

Copyright © 2004 Richard Shrapnel PhD

Published by:

Compete Global Pty Ltd ACN 072 471 268

P.O. Box 4401, Knox City Centre, Victoria. Australia.

Telephone: (61) 0419 306 697

Facsimile: (61) 03 9801 0118

www.competeglobal.com

DVD cover and booklet designed by Lara Cameron.

All rights reserved. This publication is copyright and may not be resold or reproduced in any manner (except excerpts thereof for bona fide study purposes in accordance with the Copyright Act) without the prior consent of the Publisher.

Limit of Liability/Disclaimer of Warranty: Whilst the publisher and author and their respective employees and agents have used their best efforts in preparing this booklet and the accompanying video and audio, they make no representations or warranties with respect to the accuracy or completeness of the contents of the booklet, video and audio and specifically disclaim any implied warranties of merchantability or fitness for a particular purpose. No warranty may be created or extended by sales representatives or written promotional material. The advice and strategies contained herein may not be suitable for your individual situation. As such you should seek individual professional advice where appropriate. Neither the publisher, author nor their employees or agents shall be liable for any loss or profit or other commercial damages including but no limited to special, incidental, consequential, or other damages.

ISBN 0-9751268-4-9: Booklet, DVD Video and CD Audio set

# Content

- How to use this booklet 4
- A Framework for Thought 4
- Introduction 5
- Let's Talk About SBP 10
- Strategic Conversations 14
- StrategyPlay! 15
-  History 16
-  Strategic Analysis & Thinking 19
  - Marketplace 19
  - Competitive Landscape 23
  - Positioning 26
-  The Organisation 30
-  The Future 33
-  Financial Validation 36
-  Risk Mitigation 37
-  Bringing It To Life! 38

## Let's Talk About SBP

When your mind turns to business planning you must begin to think of the PROCESS of business planning rather than the document that may be produced at the end of the process. The SBP process is pursued to underpin success, achieve goals and drive performance.

It must also be remembered that business planning is a continuous ongoing exercise. It is not something that is undertaken every few years. A strategic business plan should represent a real-time map of where the enterprise is going, how it intends to get there and should be monitored as you advance. Many business-planning exercises fail, as the day after the process (plan) is completed everyone forgets it and goes back to his or her norm. In fact, it is once the process is completed that the hard work commences.

In thinking and talking about SBP you should have a strong handle on what SBP is and what it isn't and the purposes for which you are undertaking the exercise.

When you begin to consider the process of business planning you are seeking to achieve three important outcomes. They are to:

Challenge and extend the way you think about your business.

Gain insights and understanding not only about your business but also your customers and the market in which you compete.

Build the confidence and knowledge that the course of action you are going to pursue is correct.

Measure your business planning process against these benchmarks. If you find that your business planning process is not delivering these outcomes then you should pause and restart. As the business planning process builds momentum you should find that a clear direction has been set, that all resources are aligned with that direction and that everyone is focused on achieving the defined goals.

In fact, often the strength of business planning arises not so much in some unique competitive strategy that may be developed, but rather, in the fact that you have set a course of action that has drawn in the entire enterprise thereby gaining its commitment and focus. Day after day everyone knows exactly where they are heading and what they should be doing and therefore may concentrate on this direction with the knowledge that it has meaning to them.

We must not forget that in today's competitive market it is not sufficient to merely employ staff to do a job and expect them to do it. Sure, your business will continue and you may well make a profit but you will be dragging

the weight of your employees with you as you compete in the marketplace. In today's competitive market it is necessary that you gain the support of your employees and that they feel pride in the job that they do. If you manage employee resources well you can easily outpace your competitors and improve your profitability significantly. Business Planning is an important tool in winning support and unleashing enthusiasm and energy.

## Questions

*What does business planning mean to you as a business leader?*

*How is business planning used in your enterprise?*

*Do you use business planning in your enterprise?*

*List the benefits you receive?*

## Strategic Conversations

The other attribute of SBP that underpins your success is the strategic conversations and language that it establishes.

Once your management team has gone through a structured process of crafting a competitive strategy for your business, they develop amongst themselves a common language.

This language may well be rich with images and metaphors that carry significant meaning to your team or simply a common agreement on what is important to your business.

Importantly what also occurs is that there now exists a basis upon which your management team can argue out which direction your business should follow and what is important to its success.

The strategic conversations that have commenced should be nurtured and encouraged as they will deliver a real strength to the competitiveness of your business.

## StrategyPlay!

We adopt a strategy creation and assessment methodology that we call 'StrategyPlay!', which examines a range of relevant agents that influence and determine the competitive posture most appropriate to the business and the markets in which it competes.

'StrategyPlay!' incorporates seven key elements:

- History
- ▲ Strategic Analysis and Thinking
  - Marketplace
  - Competitive Landscape
  - Positioning
- ▼ The Organisation
- The Future
- Financial Management
- Risk Management
- ★ Implementation

Each of these elements represents another step in the process of building an effective competitive strategy.