



GLOBAL STRATEGY EXECUTION SUMMIT

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Conference Sponsored by



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A Data Labs India Product



Best Practices in Strategic Planning

Sameer Goverdhan

Sameer Goverdhan

A certified expert in Strategy Management & Business Planning with more than 13 years experience across different industries and countries, with primary focus on facilitating Strategy Management, Business Planning, Transformation Initiatives and Performance Management.

- Passionate Strategy Management, Business Planning, Organizational Diagnosis, Performance Management
- Led the Strategy Management Office and the Project Management Office.
- Facilitated multiple Transformation Projects
- Worked with Top management and C-Suite Executives to support and facilitate them in managing business.
- Volunteer in Non-Profit Organization & Mentor in Pro-Bono Consulting firm
- An MBA (USA) and Bachelor's in Commerce



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Agenda

1. Introduction
2. Strategy Schools & XPP
3. Strategy Planning Framework
4. Common Pitfalls & Important Considerations
5. Key Takeaways

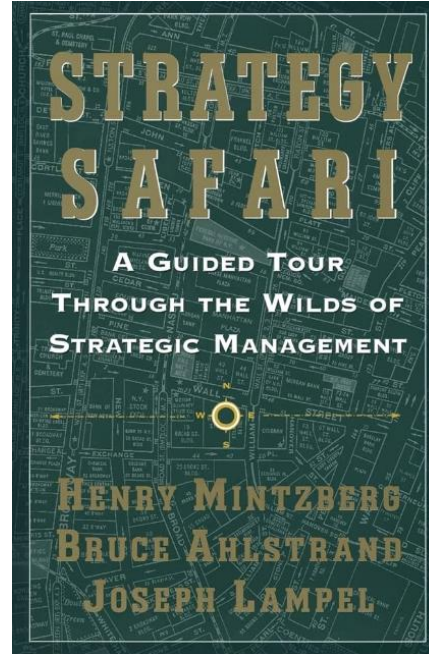


“Nobody can predict the future; the idea is to have a firm grasp of the present.”

– [Peter F. Drucker](#)

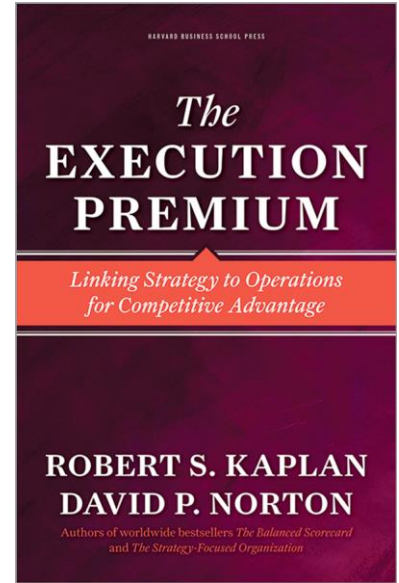
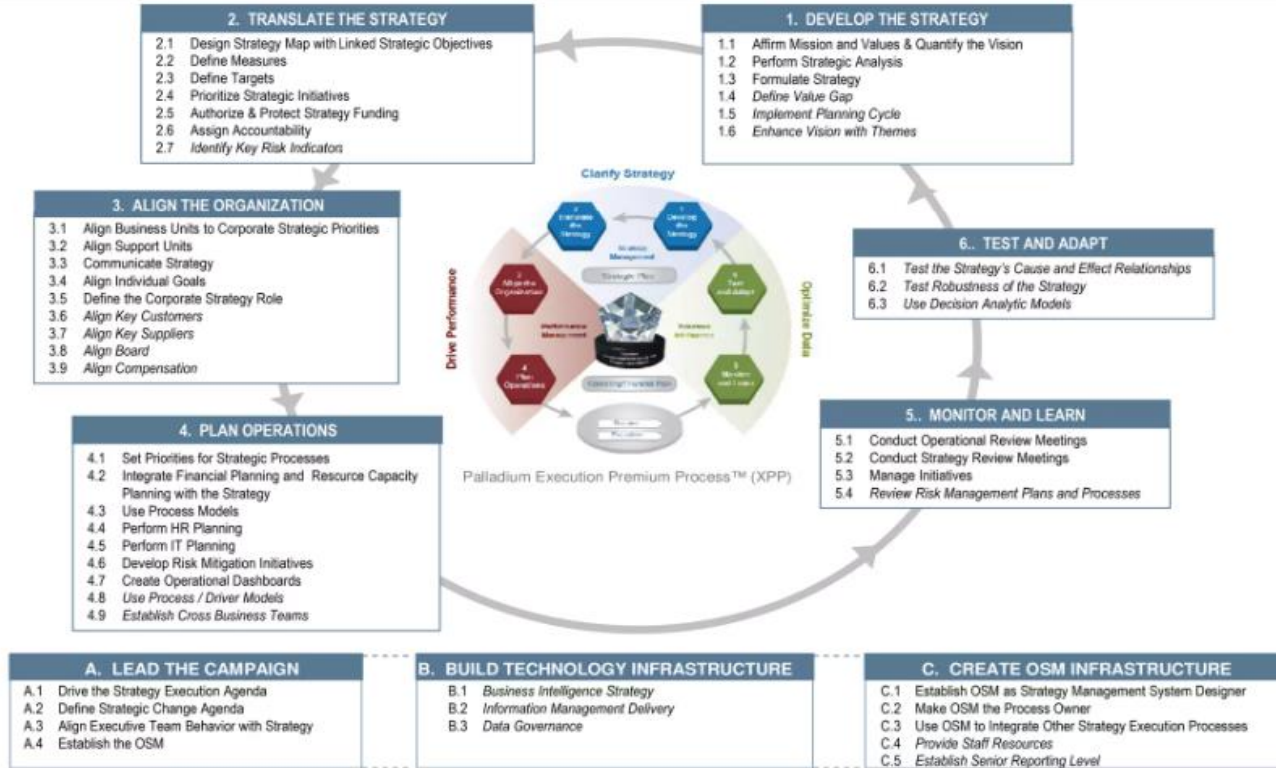
Different Schools of Strategy

1. Design School
2. Planning School
3. Positioning School
4. Entrepreneurial School
5. Cognitive School
6. Learning School
7. Power School
8. Cultural School
9. Environmental School
10. Configurations School



"The real challenge in crafting strategy lies in detecting subtle discontinuities that may undermine a business in the future. And for that there is no technique, no program, just a sharp mind in touch with the situation." Henry Mintzberg

XPP - Execution Premium



A black and white space-themed background. At the top, a bright, curved horizon line, possibly of a planet or moon, arches across the frame. Below it, a large, dark planet with a prominent ring system is visible. A comet with a long, bright tail streaks across the lower right portion of the image. The background is filled with numerous stars of varying brightness and a nebula-like cloud of gas and dust.

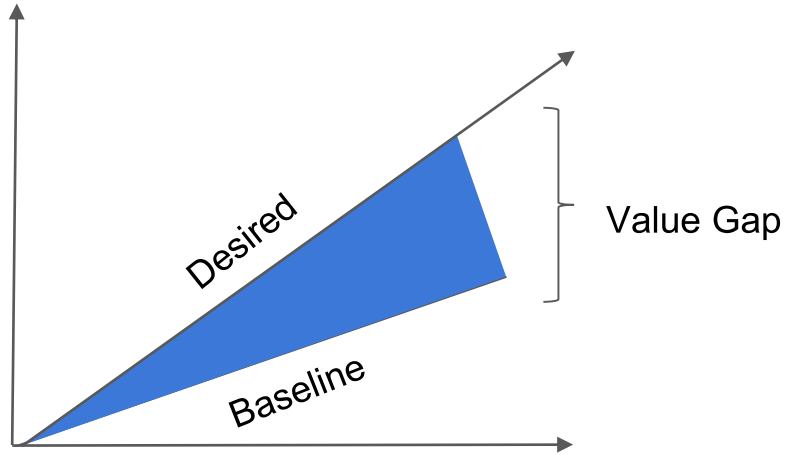
Strategic Planning Framework

Strategic Altitude

Market Needs, Stakeholders Needs



Value GAP

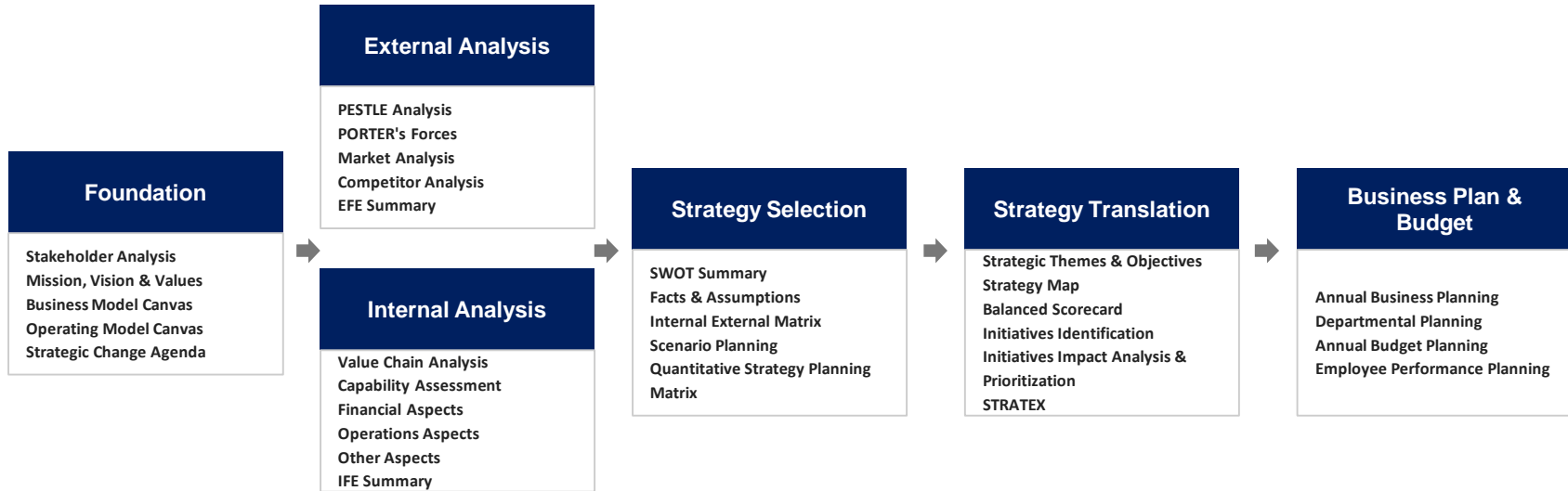


The Value Gap defines the difference between an organization's aspirations (Vision) and its current performance (Baseline)

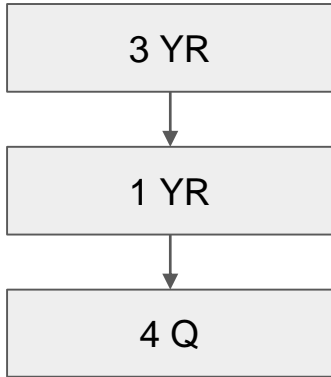


How to Close the "Value Gap" is the essence of Strategy

Strategic Planning Framework

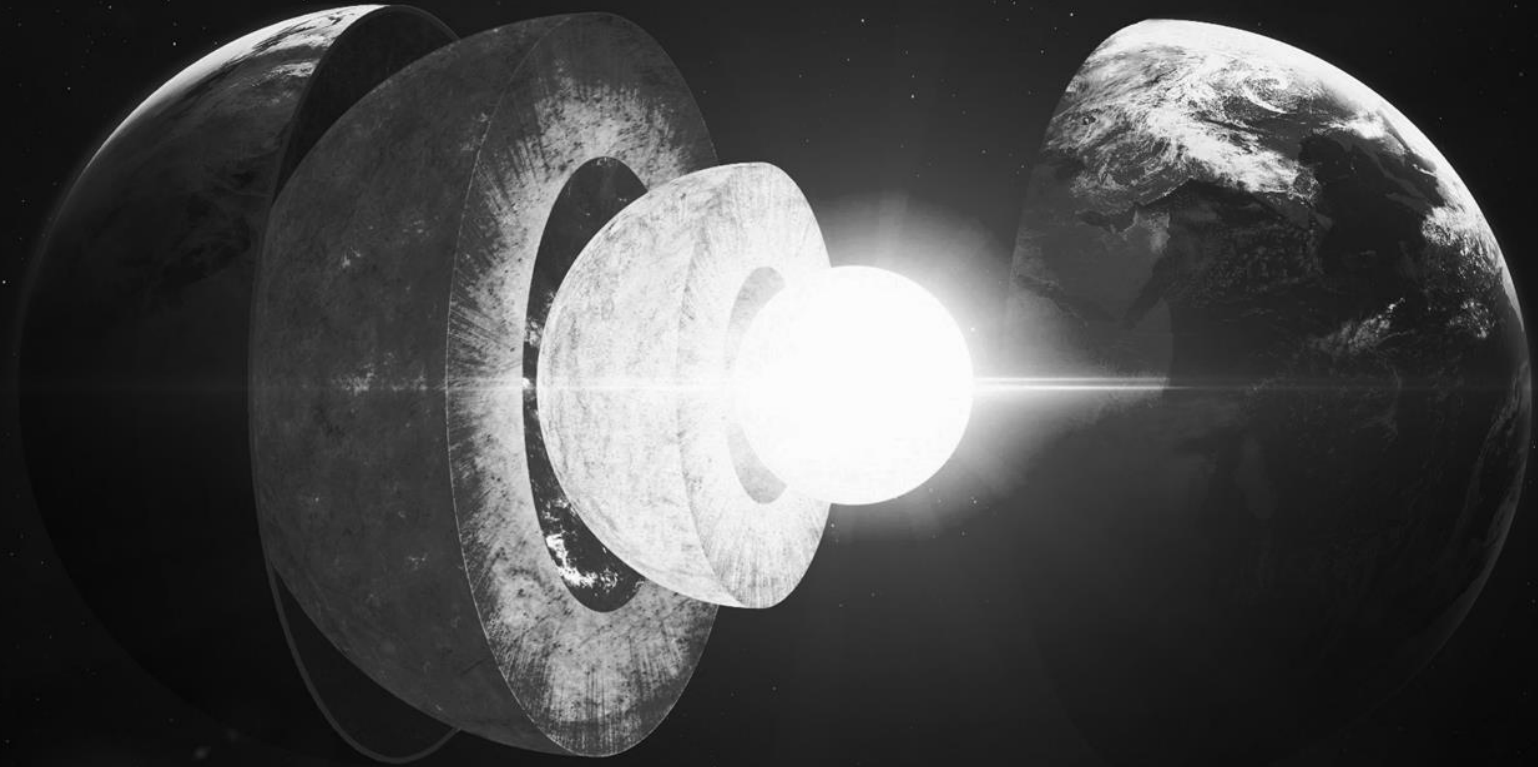


Timeframes

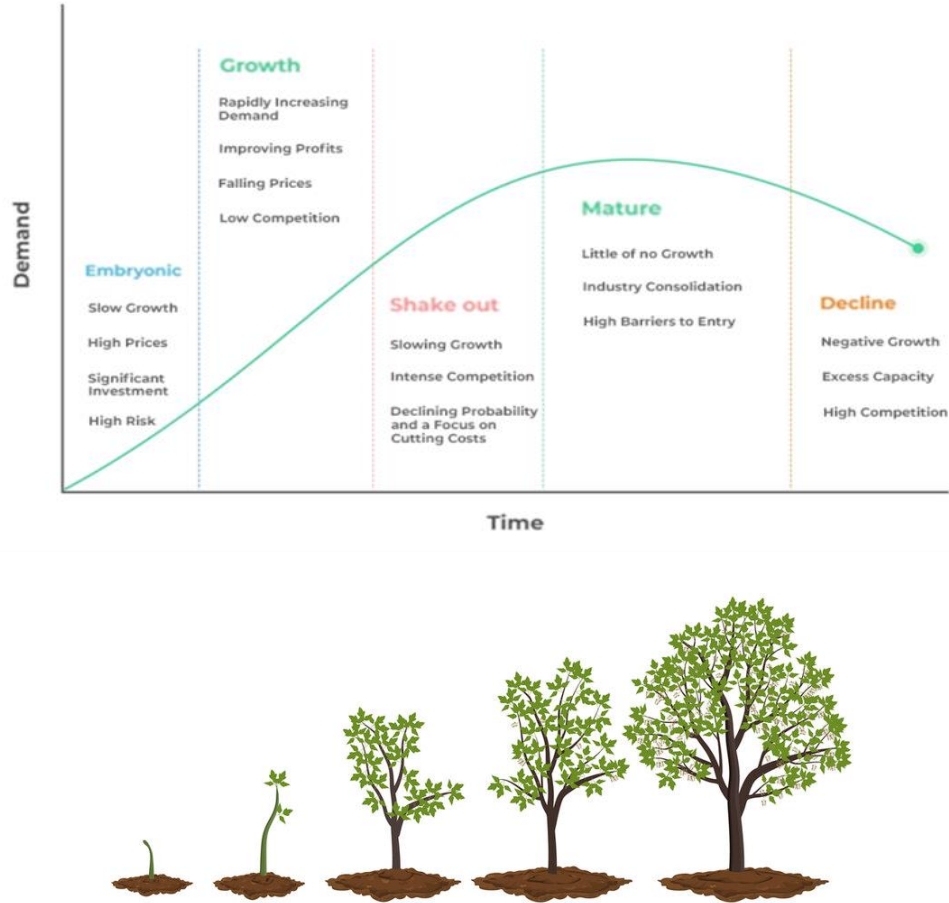


	M1				M2				M3				M4				M5				
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1
Formulation	█																				
Development			█		█																
Business Plan									█												
Budgeting													█								
Cascading																	█				

Foundation



Organizational Maturity



THE TOP 100

Most Valuable Brands

We've visualized the most valuable brands for 2023, based on Brand Finance's annual Global 500 ranking.

How is a brand's value determined?

- Retail (14)
 - Tech & Services (16)
 - Media (9)
 - Banking & Insurance (20)
 - Telecoms (8)
 - Automobiles (10)
 - Energy & Utilities (14)
 - Food & Beverages (6)
 - Healthcare Services (3)
- U.S. companies make up half of the top 100 ranking.
- Brand Revenues includes brand royalties
- Brand Strength Brand investment, brand equity, and brand performance
- Brand Value



Strategy Focused Organization Assessment

1	Mobilise Change Through Executive Leadership	Rtg
1.1	Leaders drive strategy execution	4
1.2	Executives make case for change	2
1.3	Leaders reinforce strategic priorities	2.5
1.4	Well articulated strategy exists	2.5
1.5	Office of Strategic Management (OSM) established	1
	Average score	2.40

3	Align the Organisation to the Strategy	Rtg
3.1	Corporate contribution to strategy defined	2
3.2	Enterprise Scorecard guides business units	2
3.3	Enterprise Scorecard guides support units	2
3.4	Scorecards align suppliers and / or customers	3
3.5	Scorecard reports to Board and / or Shareholders	1
	Average score	2.00

5	Govern to make strategy a continual process	Rtg
5.1	Budget is driven by strategy	3
5.2	Planning is linked to strategy	3.5
5.3	Portfolio of strategic initiatives aligned to themes	2
5.4	Process improvement aligned to strategy	3
5.5	Best practice sharing in place	2
5.6	Review and adapt strategy	3.5
5.7	Data and analytics guide strategy	3
	Average score	2.86

2	Translate Strategy to Operational terms	Rtg
2.1	Strategy translated in Strategy Maps	4
2.2	Strategy described in Balanced Scorecard	4
2.3	Targets identified for all measures	2.5
2.4	Strategic Initiatives rationalised	2
2.5	Executives accountable for initiatives	3
	Average score	3.10

4	Motivate to make strategy everyone's job	Rtg
4.1	Strategic awareness created	2.5
4.2	Personal goals aligned	1
4.3	Personal incentives aligned	1
4.4	Competency development aligned	1.5
	Average score	1.50

Criteria	Rating
We are poor at this	1
We are not good at this	2
We are OK at this	3
We are good at this	4
We are "best practice" at this	5

**Average score for
whole assessment**

2.44

Engage Leadership & Management to Periodically assess the organization's maturity

Mission, Vision, Values,

Mission

Describes the fundamental purpose of the entity, especially what it provides to customers and clients

- Who we are ?
- What we do ?
- For who ?
- What are our products & services?
- Why we do it ?

"Google's mission is to organize the world's information and make it universally accessible and useful."



Vision

The Vision Articulates the future direction and long term goals of the organization.

- Should State "where we are going"
- Should State " What the future looks like"
- Should be challenging but achievable
- Should be structured in (Market, Timeline, Quantification- highest level of success indicator)

"You want to wake up in the morning and think the future is going to be great - and that's what being a spacefaring civilization is all about. It's about believing in the future and thinking that the future will be better than the past. And I can't think of anything more exciting than going out there and being among the stars." - Elon Musk - SpaceX

Core Values

The Vision Articulates the future direction and long term goals of the organization.

- What we believe In ?
- What we Stand for ?
- What are our guiding principles for making decisions?

رؤية
VISION

2030

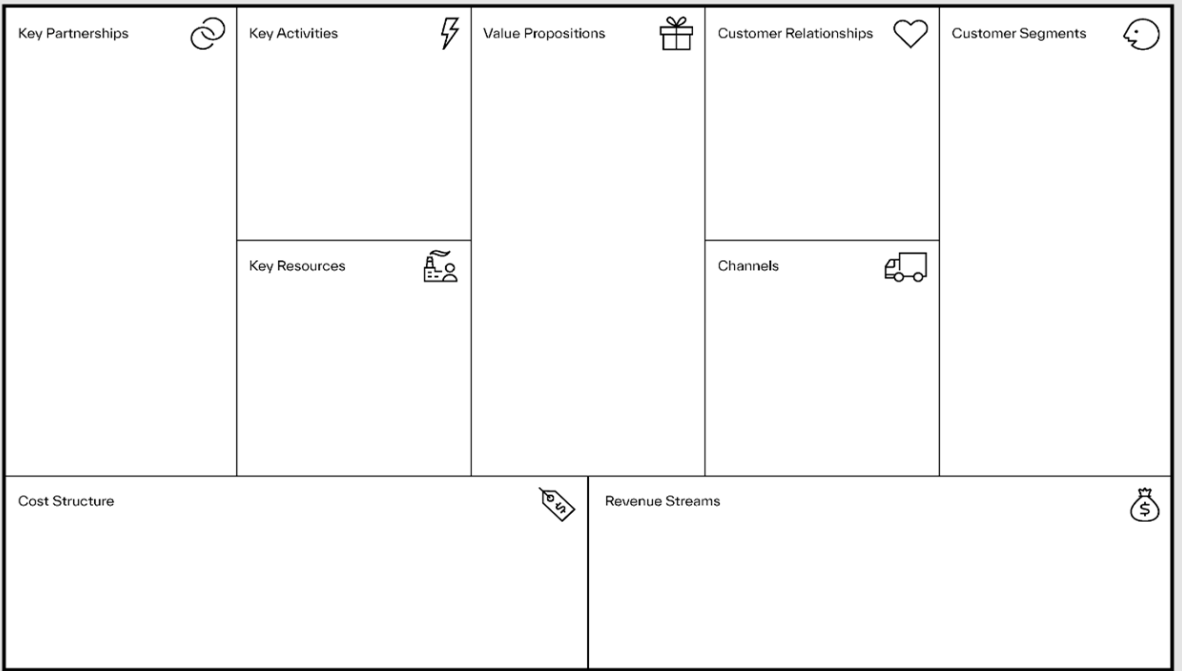
المملكة العربية السعودية
KINGDOM OF SAUDI ARABIA



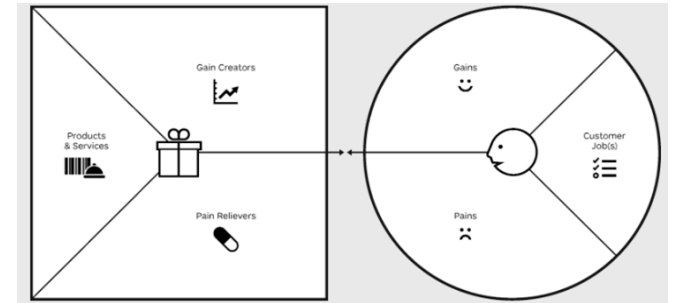
Business Model

Business Model Canvas

The business model canvas is a shared language for describing, visualizing, assessing and changing business models. It describes the rationale of how an organization creates, delivers and captures value.



Customer Value Proposition



Operating Model Canvas



Source: Strategyzer

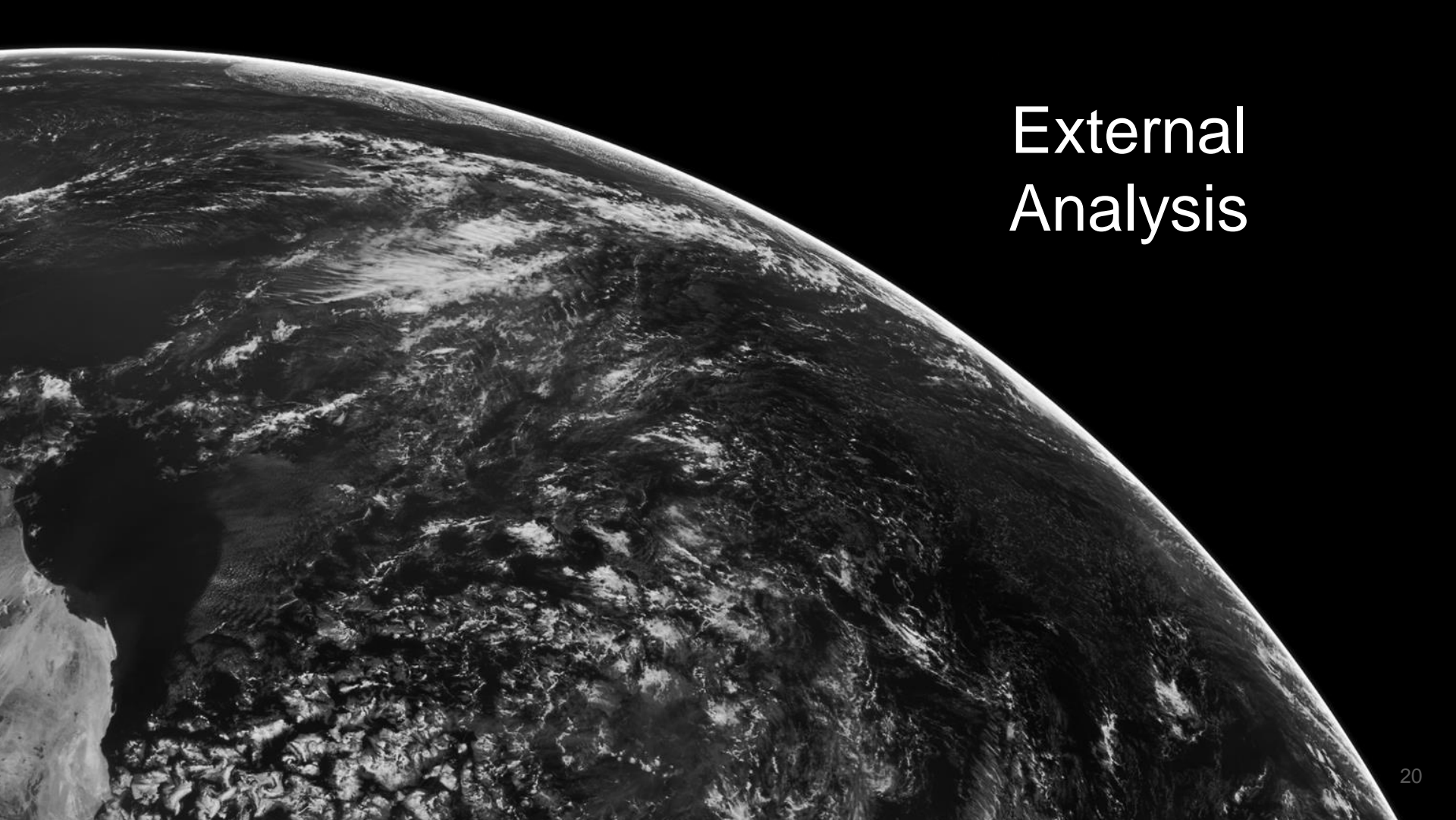
Strategic Change Agenda

Is a framework to consider and assess current state “**As- IS**” and to project Desired Future States “**To- Be**” for key performance dimensions of an organization and is a guideline to promote strategic thinking at many levels of organization.

Current State	Factors	Future State
	Product Portfolio	
	Governance	
	Core Processes	
	People	
	Market Share	
	Information Technology	
	Company Culture	
	Communication	

Factor	Year 1	Year 2	Year 3	Year 4	Year 5
Product Portfolio					
Governance					
Core Processes					
People					
Market Share					
Information Technology					
Company Culture					
Communication					

Typically 5 -7 factors should be considered for creating a strategic change agenda



External Analysis

External Environment



PESTLE & PORTER's 5 forces

Political	Economical	Social	Technological	Legal	Environmental
Explore: <ul style="list-style-type: none"> • Current taxation policy • Future taxation policy • The current and future political support • Grants, funding and initiatives • Trade bodies • Effect of wars or worsening relations with particular countries • Election campaigns • Issues featuring in political agendas 	Explore: <ul style="list-style-type: none"> • Overall economic situation • Strength of consumer spending • Current and future levels of government spending • Ease of access to loans • Current and future level of interest rates, inflation and unemployment • Specific taxation policies and trends • Exchange rates 	Explore: <ul style="list-style-type: none"> • lifestyle trends • demographics • consumer attitudes and opinions • media views • law changes affecting social factors • brand, company, technology image • consumer buying patterns • fashion and role models • major events and influence • buying access and trends • ethnic/religious factors • advertising and publicity • ethical issues 	Explore: <ul style="list-style-type: none"> • Relevant current and future technology innovations • The level of research funding • The ways in which consumers make purchases • Intellectual property rights and copyright infringements • Global communication technological advances 	Explore: <ul style="list-style-type: none"> • Legislation in areas such as employment, competition and health & safety • Future legislation changes • Changes in European law • Trading policies • Regulatory bodies 	Explore: <ul style="list-style-type: none"> • The level of pollution created by the product or service • Recycling considerations • Attitudes to the environment from the government, media and consumers • Current and future environmental legislative changes

Supplier Power	Threat of New Entrants	Internal Rivalry	Buyer Power	Threat of Substitution
<ul style="list-style-type: none"> • Number of suppliers • Size of suppliers • Uniqueness of service • Your ability to substitute • Cost of changing 	<ul style="list-style-type: none"> • Time and cost of entry • Specialist knowledge • Economies of scale • Cost advantages • Technology protection • Barriers to entry 	<ul style="list-style-type: none"> • Number of competitors • Quality differences 	<ul style="list-style-type: none"> • Number of customers • Size of each order • Differences between competitors • Price sensitivity • Ability to substitute • Cost of changing 	<ul style="list-style-type: none"> • Substitute performance • Cost of change • Other differences • Switching costs • Customer loyalty

PESTLE

-							+
High	Medium	Low	Impact	Low	Medium	High	
			Political				
			Economical				
			Social				
			Technological				
			Legal				
			Environmental				

Forces	Factors	Impact on BU
New entrants		Positive
		Neutral
Buyers		Negative
Suppliers		
Substitutes		
Rivals		

Market Size



Total Available Market (TAM)

- Estimate the Total Available Market (TAM) size
- TAM refers to the global revenue opportunity available for a product or service
- Some sources of information such as government data, trade associations, financial data from major players and customer surveys should help you to provide a rough estimation

Serviceable Available Market (SAM)

- Estimate the Serviceable Available Market (SAM) size
- SAM refers to the percentage of the Total Available Market (TAM) that you can actually serve

Your Target Market

- Estimate your Target Market size based on your estimation of the TAM and SAM size
- Target market refers to the group of customers that you want to market your products to

Your Market Share

- Estimate your market share (in percentage and dollars) based on your unique selling proposition and marketing plan
- Your market share refers to a percentage of your target market

Competitor Analysis

Key Success Factor	Factor Name	Factor Description	Industry Benchmarking (if Available)	Weightage of KSF (0.0 to 1.00)
KSF 1				
KSF 2				
KSF 3				
KSF 4				
KSF 5				

1.Key National Competitors
• Competitor A
• Competitor B
• Competitor C
• Competitor D

2.Key International Competitors
• Competitor E
• Competitor F
• Competitor G
• Competitor H

3.Substitutes
• Competitor I
• Competitor J
• Competitor K

4.New Entrants
• Competitor L
• Competitor M
• Competitor N
• Competitor O

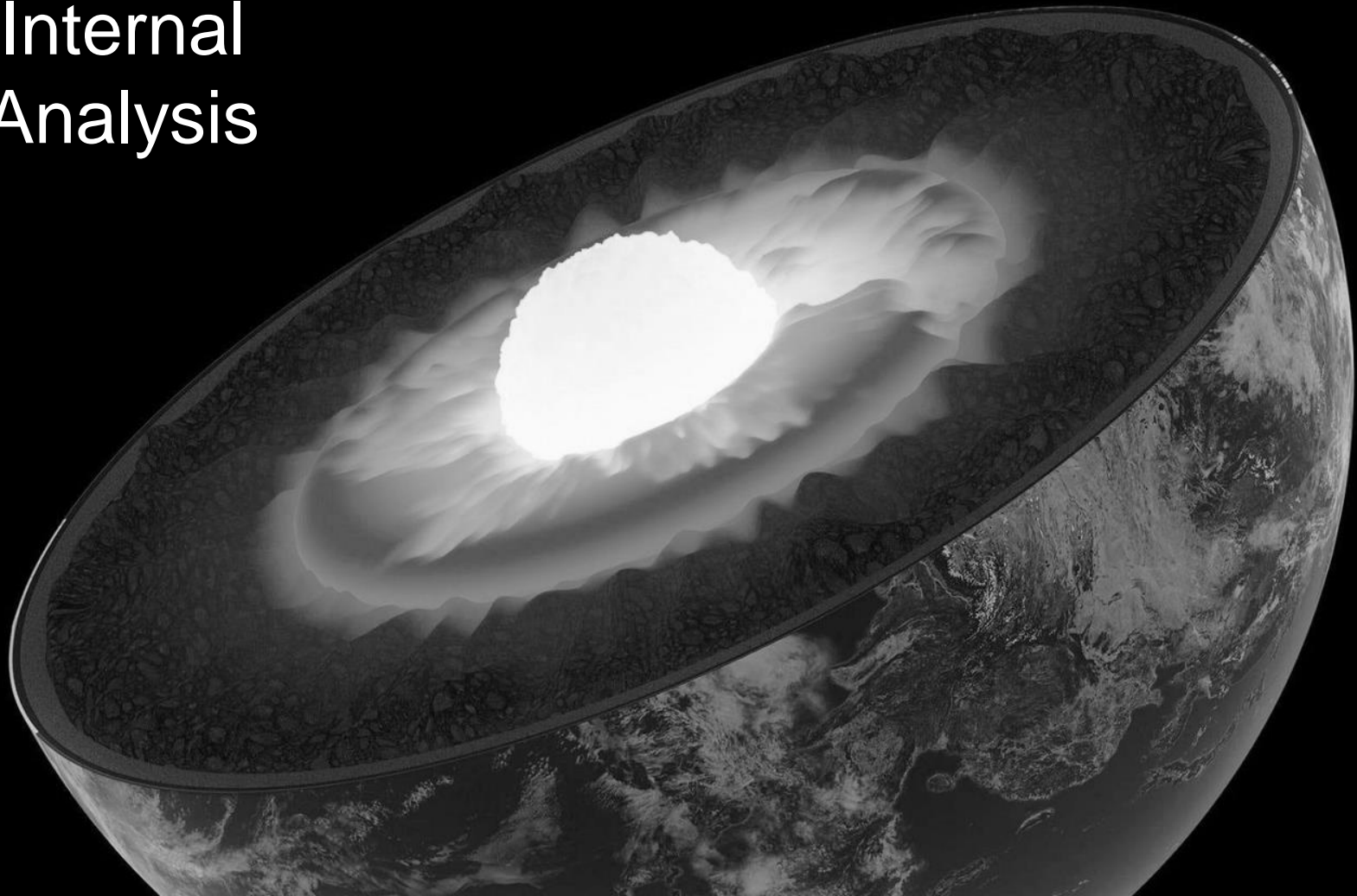
Rank	Competitors	KSF 1:	KSF 2:	KSF 3:	KSF 4:	KSF 5:	Total Rating
1	Competitor A						
2	Competitor B						
3	BU						
4	Competitor D						
5	Competitor E						

External Factor Summary

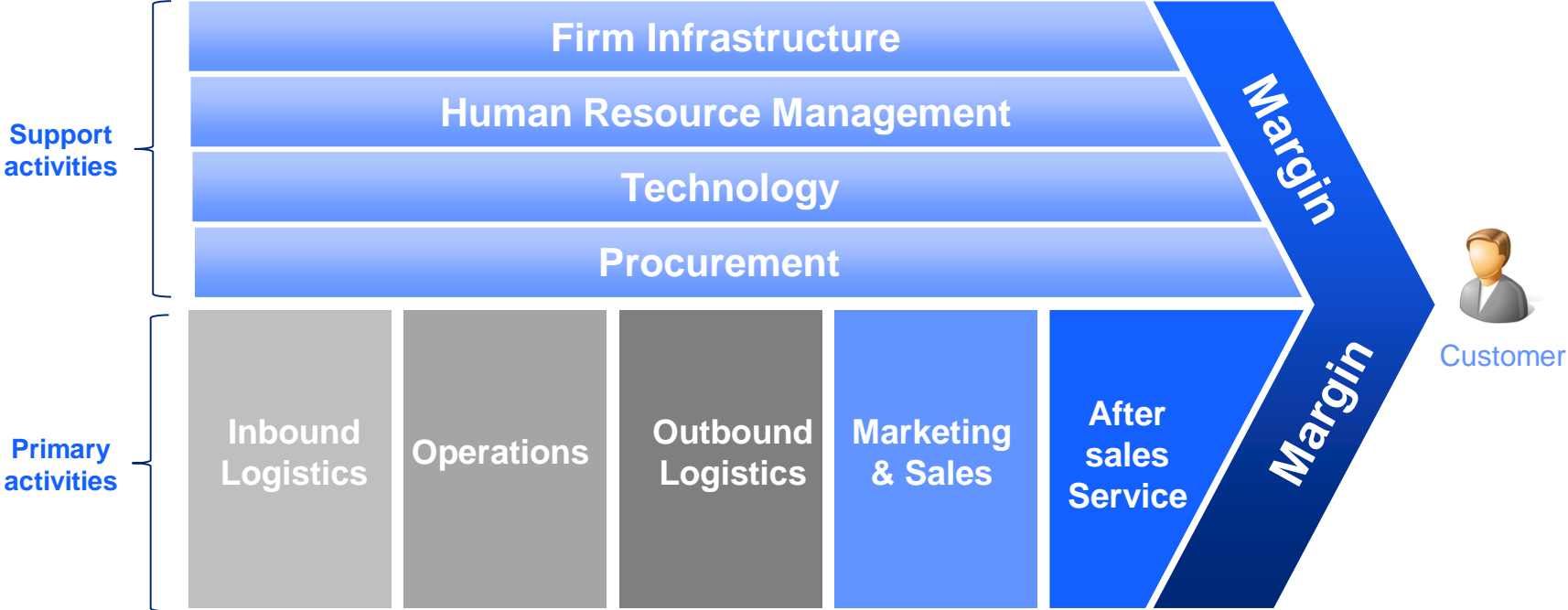
summarize the top 10 factors impacting the SBU and segregate as opportunities and threats , list the weight in "%" from 100% rate the SBU's responsiveness to these factors

No.	Opportunities (External to SBU)	Weight	Rating	Weighted Score
1		0.0%		
2		0.0%		
3		0.0%		
4		0.0%		
5		0.0%		
6		0.0%		
7		0.0%		
8		0.0%		
9		0.0%		
10		0.0%		
No.	Threats (External to SBU)	Weight	Rating	Weighted Score
1		0.0%		
2		0.0%		
3		0.0%		
4		0.0%		
5		0.0%		
6		0.0%		
7		0.0%		
8		0.0%		
9		0.0%		
10		0.0%		
	Total Weighted Scores	0%		-

Internal Analysis



Value Chain



Capabilities Analysis

	Tangible	InTangible
People / Assets	Cash Factory Fleet	Brand Goodwill/Reputation Technical Knowhow Loyalty
System / Process	Quality Systems IT Systems ERP	Best-in-Class Performance Driven Culture

- Should be enabling competitive advantage
- Acquired externally
- Developed organically

Internal Analysis

Finance

Human Resources

Maintenance

Procurement

Production

IT

R&D

Warehouse

Sales & Marketing

HSE

Quality

Governance

Internal Factor Summary

List the Top 10 Strengths and weakness considering all the points mentioned in the internal analysis

No.	Strengths (Internal to SBU)	Weight	Rating	Weighted Score
1		0.0%		
2		0.0%		
3		0.0%		
4		0.0%		
5		0.0%		
6		0.0%		
7		0.0%		
8		0.0%		
9		0.0%		
10		0.0%		
No.	Weakness (Internal to SBU)	Weight	Rating	Weighted Score
1		0.0%		
2		0.0%		
3		0.0%		
4		0.0%		
5		0.0%		
6		0.0%		
7		0.0%		
8		0.0%		
9		0.0%		
10		0.0%		
	Total Weighted Scores	0%		-

Facts & Assumptions

Facts				Assumptions			
External		Internal		External		Internal	
Economic		Finance		Economic		Finance	
1		1		1		1	
2		2		2		2	
3		3		3		3	
4		4		4		4	
Political, legal, Governmental		Operations		Political, legal, Governmental		Operations	
5		5		5		5	
6		6		6		6	
7		7		7		7	
8		8		8		8	
Social, Cultural, Demographic, Environmental		HR		Social, Cultural, Demographic, Environmental		HR	
9		9		9		9	
10		10		10		10	
11		11		11		11	
Technological		Technological		Technological		Technological	
12		12		12		12	
13		13		13		13	
14		14		14		14	
Competitiveness		Areas		Competitiveness		...	
15		15		15		15	
16		16		16		16	
17		17		17		17	
18		18		18		18	



External & Internal Analysis Summary

SWOT Summary

#	Strengths	Weight	AS	TAS
1				0
2				0
3				0
4				0
5				0
6				0
7				0
8				0
				0
#	Weakness			
1				0
2				0
3				0
4				0
5				0
6				0
7				0
8				0
				0
	Total	0%		0

#	Opportunities	Weight	AS	TAS
1				0
2				0
3				0
4				0
5				0
6				0
7				0
8				0
				0
#	Threats			
1				0
2				0
3				0
4				0
5				0
6				0
7				0
8				0
				0
	Total	0%		0

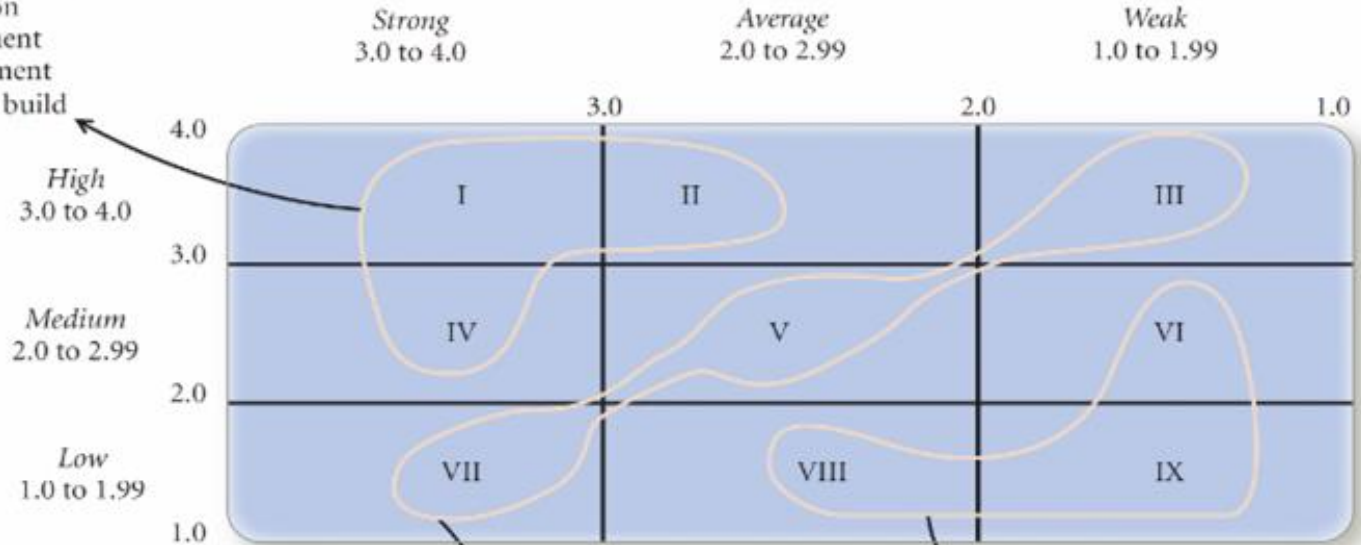
Internal & External Matrix

- Backward, Forward, or Horizontal Integration
- Market Penetration
- Market Development
- Product Development

Grow and build

THE IFE TOTAL WEIGHTED SCORES

THE
EFE
TOTAL
WEIGHTED
SCORES



- Hold and maintain
- Market Penetration
 - Product Development

- Harvest or divest
- Retrenchment
 - Divestiture

Source: Adapted. The IE Matrix was developed from the General Electric (GE) Business Screen Matrix. For a description of the GE Matrix see Michael Allen, "Diagramming GE's Planning for What's WATT," in R. Allio and M. Pennington, eds., *Corporate Planning: Techniques and Applications* (New York: AMACOM, 1979).

A dark, atmospheric hallway with seven closed, identical doors lined up against a wall. A bright spotlight shines down from the ceiling, creating a circular pool of light on the floor and highlighting the doors. The scene is monochromatic, with shades of gray and black.

Strategy Selection

External Factor Summary

summarize the top 10 factors impacting the SBU and segregate as opportunities and threats , list the weight in "%" from 100% rate the SBU's responsiveness to these factors

No.	Opportunities (External to SBU)	Scenario 1			Scenario 2			Scenario 3		
		Weight	Rating	Weighted Score	Weight	Rating	Weighted Score	Weight	Rating	Weighted Score
1		0.0%			0.0%			0.0%		
2		0.0%			0.0%			0.0%		
3		0.0%			0.0%			0.0%		
4		0.0%			0.0%			0.0%		
5		0.0%			0.0%			0.0%		
No.	Threats (External to SBU)	Weight	Rating	Weighted Score	Weight	Rating	Weighted Score	Weight	Rating	Weighted Score
1		0.0%			0.0%			0.0%		
2		0.0%			0.0%			0.0%		
3		0.0%			0.0%			0.0%		
4		0.0%			0.0%			0.0%		
5		0.0%			0.0%			0.0%		
	Total Weighted Scores	0%		-	0%		-	0%		-

Internal Factor Summary

List the Top 10 Strengths and weakness considering all the points mentioned in the internal analysis

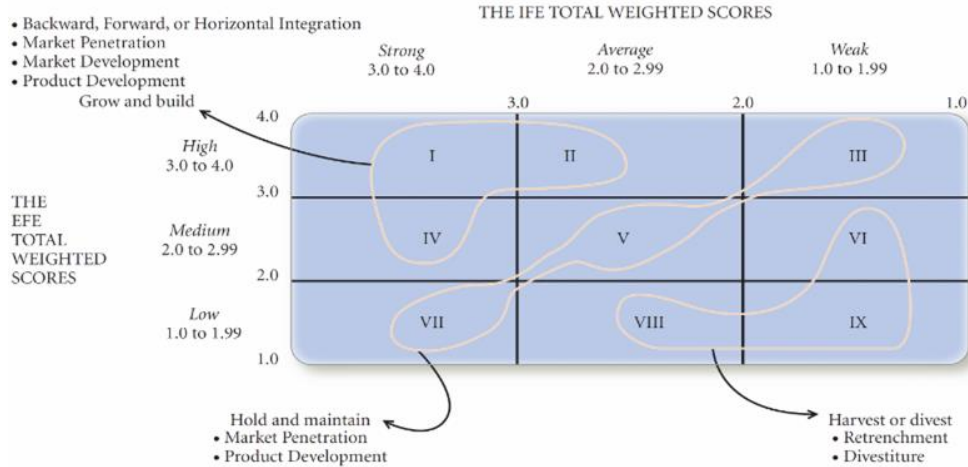
No.	Strengths (Internal to SBU)	Scenario 1			Scenario 2			Scenario 3		
		Weight	Rating	Weighted Score	Weight	Rating	Weighted Score	Weight	Rating	Weighted Score
1		0.0%			0.0%			0.0%		
2		0.0%			0.0%			0.0%		
3		0.0%			0.0%			0.0%		
4		0.0%			0.0%			0.0%		
5		0.0%			0.0%			0.0%		
No.	Weakness (Internal to SBU)	Weight	Rating	Weighted Score	Weight	Rating	Weighted Score	Weight	Rating	Weighted Score
1		0.0%			0.0%			0.0%		
2		0.0%			0.0%			0.0%		
3		0.0%			0.0%			0.0%		
4		0.0%			0.0%			0.0%		
5		0.0%			0.0%			0.0%		
	Total Weighted Scores	0%		-	0%		-	0%		-

QSPM

Strategy Alternatives			Scenario 1		Scenario 2		Scenario 3	
		Weight	AS	TAS	AS	TAS	AS	TAS
#	Opportunities							
1				0		0		0
2				0		0		0
3				0		0		0
4				0		0		0
5				0		0		0
6				0		0		0
7				0		0		0
8				0		0		0
				0		0		0
#	Threats							
1				0		0		0
2				0		0		0
3				0		0		0
4				0		0		0
5				0		0		0
6				0		0		0
7				0		0		0
8				0		0		0
				0		0		0
	Total	0%		0		0		0

Strategy Alternatives			Scenario 1		Scenario 2		Scenario 3	
		Weight	AS	TAS	AS	TAS	AS	TAS
#	Strengths							
1				0		0		0
2				0		0		0
3				0		0		0
4				0		0		0
5				0		0		0
6				0		0		0
7				0		0		0
8				0		0		0
				0		0		0
#	Weakness							
1				0		0		0
2				0		0		0
3				0		0		0
4				0		0		0
5				0		0		0
6				0		0		0
7				0		0		0
8				0		0		0
				0		0		0
	Total	0%		0		0		0

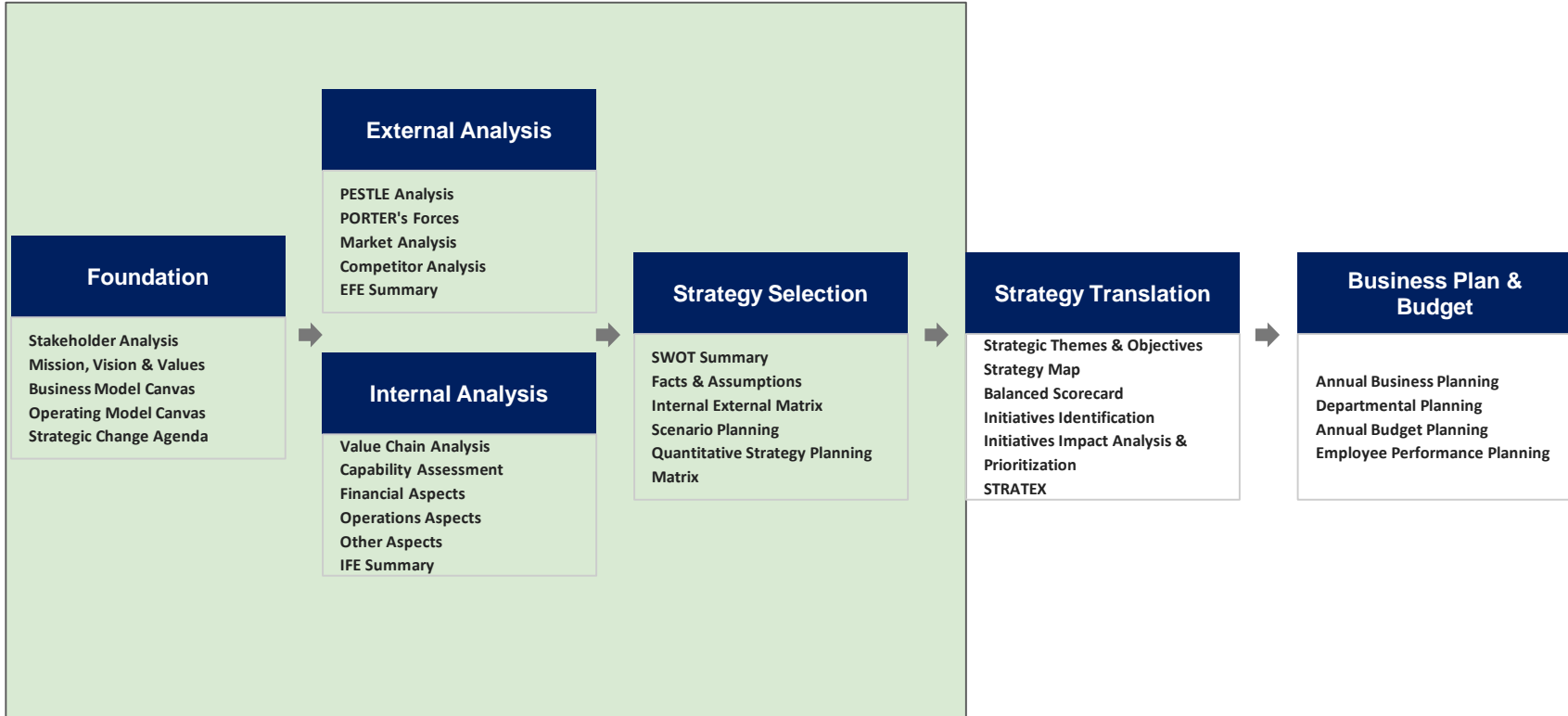
Internal & External Matrix




Source: Adapted. The IE Matrix was developed from the General Electric (GE) Business Screen Matrix. For a description of the GE Matrix see Michael Allen, "Diagramming GE's Planning for What's WATT," in R. Allio and M. Pennington, eds., *Corporate Planning: Techniques and Applications* (New York: AMACOM, 1979).

		Scenario 1	Scenario 2	Scenario 3
EFE Score		-	-	-
IFE Score		-	-	-

Strategic Planning Framework



A black and white illustration of a planet, possibly Earth, with a bright light source behind it, creating a lens flare effect. The planet is surrounded by numerous asteroids and debris, suggesting a space environment. The text is overlaid on the left side of the image.

Common Pitfalls & Key Takeaways

Common Pitfalls & Important Considerations

- People driven process more than paper or formality / ritualistic exercise
- Its continuous learning process
- Different Types of Strategies at Different levels? - Corporate, BU, Dept, Product, etc.
- Building a Performance Driven Culture & Systems
- Organizational Maturity
- Dedicated Team for Strategy Management
- Availability & Integrity of Information; Especially Linking Plans with Budgets
- Top Management Commitment: Active Involvement of Leadership
- Stakeholder Alignment & Engagement: Conducting Meetings & Workshops
- Proper documentation of Strategy & Business Plans
- Underestimating the importance of Change Management & Enterprise Risk Management
- Nature & Maturity of the Organization (Industry, Culture, Capabilities, Geographies)
- Timeframe
- Having a strong & Comprehensive IT Solution/Application
- Clarifying Accountability & Responsibility
- Project Management Practices

Strategic Planning Vs Strategy Planning

- Long Term Vision (> 5 Years)
- More holistic Approach
- Takes longer time to build
- Focus on High Level Priorities, Goals
- High Engagement from Top Management
- More flexible to change
- Macro-level Data & Indicators
- Focus on Major Changes
- Relatively Short Term Vision (2 - 3 Years)
- Takes relatively shorter time
- Focus on key strategic Objectives, Initiatives, Benefits
- More engagement from Top & Mid-level Management
- Comparatively Rigid
- More focused on operational data and performance indicators

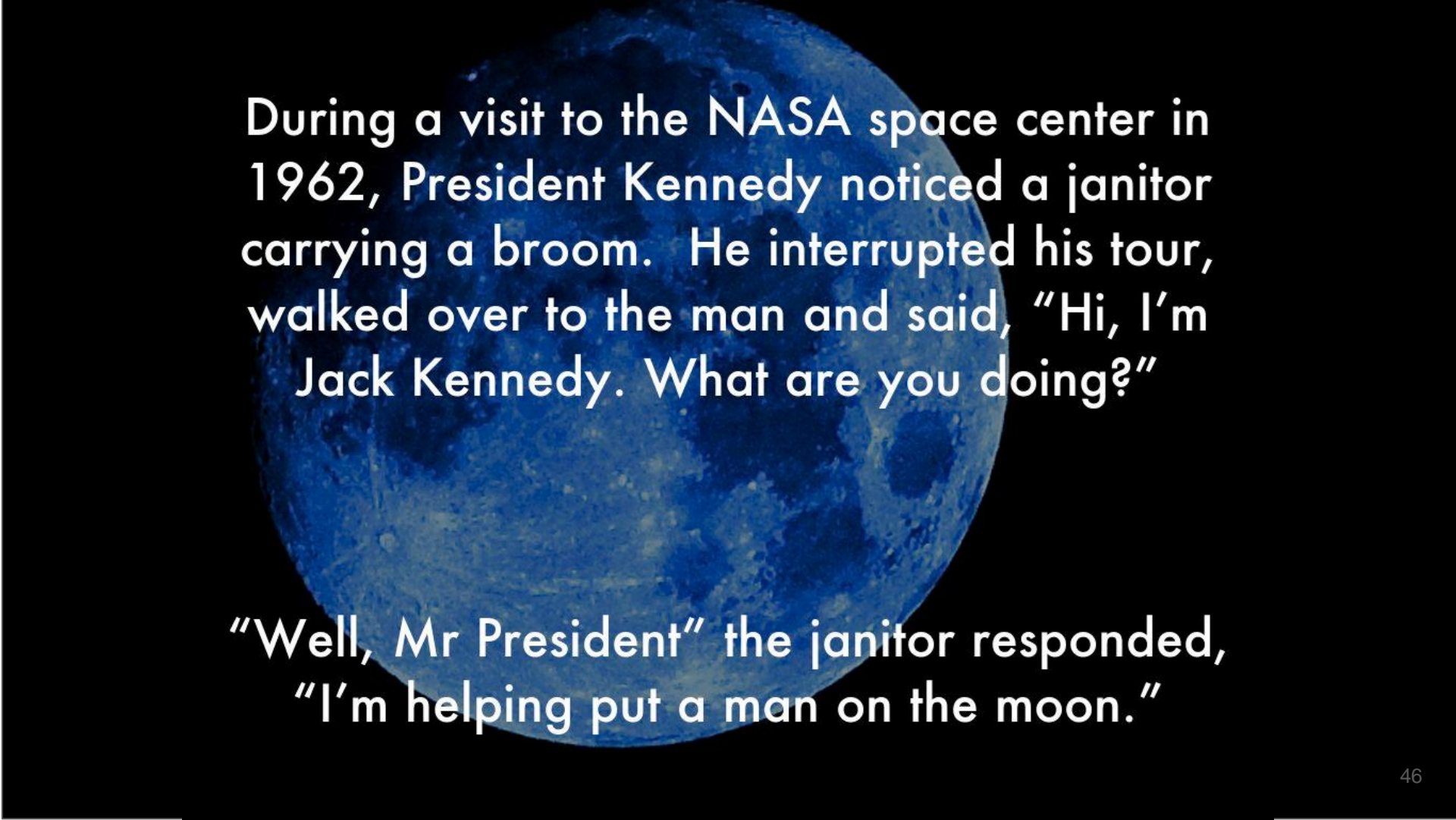
Key Takeaways

- Establishing a strong foundation is critical for success
- Strategy Management is a journey, not a one time exercise or a destination
- Building / Curating a custom framework to manage your Strategy is Essential for success.
- As a practitioner, need to understand and establish the complexity of Strategy Management Process based on the maturity of organization.
- “Best Practice” is what fits/works for your organization considering its nature and maturity and as long as its achieving the desired result.
- Always keep things simple for others to comprehend and act upon.
Strive to Simplify!

"I believe that this nation should commit itself to achieving the goal, before this decade is out, of landing a man on the moon and returning him safely to the earth. No single space project in this period will be more impressive to mankind, or more important for the long-range exploration of space; and none will be so difficult or expensive to accomplish."

PRESIDENT JOHN F KENNEDY
MAY 25, 1961





During a visit to the NASA space center in 1962, President Kennedy noticed a janitor carrying a broom. He interrupted his tour, walked over to the man and said, "Hi, I'm Jack Kennedy. What are you doing?"

"Well, Mr President" the janitor responded, "I'm helping put a man on the moon."

**“ONE SMALL STEP FOR MAN,
ONE GIANT LEAP FOR MANKIND.”**

NEIL ARMSTRONG - JULY 20, 1969





***Shoot for the moon.
Even if you miss, you'll
land among the stars.***

END