

STRATEGY ON A SHOESTRING

How to Evaluate Your Opportunities Strategically

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m3planning
Your success takes planning

Given a projected continuance of
the economic slowdown,
how are you:

1. Focusing on the future
2. Deciding where to invest your
resources?

Opportunity
Opportunity

Opportunity
Opportunity

Even in a recession,
opportunities present
themselves.

Opportunity

Opportunity

Which do you choose?

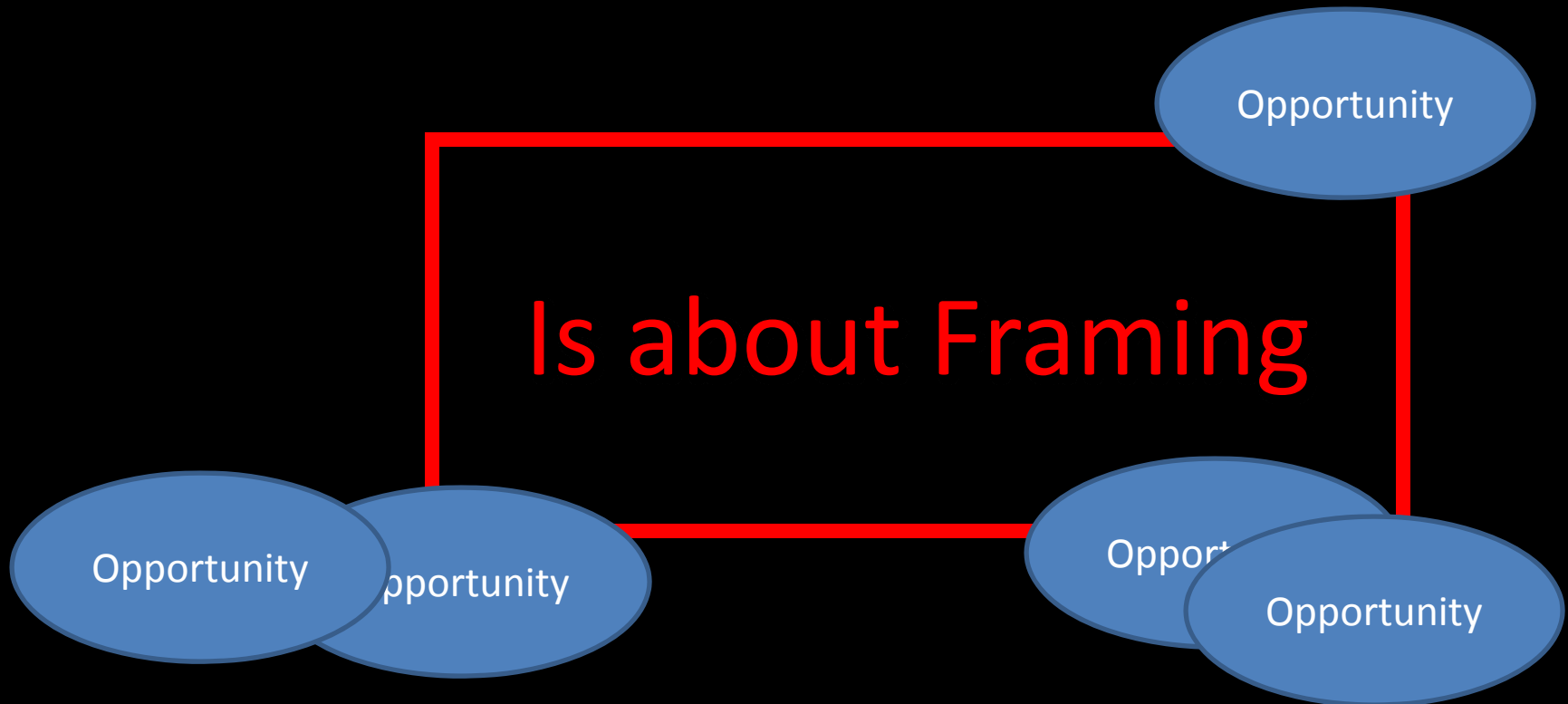
Opportunity
Opportunity

Opportunity
Opportunity

Choosing your opportunities

Is about Framing

Choosing your opportunities



So it's 2010?

How have you dealt with
the uncertain economic landscape?

Did you reach your goals?

HOW WELL YOU
MADE IT THROUGH
HAD A LOT TO DO
WITH YOUR FRAMING

But first let's talk about

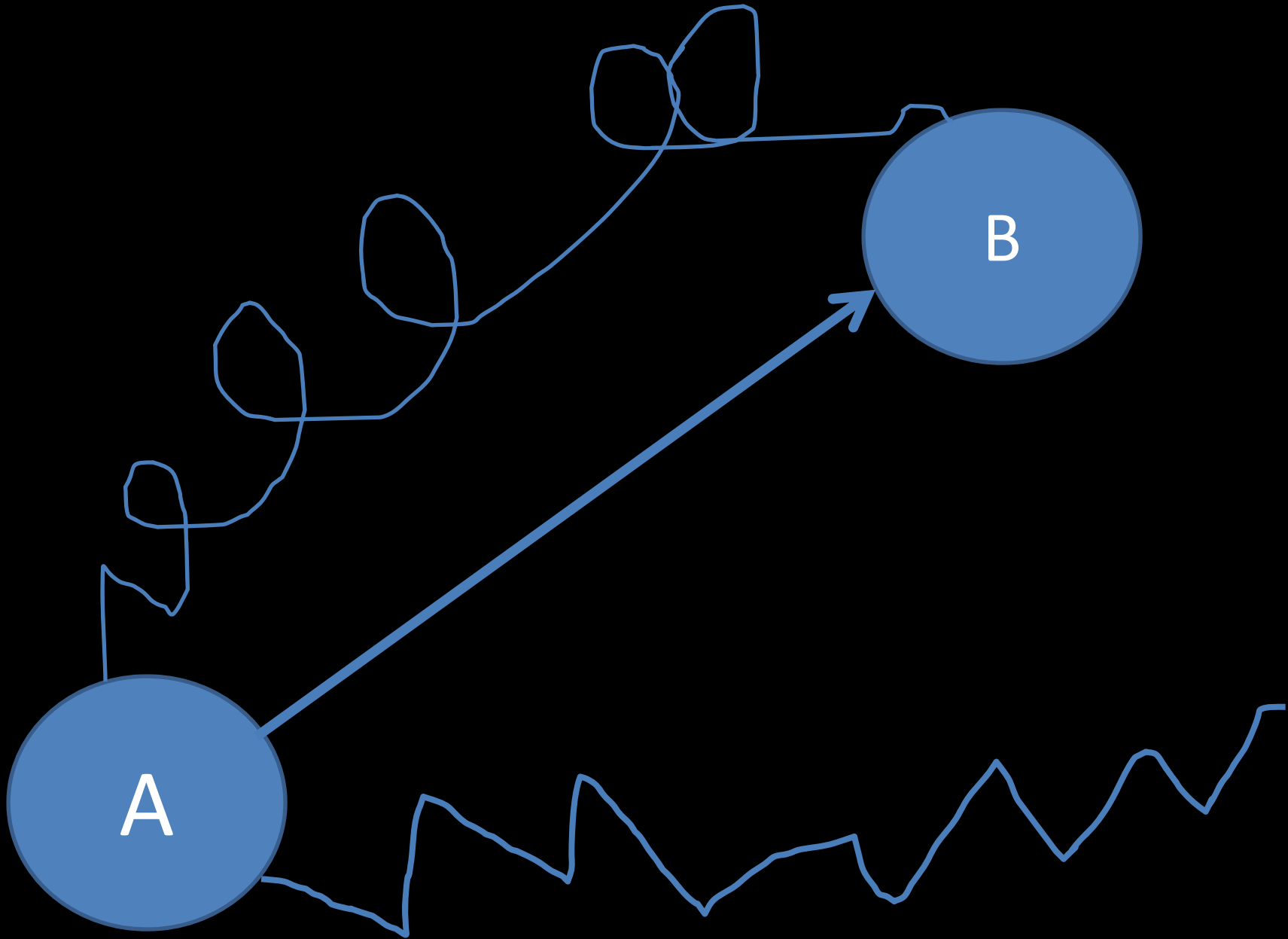
STRATEGY

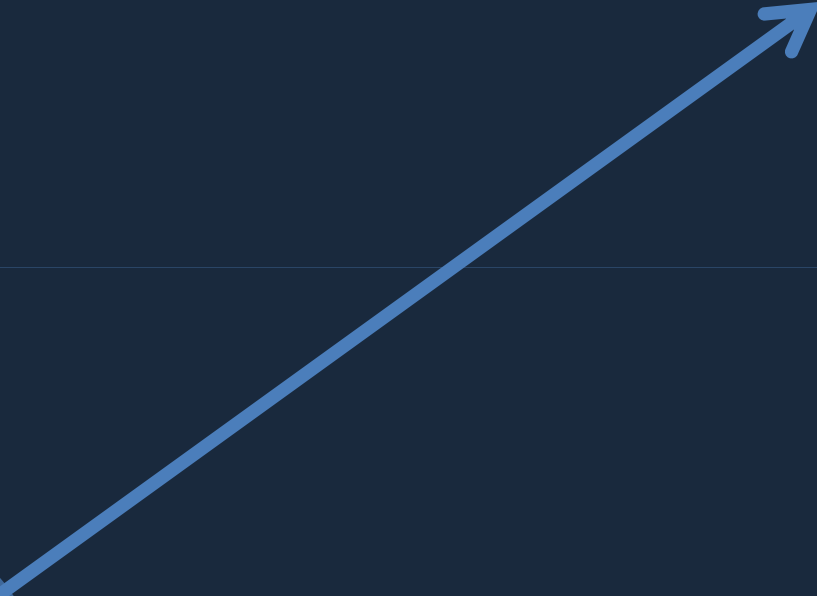
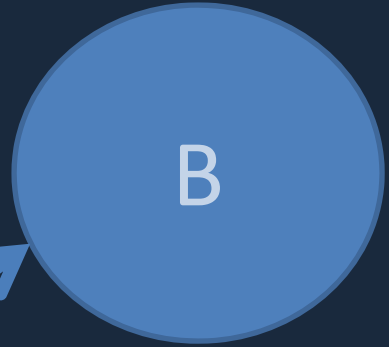
WHAT IS STRATEGY?

(and why it matters, even though
we pretty much know)

Strategy means
leading your
resources.

Planning your
business.





Choosing opportunities can make
or break your future

Success:

- Southwest Never deviated from mission.

Oops:

- Starbucks backing away from selling music

Choosing opportunities can make or break your future

Success:

- Schwan's Foods: conversion to alternate fuels

Oops:

- IGT: failure to monetize their acquisitions

How do you
frame your
strategic goals?

THE GOOD NEWS IS...

You can do this now
and it's not rocket
science

There are

four perspectives

that you need to

be aware of

People

who do we need on
staff to drive growth?

Operations

what processes,
infrastructure, etc?

Customers

how and to whom do
we deliver value?

Financial to reach our revenue
and margin goals?

Financial - to reach our
revenue and margin goals?



Customers - how and to
whom do we deliver value?



Operations - what
processes, infrastructure, etc?



People - who do we need on
staff to drive growth?

Financial - to reach our
revenue and margin goals?

**SO, WHICH OF THESE
DESERVES THE MOST OF
YOUR RESOURCES?**

Customer - how and to
whom do we deliver value?

Operations - what
processes, infrastructure, etc?

People - who do we need on
staff to drive growth?

How to **FRAME**

Your Opportunities

STRATEGICALLY

FIRST...

You have to know
what your
opportunities are.

SWOT

Internal and External Assessment (SWOT: Strengths, Weaknesses, Opportunities, Threats)

Internal	External
Strengths	Opportunities
Weaknesses	Threats

NEXT...

You have to set
some rules.

Priority rule. With this rule, you prioritize some opportunities over others based on their connection to reaching your vision.

Timing rule. This financial rule helps you prioritize opportunities based on how much money you want to see returned within what time period.

Boundary rule. This rule says that every opportunity is evaluated based on whether it's within your mission.

How-to rule. If you can't clearly define an action plan for the opportunity, then you know that trying to execute it will also go poorly.

IT'S A GOOD IDEA...

To include staff and
customer input in
this process.

Now separate your opportunities

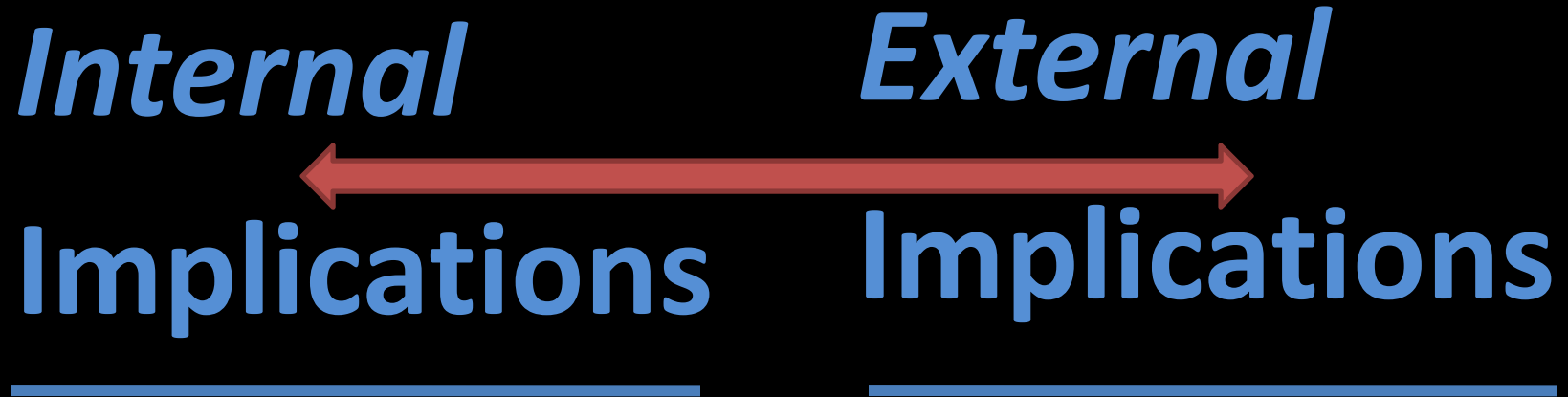
Internal

External

Implications

Implications

Which directly compete?



Financial - to reach our
revenue and margin goals?

Customers - how and to
whom do we deliver value?

STILL TOO MANY?

Operations - what
processes, infrastructure, etc?

People - who do we need on
staff to drive growth?

HERE'S A TOOL:

Paired Comparison
Analysis

How to conduct Paired Comparison Analysis:

	Opportunity #1 (A)	Opportunity #2 (B)	Opportunity #3 (C)	Opportunity #4 (D)
Opportunity #1 (A)		A, 2	A, 3	A, 1
Opportunity #2 (B)			C, 3	D, 2
Opportunity #3 (C)				D, 2
Opportunity #4 (D)				

A= 6 (46%)

B= 0 (0%)

C= 3 (23%)

D= 4 (31%)

How to conduct Paired Comparison Analysis:

First, make sure that you have already eliminated opportunities using the previously mentioned rules.

Ideally, you want to have **3-5** internal and externally focused opportunities to choose between.

Opportunities

- **Opportunity A:**
 - An executive that matches a need in your organization was recently laid off
- **Opportunity B:**
 - A competitor is in the position to be purchased
- **Opportunity C:**
 - Advertising contract could be renegotiated in bulk
- **Opportunity D:**
 - Suppliers are willing to renegotiate

How to conduct Paired Comparison Analysis:

Use your reduced list of opportunities and draw up a grid with each option in both a row and a column header.

	Opportunity A	Opportunity B	Opportunity C	Opportunity D
Opportunity A				
Opportunity B				
Opportunity C				
Opportunity D				

How to conduct Paired Comparison Analysis:

Block out cells on the table where you're going to be comparing an option with itself

	Opportunity A	Opportunity B	Opportunity C	Opportunity D
Opportunity A				
Opportunity B				
Opportunity C				
Opportunity D				

How to conduct Paired Comparison Analysis:

Block out cells where you'll duplicate a comparison.

	Opportunity A	Opportunity B	Opportunity C	Opportunity D
Opportunity A				
Opportunity B				
Opportunity C				
Opportunity D				

How to conduct Paired Comparison Analysis:

Prioritize your opportunities by importance

Opportunity B: #1

Opportunity A: #2

Opportunity D: #3

Opportunity C: #4

How to conduct Paired Comparison Analysis:

Prioritize your opportunities by importance

	Opportunity A (2)	Opportunity B (1)	Opportunity C (4)	Opportunity D (3)
Opportunity A (2)				
Opportunity B (1)				
Opportunity C (4)				
Opportunity D (3)				

How to conduct Paired Comparison Analysis:

Within the remaining cells, compare the option in the row with the one in the column.

Note which is more important & the difference in importance

	Opportunity A (2)	Opportunity B (1)	Opportunity C (4)	Opportunity D (3)
Opportunity A (2)		B, 1	A, 2	D, 1
Opportunity B (1)			B, 3	B, 2
Opportunity C (4)				D, 1
Opportunity D (3)				

How to conduct Paired Comparison Analysis:

Consolidate the results by adding up the total of all the values for each of the options and convert each into a percentage of overall importance.

	Opportunity A (2)	Opportunity B (1)	Opportunity C (4)	Opportunity D (3)
Opportunity A (2)		B, 1	A, 2	D, 1
Opportunity B (1)			B, 3	B, 2
Opportunity C (4)				D, 1
Opportunity D (3)				

A= 2 (20%)

B= 6 (60%)

C= 0 (0%)

D= 2 (20%)

**Now you have a clear comparison
of the importance of your
opportunities.**

Opportunity A: 20%

Opportunity B: 60%

Opportunity C: 0%

Opportunity D: 20%

Most Likely: Purchasing your competitor

Zero Likelihood: Renegotiating your media contracts

SEE, IT'S NOT ROCKET SCIENCE.

Framing

limits your choices

in a good way.

Financial - to reach our
revenue and margin goals?



Customers - how and to
whom do we deliver value?



**Your choices
should now be more
manageable**

Operations - what
processes, infrastructure, etc.?



People - who do we need on
staff to drive growth?

Your Next Steps

Read more:

- ➡ MyStrategicPlan.com/resources
 - ➡ More webinars
 - ➡ Articles
 - ➡ Blog Posts
 - ➡ Instructional Videos
 - ➡ Tools, Books
- ➡ Strategic Planning For Dummies

Your Next Steps

Automate it

- ▶ Use MyStrategicPlan to develop and execute a sound strategy for 2009 and beyond.

Thank You.

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Your success takes planning