

OnStrategy

Strategic Planning Gap Analysis

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Introduction & Purpose

The Overall Strategic Planning Gap Analysis is a leadership assessment measuring potential for organizational success across key areas of growth, viability and sustainability. Individual strategic competencies are aggregated into a Overall Strategic Planning Gap Analysis. The index is a measurement of leadership's alignment of strategic understanding and performance across six success factors universally recognized as contributing factors essential for effective strategy design, implementation and ongoing performance management. These success factors include specific organizational competencies within: market awareness, organizational vision, financial health, customer development, process improvement and the management of human capital.

Utilizing a survey methodology, the Overall Strategic Planning Gap Analysis and associated Success Factors measure perception across 17 unique Strategic Competency Areas associated with the competencies required for the successful creation and execution of highly-effective organizational strategies. The associated competencies are universal. They are relevant to for-profit companies, non-profit organizations, educational and government entities.

An organization's Overall Strategic Planning Gap Analysis and measurements across the six Success Factors and underlying Strategic Competencies are used as an effective tool for measuring alignment and dispersion among the perception of an organization's leadership team.

- Is the leadership team aligned on vision, mission and values?
- Is there consensus around the organization's competitive advantages and its ability to identify, retain, and build customer relationships?

In this capacity, the Index is a vital tool for identifying areas of opportunity, alignment and consensus-building prior to initiating Strategic Planning process.

The Overall Strategic Planning Gap Analysis and associated measurements are also a benchmarking tool. It establishes a benchmark for comparing individual organizational performance against the performance of similar organizations defined by size, industry or trade. As a benchmarking tool, these measurements identify areas of strength and opportunity. The information is a useful starting point and should be combined with additional strategic insight prior to strategy design, including environmental analysis, customer insight, employee insight, market trends and operational considerations.

Using the Report

This report is grouped by six critical success factors required for achieving organization-wide success in effective strategy design, implementation and ongoing performance management.

Success Factor #1, Market Awareness: A deep appreciation of an organization's orientation within the markets served is essential for identifying best options for growth and sustainability. Knowing your current market position and your target market will help you develop strategies and find clear avenues to reach target markets better and more effectively.

Associated strategic competencies include:

- Depth of environmental, competitive and market knowledge
- Customer understanding
- Understanding of true competitive advantage

Success Factor #2, Organizational Vision: An organization's collective vision articulates a preferred future or an ideal state. It is a shared expression of optimism, which defines the future and the end result when the future state is achieved.

Associated strategic competencies include:

- Sense of core purpose
- Embedded core values
- Crystal clear future direction

Success Factor #3, Financial Health: Financial health is defined by your organization's ability to identify, manage and grow profitable revenue streams. An organization's financial health and sustainability are the ultimate reality check on an effective strategy and the execution of it.

Associated strategic competencies include:

- Revenue growth
- Profitability improvement

Success Factor #4, Customer Development: Customer development is an organization's ability to identify, build and retain relationships necessary to achieving an organization's strategic objectives and organizational goals.

Associated strategic competencies include:

- Customer acquisition
- Customer retention

Success Factor #5, Continuous Process Improvement: Internal process improvements are integral in measuring an organization's ability to effectively design, implement and manage ongoing performance associated with strategic initiatives. High-performing organizations invest energy to understand why things happen and apply the knowledge to eliminate, improve, or create new processes for driving organizational success.

Associated strategic competencies include:

- Innovation and operational excellence
- Technology capabilities
- Execution readiness
- Organizational communication

Success Factor #6, Human Capital Management: Human capital is an amalgamation of an organization's inherent talent, skills and knowledge required to effectively deliver against an organization's mission. Investing and nurturing an environment which develops human capital aligned to the requirements of effective strategic management is a competitive advantage often separating those who succeed and those who don't. Ultimately, great strategy execution only happens when the right skills and capabilities are organized and aligned to the right strategic direction.

Associated strategic competencies include:

- People expertise and organization
- Culture of learning and growth
- Strength of leadership

Understanding the Success Factors

Your organization's performance against each Success Factor is determined by measuring achievement of the 17 corresponding Strategic Competencies. Determining achievement of a Strategic Competency Area is measured by assessing specific competencies within each area. It is these competencies which formulate the questions used within the survey assessment.

During the survey assessment, respondents are asked for their perception of performance associated with each activity. An analysis of survey responses by OnStrategy generates an aggregate score for each Strategic Competency. Your individual Strategic Competency score, a benchmark against other organizations, and overall ranking is provided for quick reference to areas your organization is performing well and to those areas needing additional investment.

For each Strategic Competency, OnStrategy provides recommendations for improving organizational performance. Suggested actions are not exhaustive. Rather, they are provided as examples or a basis to discuss possible corrective actions. Tips for using OnStrategy as an organization-wide platform for strategy design, implementation and ongoing performance management are also provided.

Interpreting the Data

The Overall Strategic Planning Gap Analysis is a preliminary exercise, which is helpful in identifying the unique strategic position of your organization. Benchmark scores and suggested actions should supplement additional organizational initiatives to identify, validate and act upon genuine organizational strengths and areas of opportunity.

Additional input from staff, employees, and customers or constituents should also be considered. Certain scores within the Report may suggest additional assessments should be undertaken to develop a more thorough perspective for rectifying a problem area.

OnStrategy Overall Strategic Planning Gap Analysis Summary

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| Performance Across Each of the Success Factors | YOUR SCORE | TOP PERFORMERS | DIFFERENCE |
|----------------------------------------------------------|---------------|----------------|-------------|
| Overall Strategic Planning Gap Analysis | 335.73 | 333.2 | 2.53 |
| Market Awareness | | | |
| Depth of Environmental, Competitive and Market Knowledge | 25.2 | 26.2 | -1 |
| Customer Understanding | 22.99 | 22.8 | 0.19 |
| Understanding the Competitive Advantage | 16.67 | 17.3 | -0.63 |
| Organizational Vision | | | |
| Sense of Core Purpose | 17.93 | 17.3 | 0.63 |
| Embedded Core Values | 18.6 | 16.8 | 1.8 |
| Crystal Clear Future Direction | 18 | 15.7 | 2.3 |
| Financial Health | | | |
| Revenue Growth | 21.78 | 22.4 | -0.62 |
| Profitability Improvement | 15.39 | 15.8 | -0.41 |
| Customer Development | | | |
| Customer Acquisition | 16.72 | 16.3 | 0.42 |
| Customer Retention | 19.64 | 22.6 | -2.96 |
| Continuous Process Improvement | | | |
| Innovation & Operational Effectiveness | 26.25 | 28.3 | -2.05 |
| Technology Capabilities | 16.15 | 16.4 | -0.25 |
| Execution Readiness | 23.78 | 21.8 | 1.98 |
| Organizational Communication | 18 | 16.5 | 1.5 |
| Human Capital Management | | | |
| People Expertise & Structure | 22.14 | 21.4 | 0.74 |
| Culture of Learning & Growth | 18.43 | 18.1 | 0.33 |
| Strength of Leadership | 18.06 | 17.5 | 0.56 |

Green (Top Performers): 356 and above

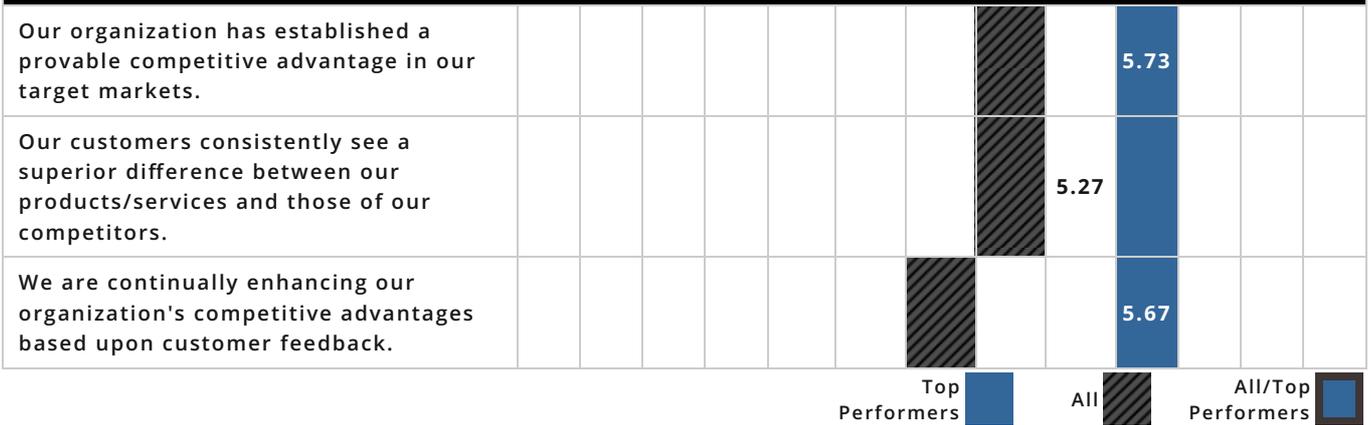
Yellow (Mid Performers): 191-355

Red (Bottom Performers): 190 and below

Benchmarked against similar organizations you are in the top 100.76 percent.

UNDERSTANDING OF TRUE COMPETITIVE ADVANTAGES

(1) Strongly Disagree ← → Strongly Agree (7)



| | |
|-----------------------|--------------|
| Your Score | 16.67 |
| All Scores | 13.4 |
| Top Performers | 17.3 |

3-10 - Red

Any organization's competitive advantage(s) are the foundation of a great winning strategy. Make it a focus of this process to identify at least one or two competitive advantages that you have or that you need to be successful in the future. Tools to help discover your competitive advantages are conducting a competitive analysis, asking your key customers why they do business with you and gaining perspective from your staff around the question of what do you do best (better than your competitors and of value to your customers) as an organization?

11-16 - Yellow

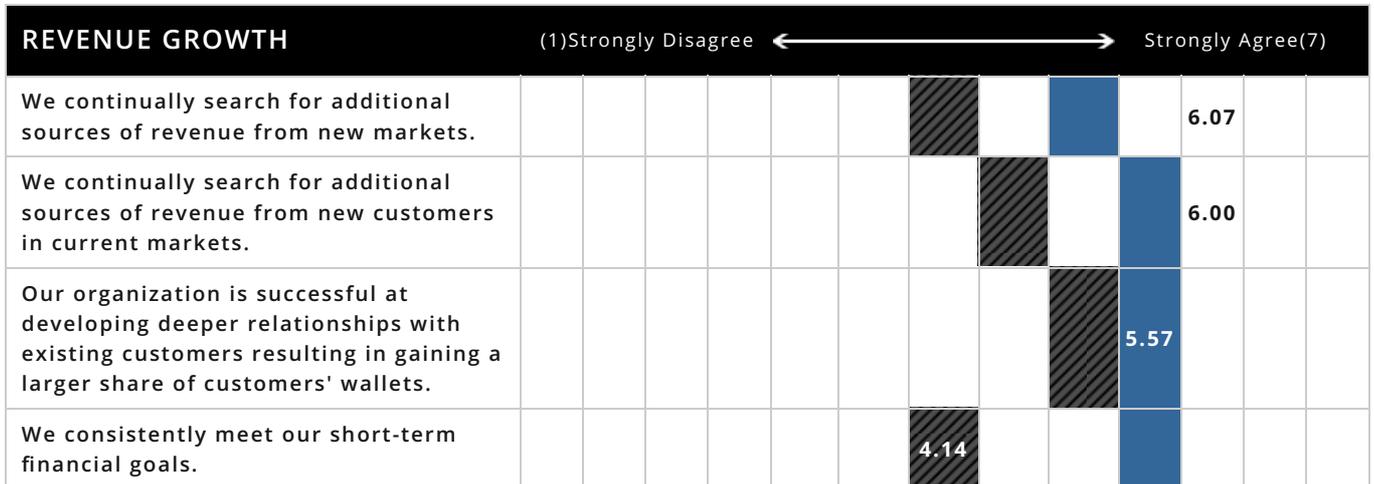
While you have identified your competitive advantages, they might not be sustainable over the mid- to long-term. Make it a priority as part of this planning cycle to either solidify them or modify them such that you are building your plan to ensure long-term success. Do so by gathering feedback from your whole customer base to assess the strength of your competitive advantages.

17-21 - Green

Since you have these clearly identified (which is really the hard part), make sure to build out goals/objectives/actions that specifically nurture and develop the competitive advantage(s) such that they are sustained into the future.

Success Factor #3: Financial Health

Financial health is defined by your organization’s ability to identify, manage and grow profitable revenue streams necessary to effectively build and retain customer relationships. Regardless of the industry, for profit, non-profit, government or education, the financial health of an organization is imperative in executing against strategic objectives and goals.



| | |
|-----------------------|--------------|
| Your Score | 21.78 |
| All Scores | 18.4 |
| Top Performers | 22.4 |

4-14 – Red

Revenue growth overall is a weakness in your organization. Instead of tackling all strategic alternatives for improving revenue growth, select one or two areas to focus on this year. Identify these as potential goals/objectives in your plan.

15-21 – Yellow

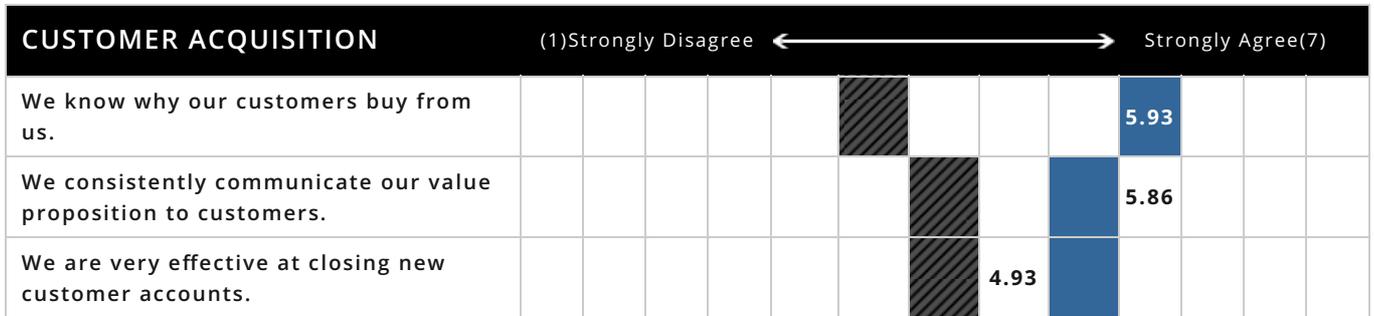
Revenue growth is a mixed bag of strengths and weaknesses. Identify which is which by noting those competencies that are lowest scoring as weaknesses and those highest scoring as strengths. During your goal setting process, select one or two of the lowest scoring competencies as a strategic focus in your plan. As a tip – it is easier to grow revenue from existing accounts than it is to secure new sources.

22-28 – Green

Mark down revenue growth in the strengths column of your SWOT! Likely you are not pursuing both of the new revenue growth strategies (market penetration and market expansion) with equal effort. As a leadership team, determine which one will be the strategic focus in your plan.

Success Factor #4: Customer Development

Customer development is an organization’s ability to identify, build and retain relationships necessary to achieving an organization’s strategic objectives and organizational goals. Success in acquiring new customers and retaining current ones is based on delivering a clear, market-based value proposition. Growth, the primary outcome of all strategic plans, comes from exceling in these strategic competencies.



| | |
|----------------|-------|
| Your Score | 16.72 |
| All Scores | 12.2 |
| Top Performers | 16.3 |

3-10 – Red

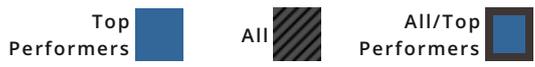
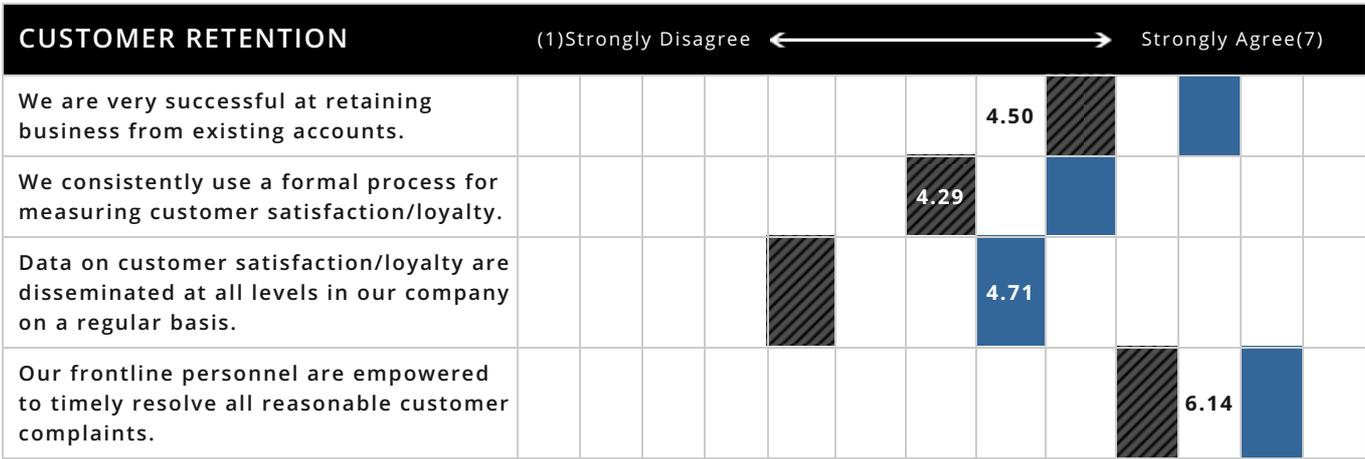
Customer acquisition is an identified weakness, which often has varied drivers that are industry and economically dependent. However, what you can prioritize this year is solidifying your value proposition to your primary customer segments to turn this weakness into a strength. Set a corporate goal around new customer acquisition with a first action item to develop your value proposition for your top three customer segments.

11-15 – Yellow

For those items that you scored high, list them as strengths and those that you did not as weaknesses. Because all of these competencies are critical to effective customer acquisition, pick the one that is the lowest as a strategic focus for this upcoming year.

16-20 – Green

Customer acquisition goes in the strengths column of your SWOT! Take this to the next level by clearly identifying what your value proposition is for each primary customer segment as well as your segment-specific strategy for growth – market penetration, market expansion or product/service development.

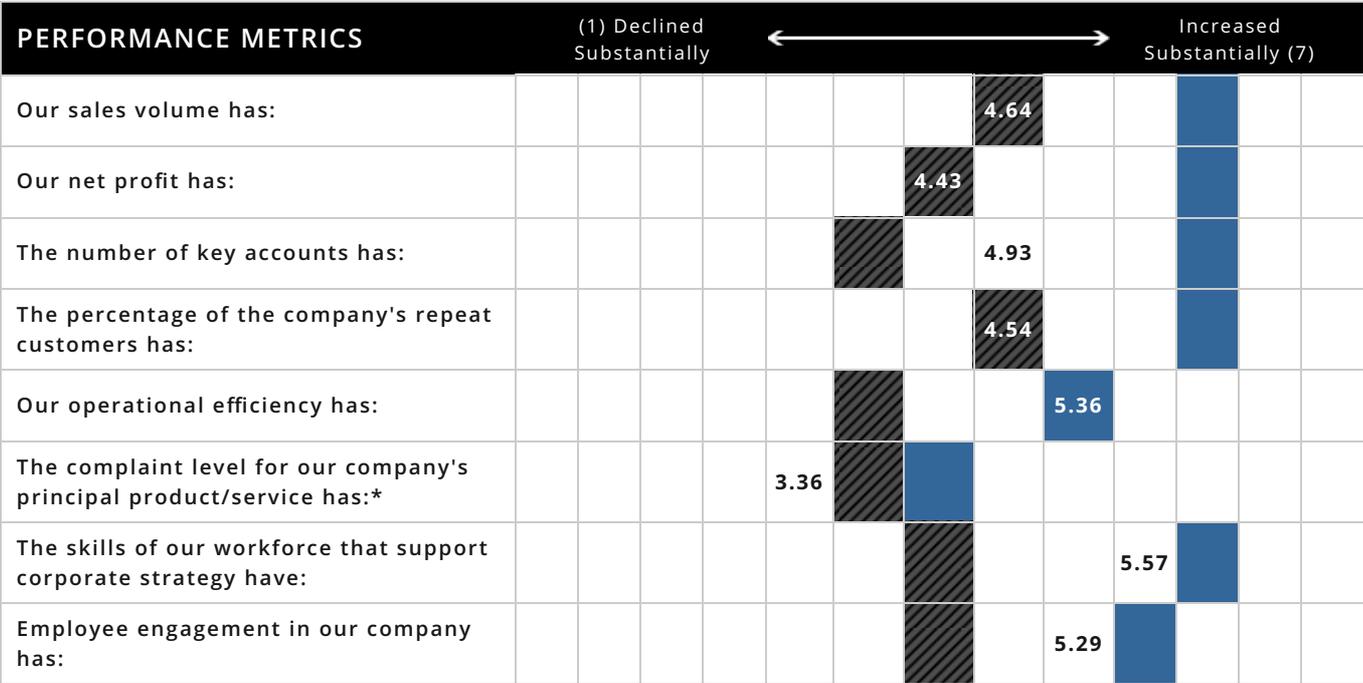


| | |
|-----------------------|--------------|
| Your Score | 19.64 |
| All Scores | 18.5 |
| Top Performers | 22.6 |

4-15 – Red
 Getting close to your customer clearly needs to be a high-priority strategic area of focus for this upcoming year. Start by establishing your customer loyalty benchmark through a customer survey that includes questions about how well you are delivering on your value proposition. Push the results out to the whole organization and incite action through incentives linked to feedback from the survey.

16-22 – Yellow
 It looks like you are doing a good job capturing the voice of the customer but not necessarily getting the results out to those who can directly and repeatedly affect change. Note customer retention as a strength and the internal process of disseminating that feedback as a weakness. Depending on the number of strategic focus areas, consider making this a corporate priority for next year.

23-28 – Green
 Customer retention is a strength to be noted and celebrated! While you're doing great, there is always room for improvement when it comes to being more customer-focused. Pick the lowest scoring activity as a strategic area of focus for next year's plan.



| | |
|-----------------------|--------------|
| Your Score | 38.12 |
| All Scores | 28.7 |
| Top Performers | 46.0 |

Unlike the previous sections, performance metrics are more industry specific and quantitative in nature. These benchmarks are used to establish top performers as well as provide a general perspective of how you performing against an overall of organizations. Use the performance of top performers' data and the overall data to determine where the biggest opportunities are for improvement and growth.

*In this instance the Top Performers actually underperformed the All group by 15% as they apparently fielded more complaints for principal products and/or services.

Respondent Demographic Information

Respondents: 14

Titles

| Title | Count |
|------------------------|-------|
| Owner | 2 |
| Senior Management | 4 |
| Middle Management | 2 |
| Individual Contributor | 6 |

Your Next Steps

Your Overall Strategic Planning Gap Analysis is a broad perspective of your organization's strategic effectiveness. Evaluate your individual score against each Strategic Competency. Consider focusing on the top two largest negative scored competencies; talk with stakeholders, determine gaps, and use this information to better design or refine your organizational strategies.

Build Your Strategic Plan

OnStrategy has built thousands of strategic plans for all types of organizations and along the way, we've developed different tools and services to help organizations define their strategies for growth and create their plans. Consider which is best for your organization and get a plan done to achieve your goals.

Do-It-Yourself Strategic Planning Products Available from OnStrategy

Essential Guide to Planning - for organizations that want to lead a strategic planning process themselves. Click [here](#) to learn more.

Strategic Planning Template - for individuals that want to quickly and efficiently build a strategic plan alone. Click [here](#) to learn more.

Work with OnStrategy to Build Your Strategic Plan

Advisory - for organizations that need an expert to co-lead their strategic planning process. Click [here](#) to learn more.

Onsite - for organizations that need an expert consultant to lead their planning process or strategic planning retreat onsite. Click [here](#) to learn more.

Execute Your Plan

A purpose-built online tool for organizations that need to execute their strategic plan. Click [here](#) to learn more.

About OnStrategy

As real-world, field-driven practitioners of corporate strategy, we've learned great strategy isn't just about having a strategic plan. It's about building confidence and allowing leaders to lead with a vision and a roadmap for getting there. It's the kind of confidence that cascades from leadership to the front-line. Teams know where they're going and why. Individuals contribute with purpose and meaning.

Click [here](#) to learn more. Or give us a call, 775-747-7407.