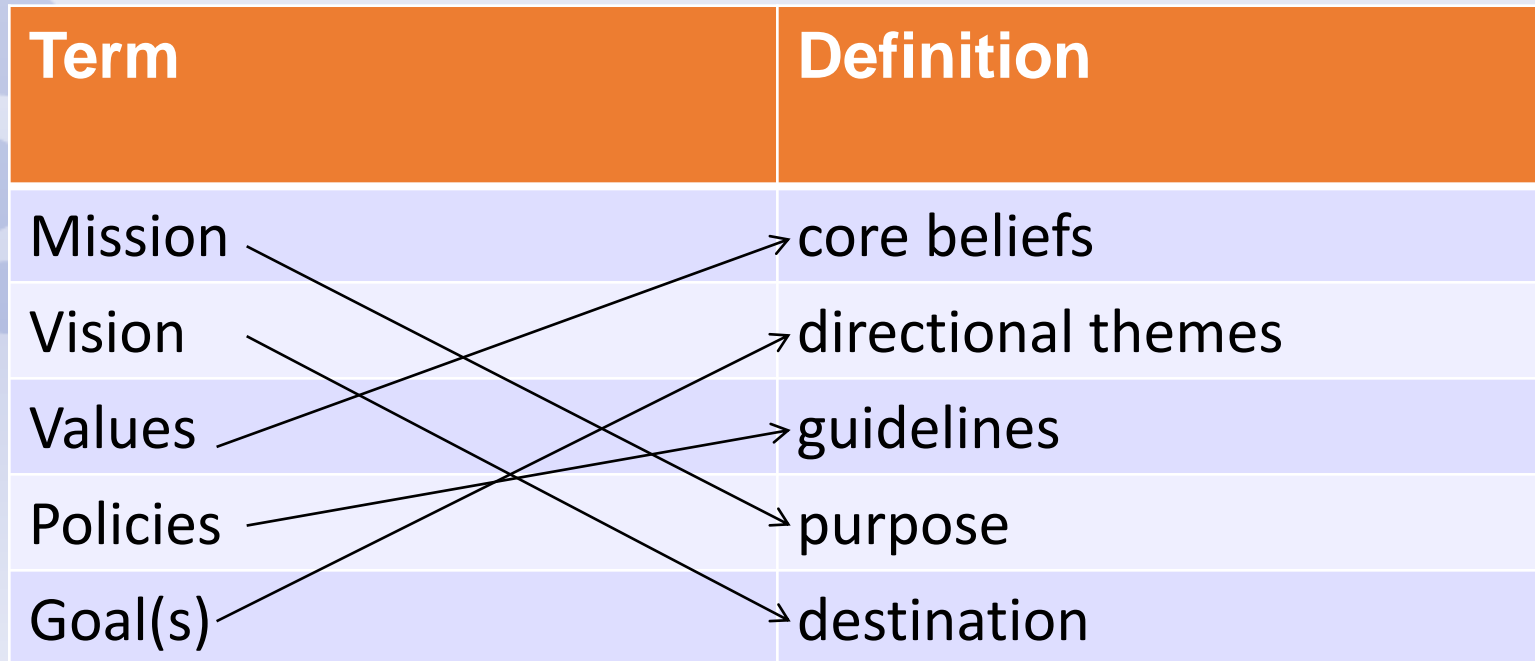
Movable Boundaries

**P3 -
Strategy
Formulation**

Concept: Jeanenne LaMarsh, *Changing the Way We Change*

Strategic Direction Statements

Term	Definition
Mission	core beliefs
Vision	directional themes
Values	guidelines
Policies	purpose
Goal(s)	destination



P4 –
Strategic
Planning

Crossing the “Delta”

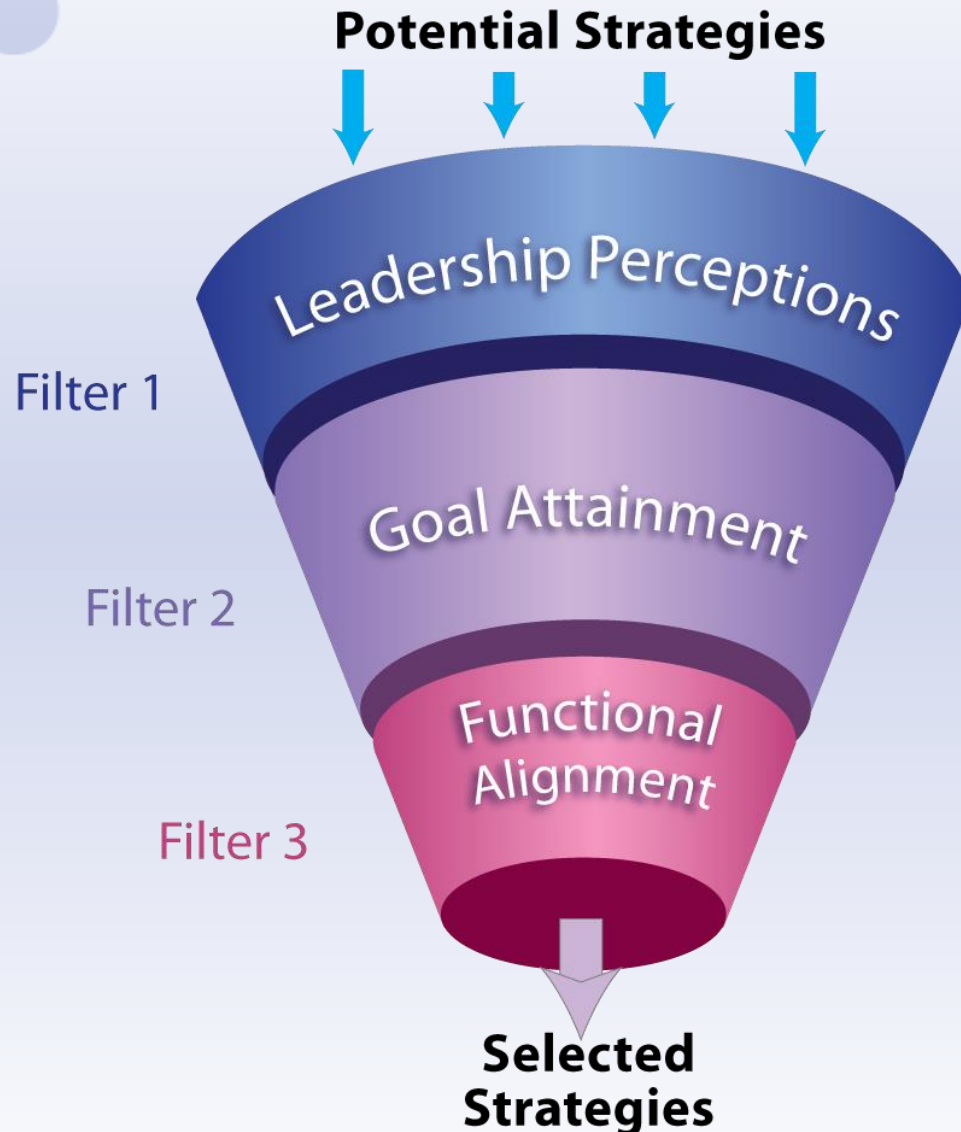


Key Organizational Drivers of Success



Key Organizational Drivers = Key Result Areas

Strategy Selection Process



National Food Service Association

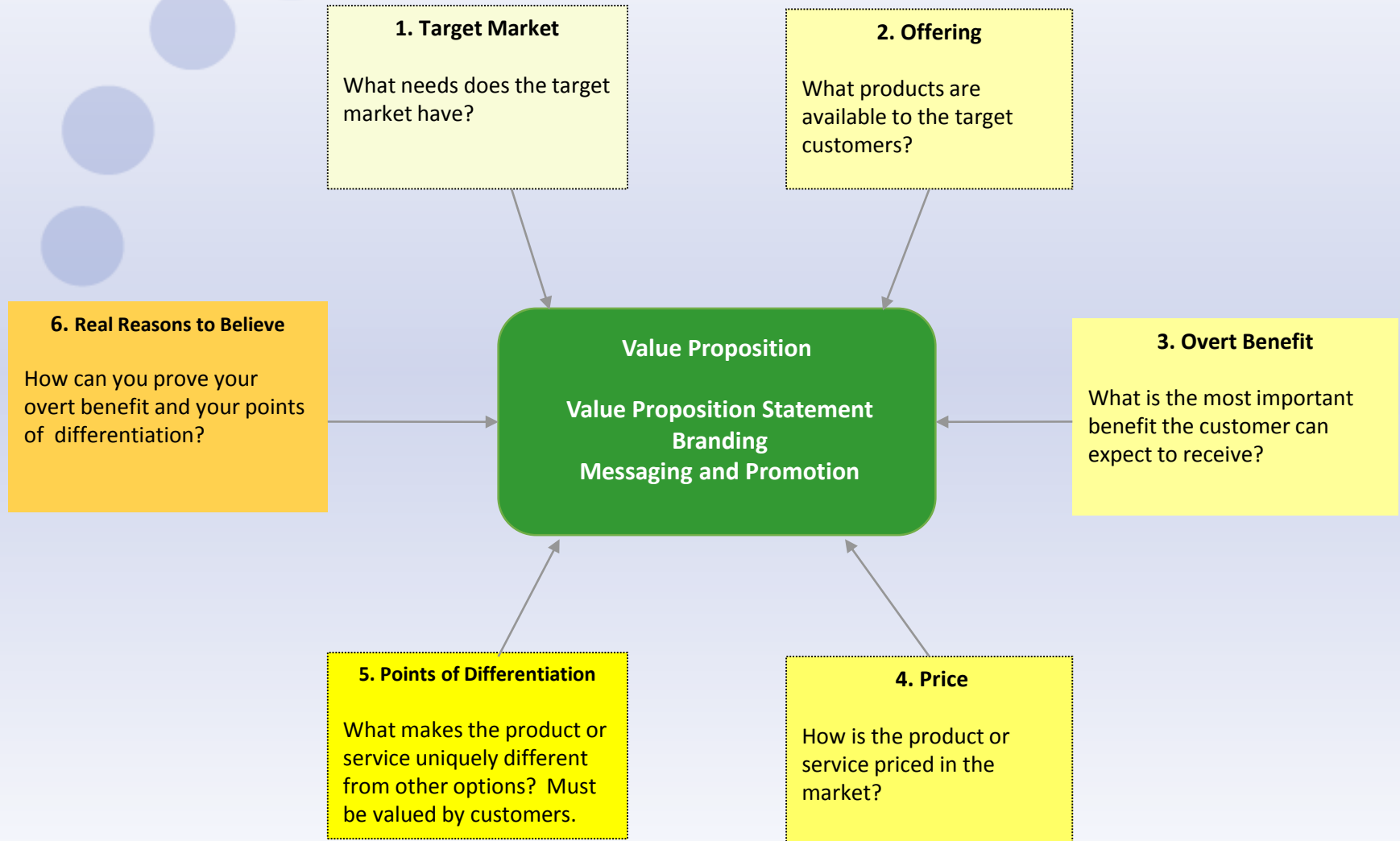
Strategic Plan

Key Result Area	Strategy	Previous FY				Current FY				Next FY				Future FY			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Market / Product Mix	Market Penetration	-----															
	Product Development - Jobs and Careers																
	Product Develop - Sustain & Respons.																
	Product Develop. - Food & Healthy Living																
	Product Develop - Profit & Entrepreneurs																
	International Market Development																
	Strengthen Strategic Account Management																
Organization Structure	Unify Enterprise	-----															
	Improve Decision Making	-----															
	Integrate NP&P Programs	-----															
Operations	Streamline & Improve Internal Processes																
	Leverage in House Product Development	-----															
Science and Regulatory	Strengthen CFP/ANSI Relations																
Exam Security	Improve ANSI Security Plan																
Exam Value Proposition	Define Exam Value Proposition																
Instructor Quality	Improve Instructor Performance																
Shared Services	Utilize corporate infrastructure																

6/2/09

Sharpen Customer Value Proposition

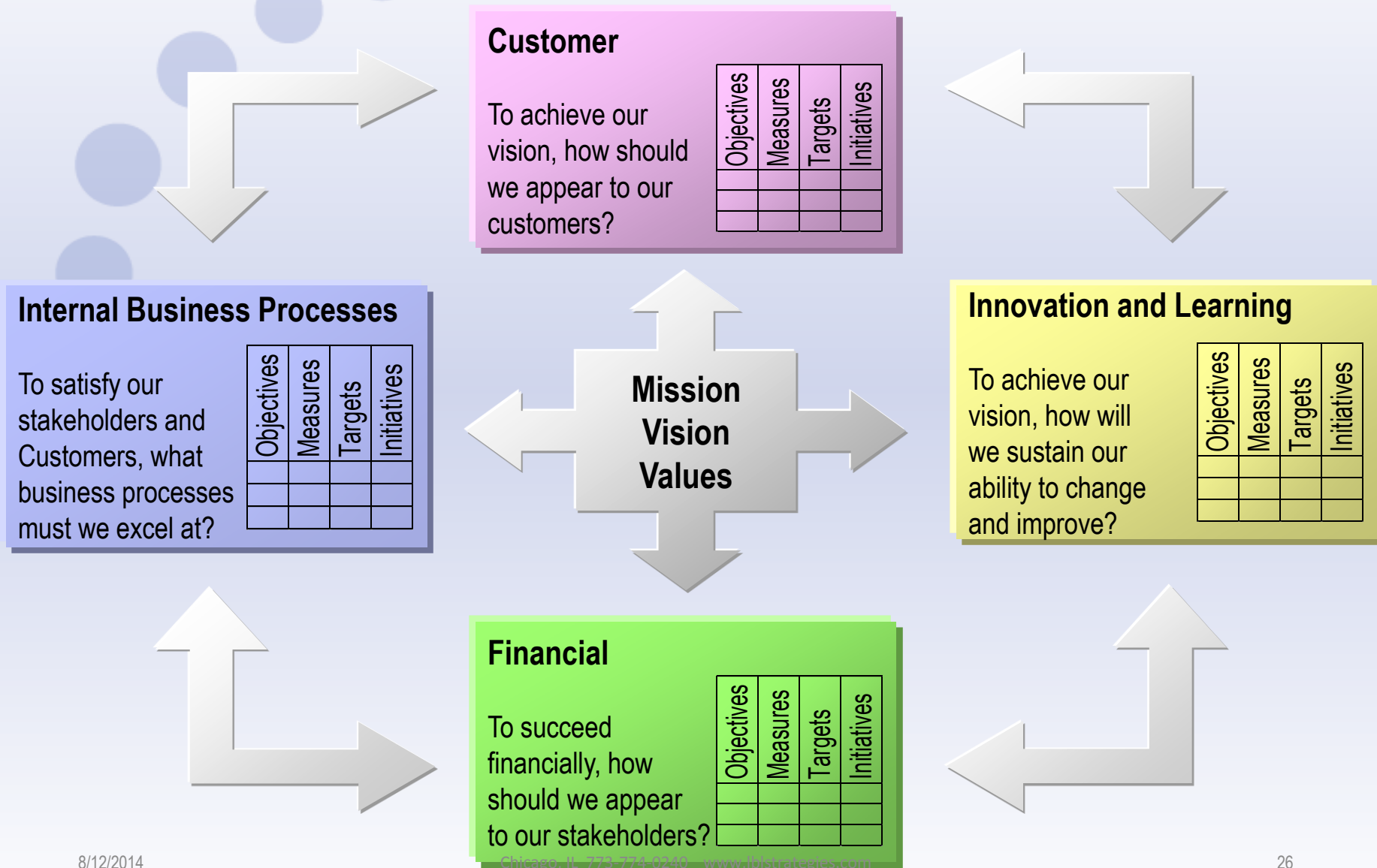
(Link to Marketing Function)



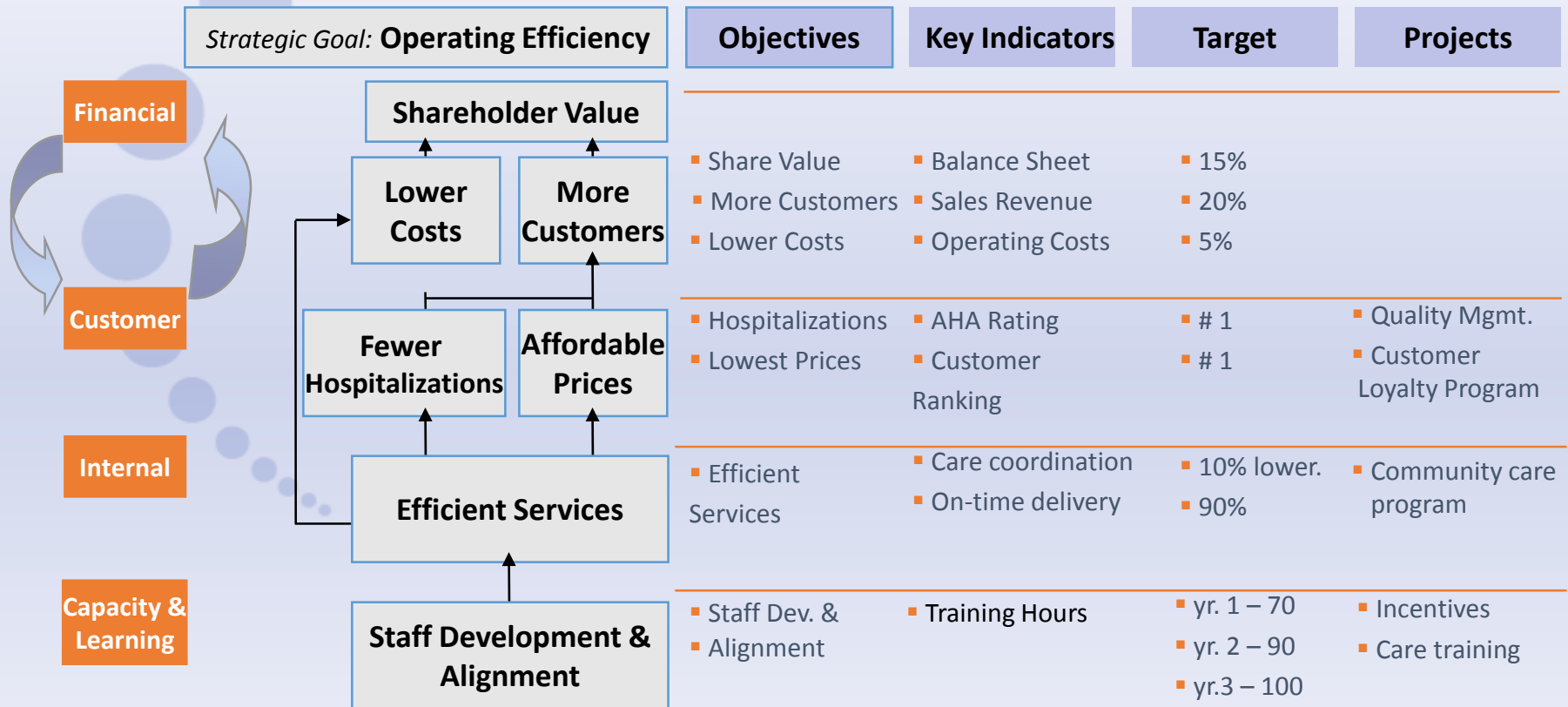
Translate the Strategic Plan into a Strategic Operating Plan



Balanced Scorecard



Sample Strategic Operating Plan*



***Based on Traditional Balanced Scorecard Model**

Case Study – FBFM

Strategic Direction



Vision

FBFM is recognized as the leading resource for financial and business consulting services to farmers throughout Illinois.

Mission

To support those we serve in their day to day activities and long term business success.

Core Values

1. Character: We demonstrate honesty, integrity, and credibility in all that we do.
2. Impartiality: We remain uncompromised in our use of objective information to provide independent and unbiased advice to our members.
3. Commitment: We are committed to meeting the varied needs of our clients, employees, and stakeholders.
4. Excellence: We emphasize continuous personal and professional improvement to enhance our skills and achieve high quality products, services, and results for our clients, employees, and stakeholders.
5. Collaboration: We believe the best results are achieved when we work together and leverage each other's strengths and expertise.

Goal

Ensure the long term success and viability of the organization.

(Targeted Result) Establish a market share that represents 60% of the agriculture gross revenue in Illinois.

Case Study – FBFM

KRAs with Strategies

Key Driver
Staff Development
Employee Recruitment and Retention
Marketing and Branding
Collaboration and Partnering
Structure and Organizational Efficiency
Management and Standardization
Product/Service Development
Risk/Data Management
Happy Field Staff

Product/Service Development

- Pursue deeper market penetration for existing products and services.
- Expand product and service offerings to meet the changing needs of customers.

Management and Standardization

- Pursue standardization to improve operational efficiencies and quality of work.
- Establish effective and efficient operations management within the organization.

Staff Development

- Improve new employee orientation/training programs.
- Emphasize formal continuing education and training to enhance and improve technical skills and knowledge.
- Leverage knowledge and expertise of existing personnel for employee orientation, employee training, and professional development.
- Define responsibilities, expectations, and performance standards for each job role.
- Assess employee training effectiveness and job performance on an ongoing basis.

Employee Recruitment and Retention

- Establish a stable candidate pool from which to fill open Field Staff positions.
- Establish and enhance relationships with Colleges and Universities to attract graduates to FBFM.
- Build a culture that supports work-life balance, manageable workload, appropriate employee autonomy, collaboration, and participation.
- Identify and develop desirable candidates for leadership and other growth opportunities within the organization.
- Assess employee morale on a routine basis.

Marketing and Branding

- Create a customer value statement that demonstrates the organization's strengths, core competencies and points of differentiation.
- Create a comprehensive marketing plan that addresses and defines market segments, products, tiered pricing, and promotional activities.
- Assess customer satisfaction regularly.

Collaboration and Partnerships

- Establish meaningful and useful partnerships with appropriate stakeholders to enhance services and generate new business.

Data/Risk Management

- Establish effective data security procedures to protect sensitive company data and confidential client information.
- Reduce professional staff's liability risk.
- Minimize the potential for displaced staff luring clients away from FBFM.
- Leverage technology to improve access to data, information, and training for all stakeholders.

Structure and Organizational Efficiency

- Evaluate and pursue governance practices and an efficient operating structure to accomplish the organization's shared vision and strategic goal(s).
- Focus on continuously improving strategic thinking and strategic management.

Case Study – FBFM

Strategies – Objectives Translation

Perspective: Customer - what customer needs, desires and expectations must we meet in order to achieve our financial expectations?

Strategy	KRA	Objective
Establish meaningful and useful partnerships with appropriate stakeholders to enhance services and generate new business.	Collaboration and Partnerships	1. Meet the Changing Needs of Customers
Expand product and service offerings to meet the changing needs of customers.	Product Development	

Perspective: Financial - what are the desired financial outcomes we must achieve to satisfy our key stakeholders?

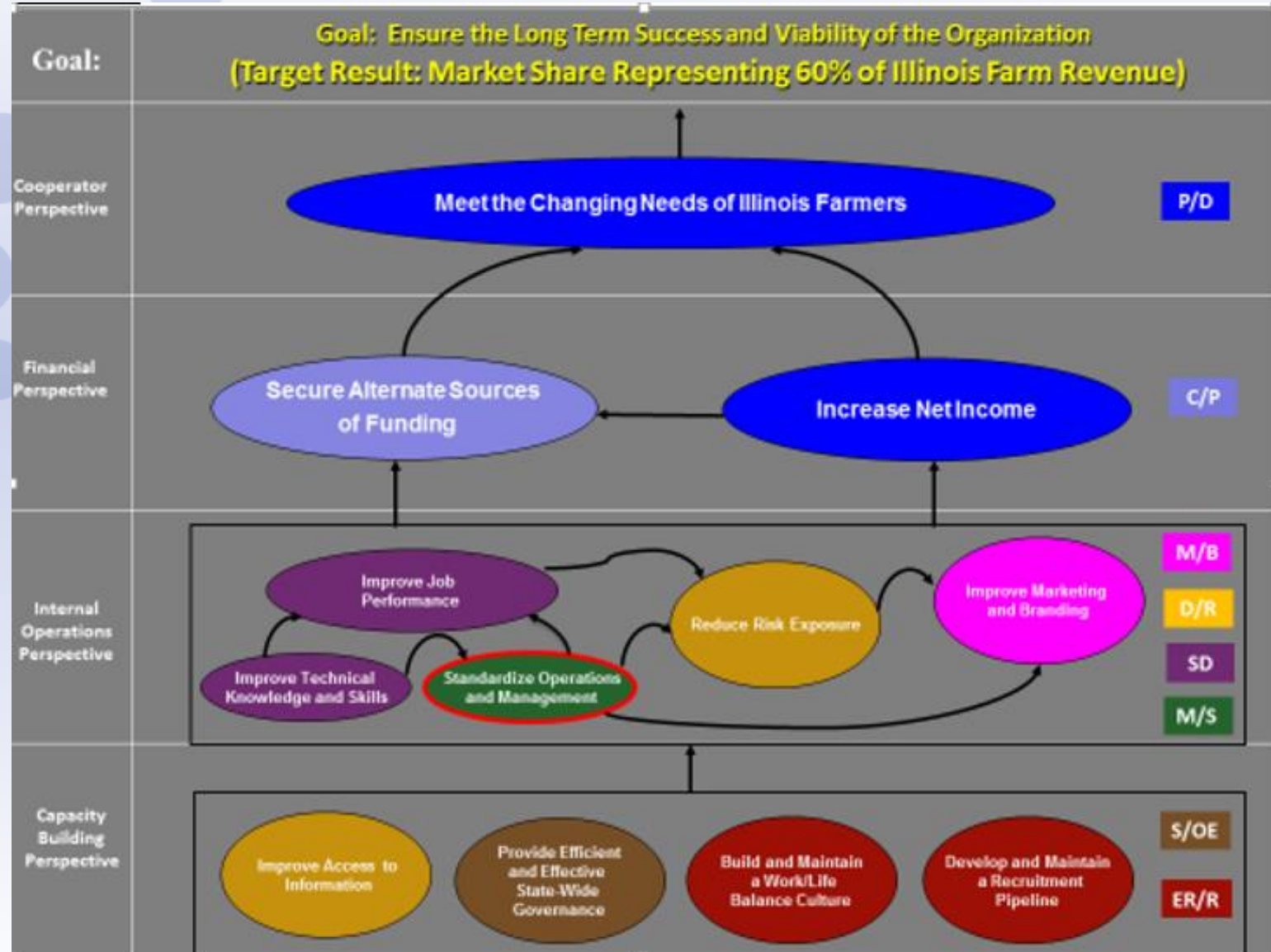
Strategy	KRA	Objective
Price products and services to better reflect the value of services offered and services that members utilize.	Product Development	2. Increase Net Income
Pursue deeper market penetration for existing products and services.	Product Development	3. Obtain Alternate Sources of Funding

Perspective: Internal Business Perspective/Processes - where must we improve internal operations to satisfy our customers and achieve our financial expectations?

Strategy	KRA	Objective
Create a customer value statement that demonstrates the organization's strengths, core competencies and points of differentiation.	Marketing and Branding	4. Improve Marketing and Branding
Create a comprehensive marketing plan that addresses and defines market segments, products, tiered pricing, and promotional activities.	Marketing and Branding	
Establish effective data security procedures to protect sensitive company data and confidential client information.	Data/Risk Management	5. Reduce Risk
Reduce professional staff's liability risk.	Data/Risk Management	
Improve new employee orientation/training programs.	Staff Development	6. Improve Technical Knowledge and Skills
Emphasize formal continuing education and training to enhance and improve technical skills and knowledge.	Staff Development	

Case Study – FBFM

Strategy Map



Key Performance Indicators

A key performance indicator (KPI) is a measure, for which the organization has data, that helps quantify the achievement of a desired strategic objective or outcome.

Exercise to identify performance indicators

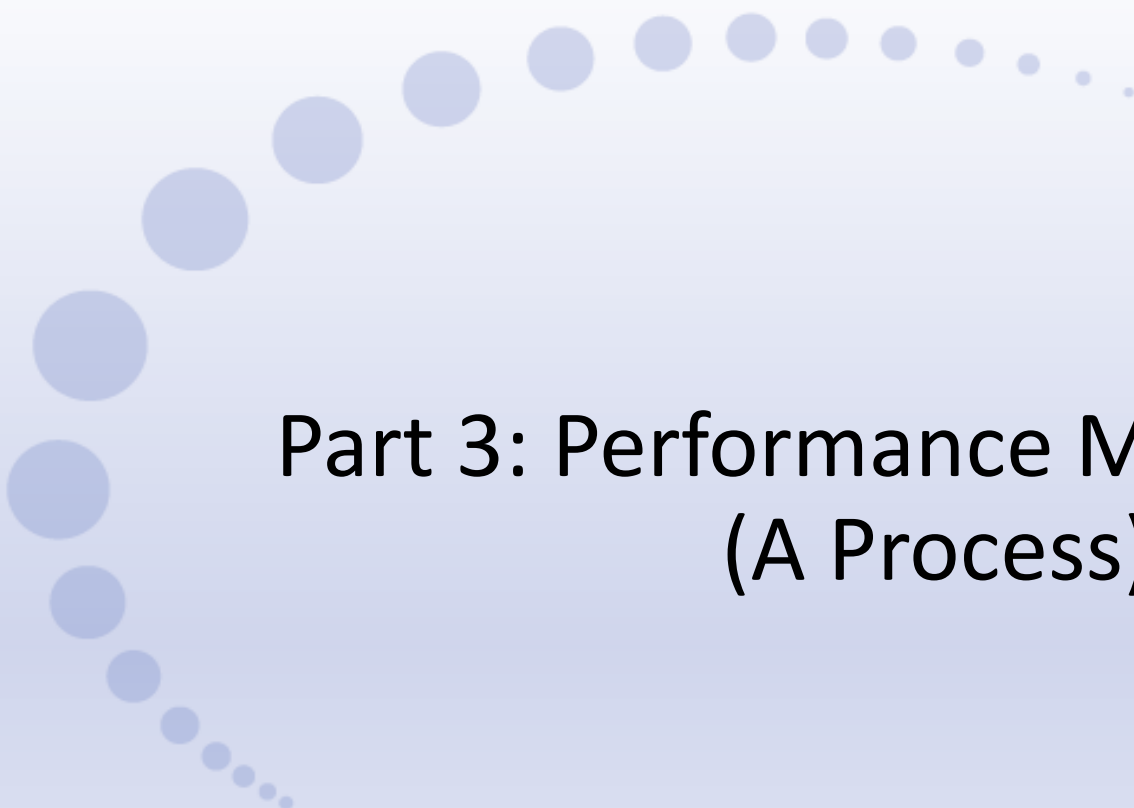
Objective: Cultivate and retain a highly competent and motivated staff

Potential Indicators*	A Valid	B Value	C Ease	D Account- able	E Communicate Positive Message	F Lead / Lag	Final Rank
On time delivery	4	4	2	4	4	5	3
Overtime	3	4	5	4	3	4	4
Employee Satisfaction	5	5	3	5	5	5	1
Margins	3	5	5	5	5	2	6
Employee Retention	4	4	4	5	5	4	2
Sales Lead to Close Ratio	3	4	4	3	4	5	5

*Scale = 5 (high) to 1 (low)

Select Initiatives to Execute Strategy

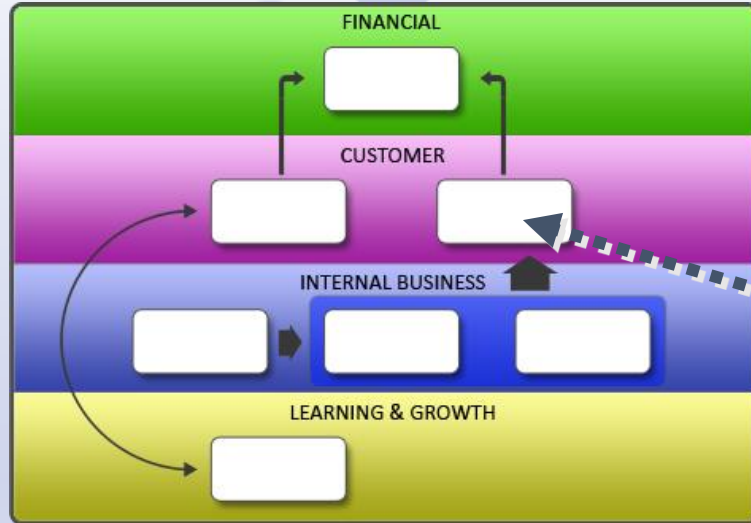




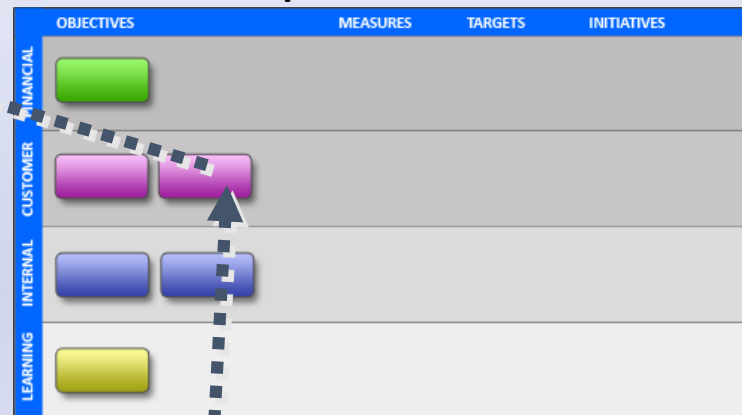
Part 3: Performance Management (A Process)

Cascading Objectives

Tier 1 – Strategy Map



Tier 2 – Department / Business Unit



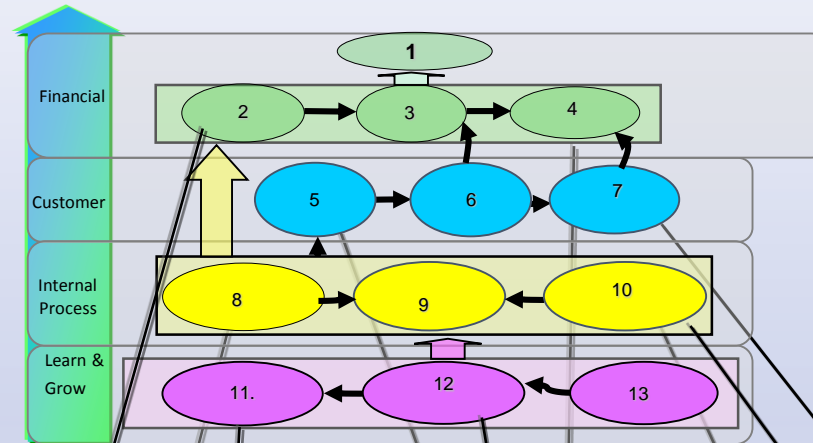
Tier 3 – Team / Individual



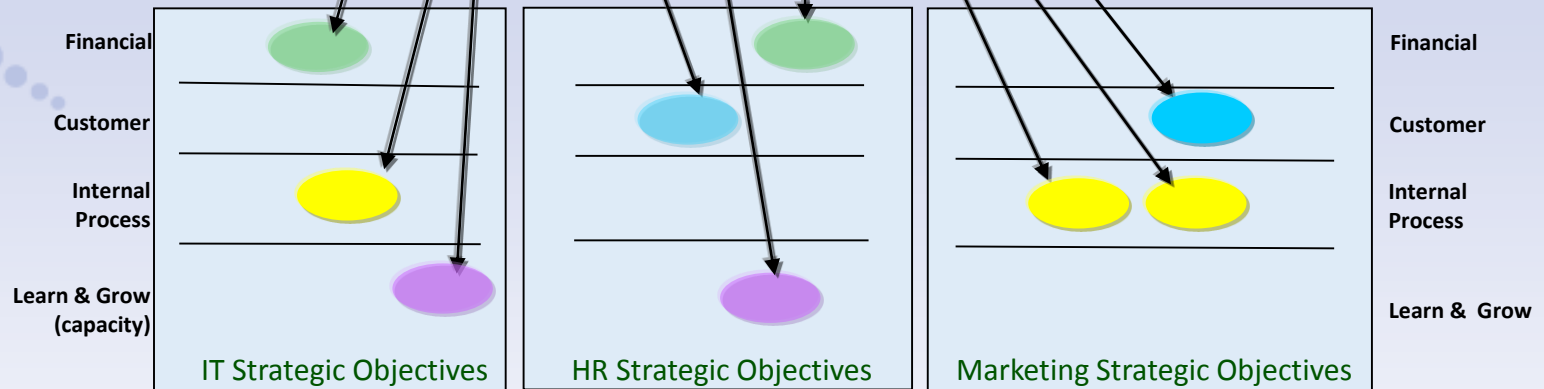
**P5 –
Implement
Evaluate
Control**

Cascading a Scorecard to Tier 2

Enterprise-Wide
(Tier One)



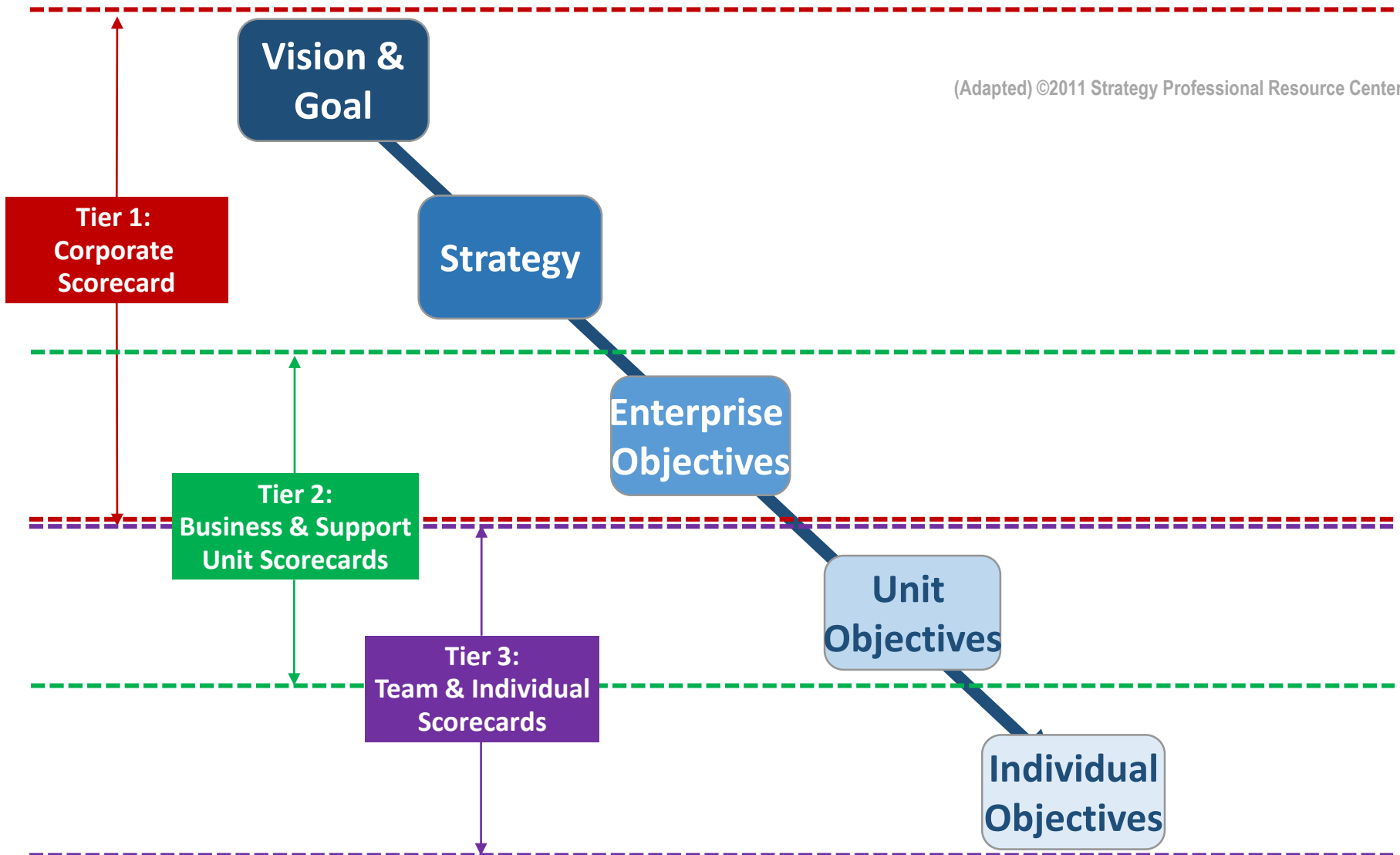
Departments
(Tier Two)



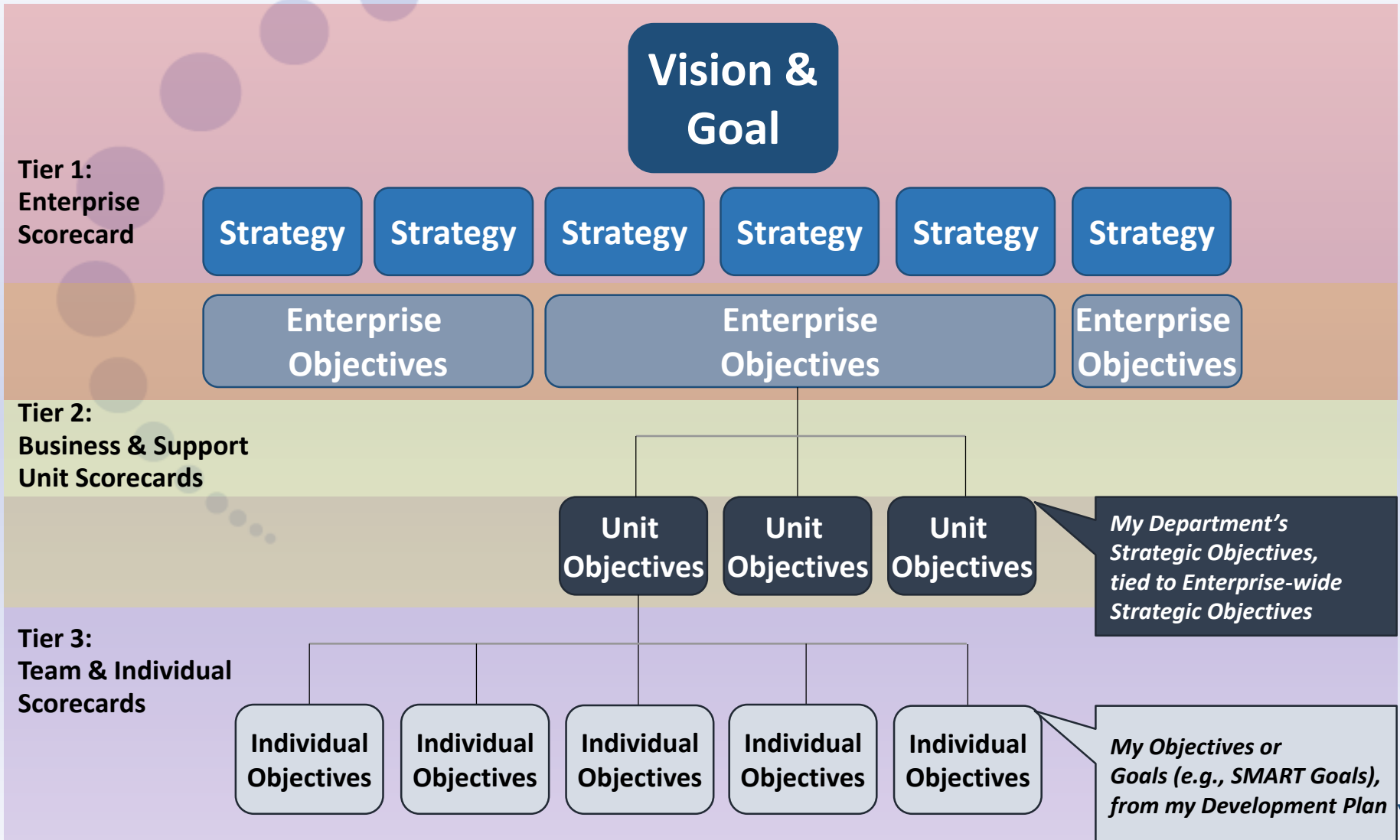
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Alignment

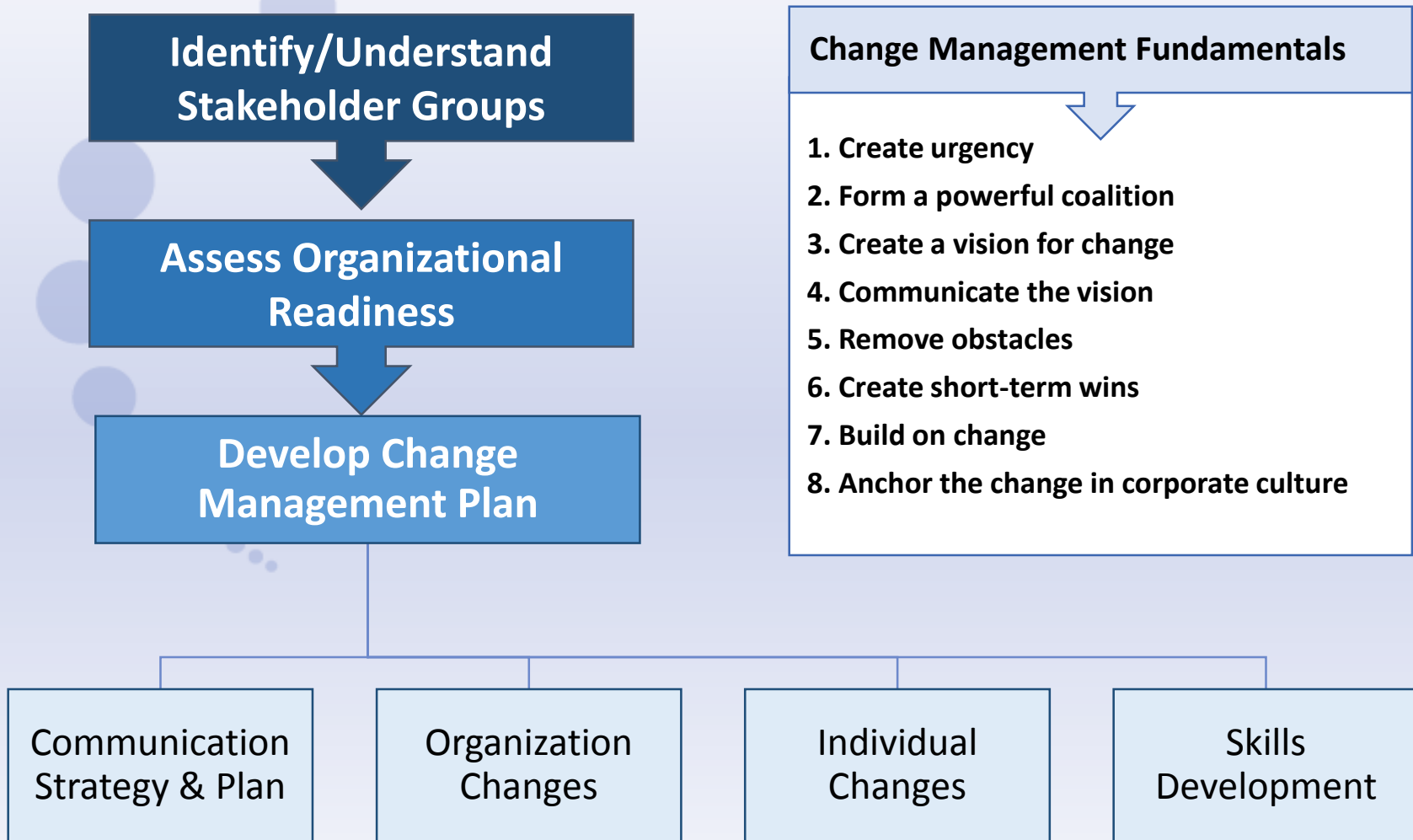
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Strategic Alignment



Change Management



Source: The Eight Stage Change Process, Leading Change, John P. Kotter, HBR.

Culture Change Requirements

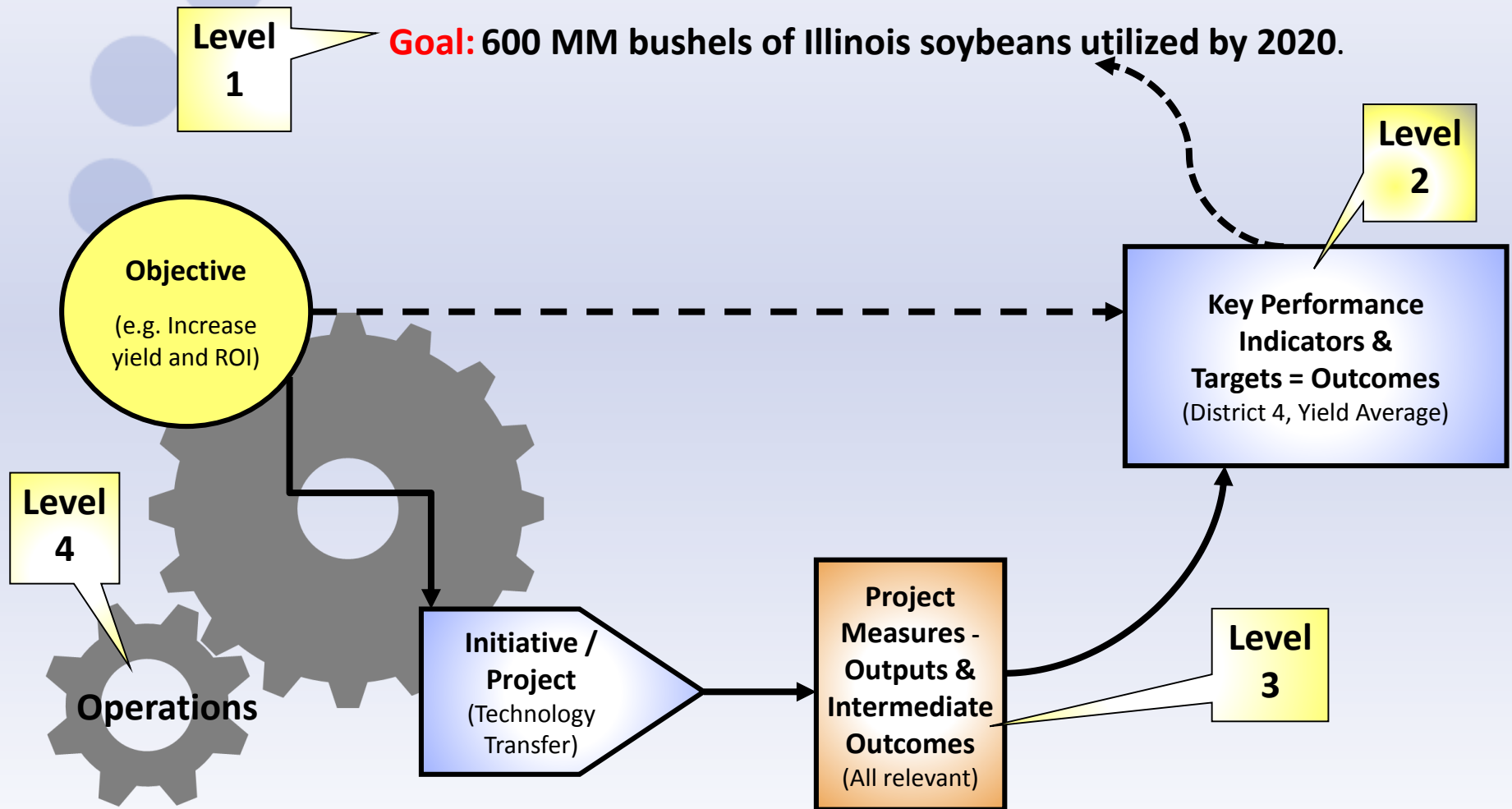
Managing Complex Change

Planning Scenario	Positive Corporate Culture	Skills Exist	Appropriate Incentives are in Place	Available Resources	Take Desired Action	Type of Change
Description	Vision, mission, values, paradigms, assumptions, beliefs, attitudes, fears, investments, etc.	Hard and soft	Recognition process, career path, job security, compensation, working conditions	Materials, money, management team, systems, processes	Customer satisfaction, employee motivation, financial performance	Positive versus negative
1	Yes	Yes	Yes	Yes	Yes	<i>Positive Change Occurs</i>
2	No	Yes	Yes	Yes	Yes	Confusion
3	Yes	No	Yes	Yes	Yes	Anxiety
4	Yes	Yes	No	Yes	Yes	Apathy
5	Yes	Yes	Yes	No	Yes	Frustration
6	Yes	Yes	Yes	Yes	No	Uncertainty

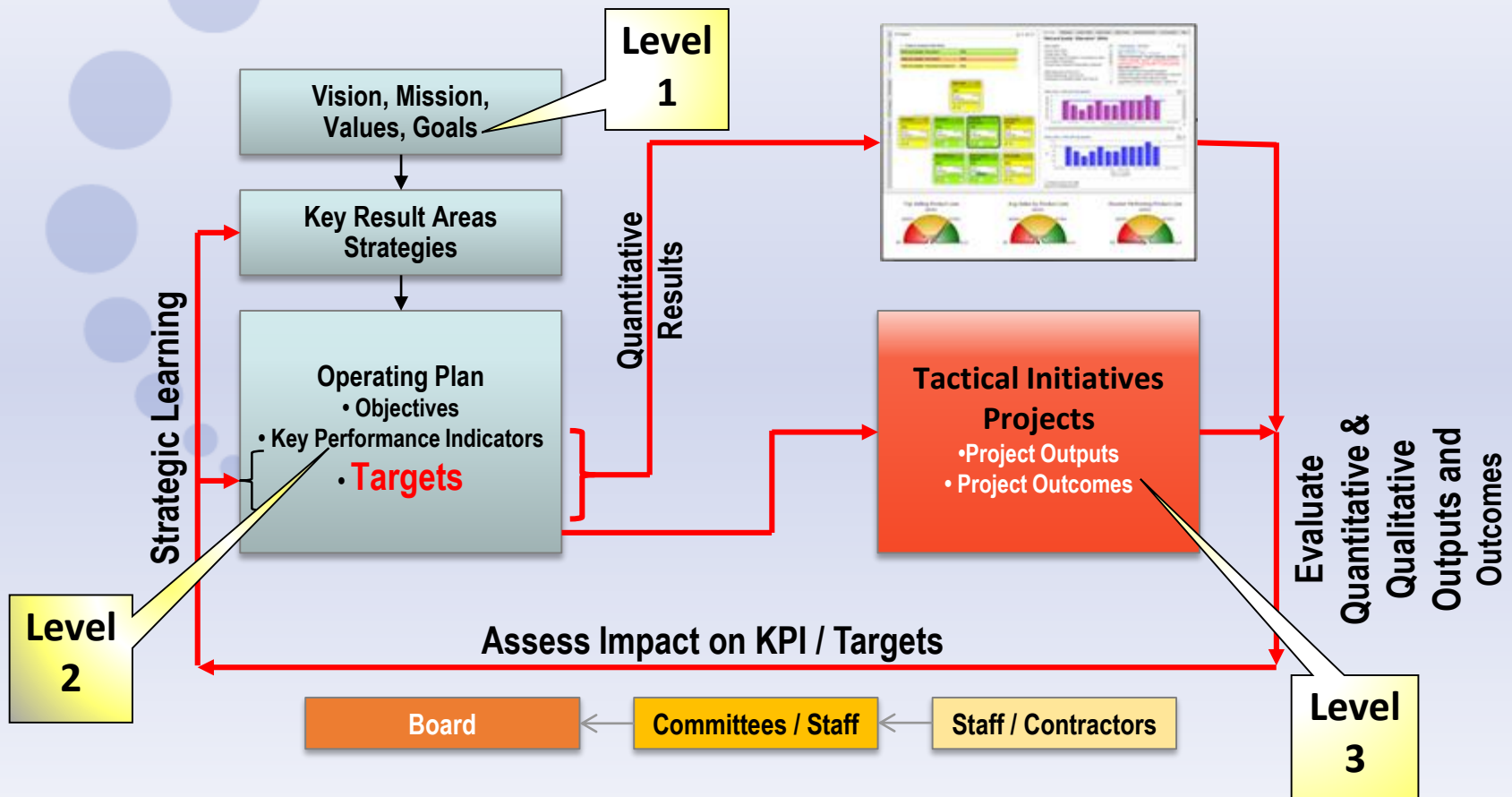
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Levels of Performance Management



Strategic Management Information Flows



Strategy Management System/Calendar

Strategy Management Calendar (Year 1)

Year 1 - Month	January				February				March				April				May				June				July				August				September				October				November				December			
Week	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Research Planning																																																
Budgeting																																																
Project Reporting & Evaluation																																																
KPI Analysis & Reporting																																																
Objective Progress Reporting																																																
Divisional Meeting - SMP Update																																																
Executive Meeting - SMP Update																																																
Board Meeting - SMP Presentation																																																

Strategy Management Calendar (Year 2)

Year 2 - Month	January				February				March				April				May				June				July				August				September				October				November				December			
Week	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
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Divisional Meeting - SMP Update																																																
Executive Meeting - SMP Update																																																
Board Meeting - SMP Presentation																																																

Legend

Data Collection

(Measure Data, Ideas, Proposals)

Analysis and Evaluation

(Performance, Funding)

Result Due

(Reports, Recommendations)

Meeting

(Review, Learning, SMP Update)

Approval

(Recommendations, Refinements)

Refinement and Execution

(Strategic Plan, Operating Plan)



Thank you!

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