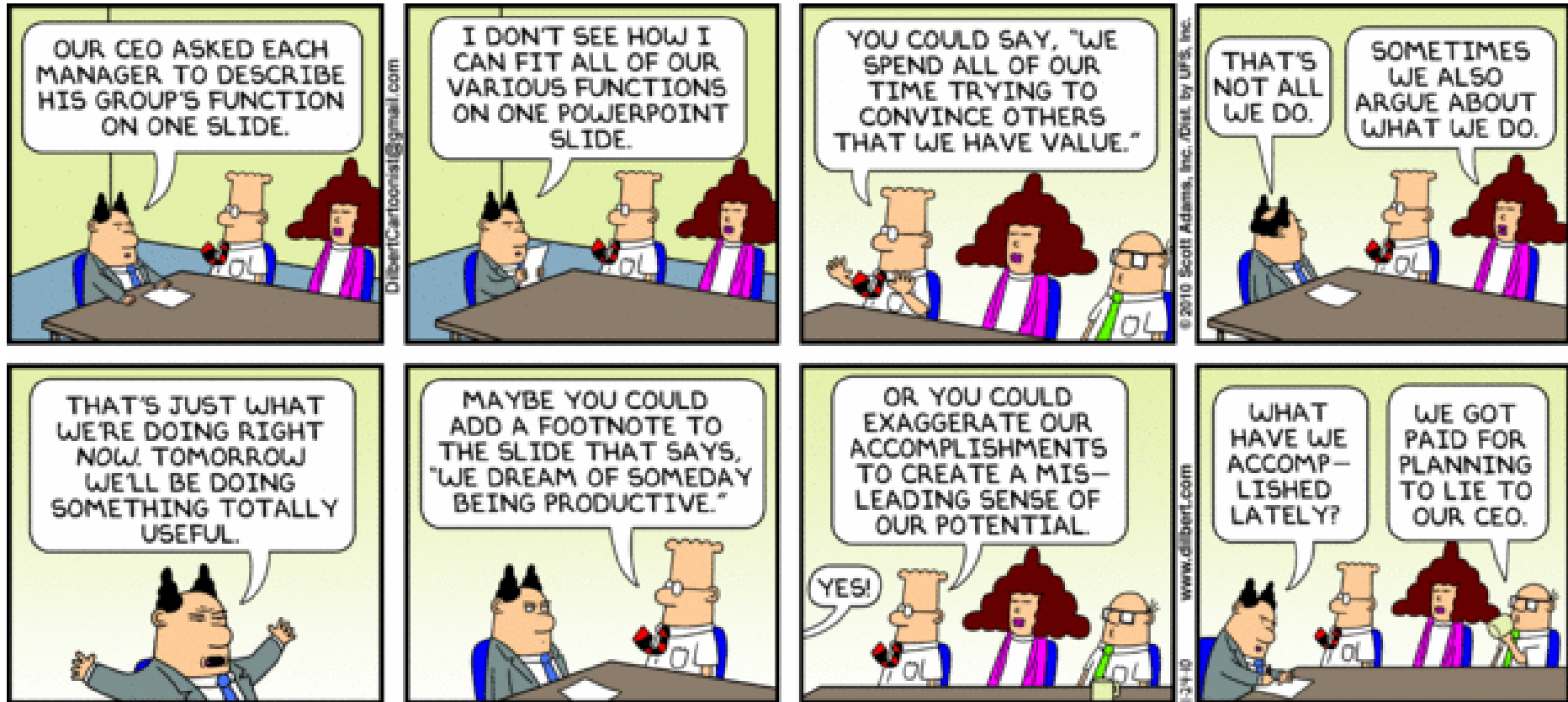


We will be getting started in just a few minutes.....While you are waiting, here is Dilbert's perspective on strategy.



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Your success takes planning

Strategy Huddle™
with MyStrategicPlan

PURPOSE & GROUND RULES

Purpose

Answer real-world questions, handle high-level strategy issues, and share best practices on strategy, execution, planning

Duration

45-60 minutes

Your Role

Ask questions: Questions can be submitted via the Chat Box on right at any time. **

Offer suggestions: Share your experience via the Chat Box during the topic at hand

Details

Session will be recorded. Slides to be emailed out to participants.

ABOUT US



mystrategicplan
Your virtual VP of strategy

mychurchplan
Your success takes planning

mynonprofitplan
Your success takes planning



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AGENDA

- I. Strategy Stat of the Month
- II. The Customer Connection
- III. Wall Street Journal Article
- IV. Live Questions

SUSTAINING GROWTH

STRATEGY STAT

12%

That's how many companies worldwide managed to grow profits and revenues more than **5.5%** over the 10 years ending in 2008 and earn back their cost of capital.

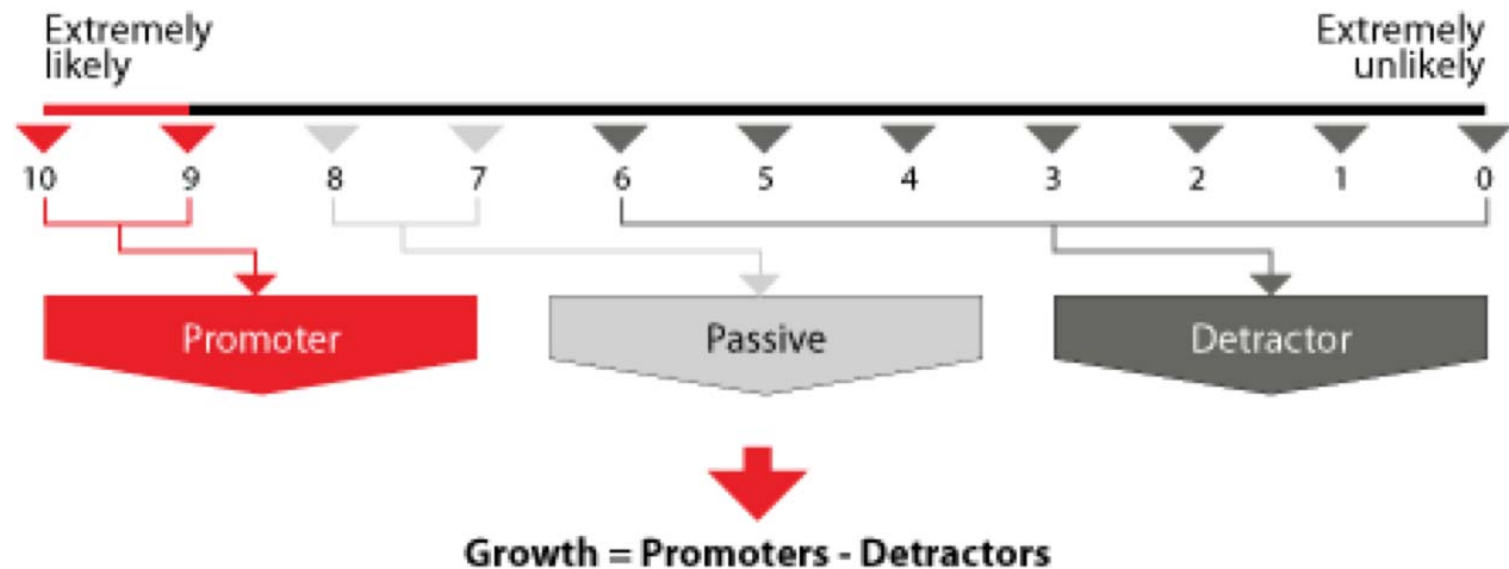
Source: *Profit from the Core: A Return to Growth in Turbulent Times*,
by Chris Zook and James G. Allen

How do I determine the importance of my customer comments/feedback in setting strategy?

QUESTION: THE CUSTOMER CONNECTION

THE NET PROMOTER SCORE (NPS)

The Net Promoter Score (NPS) starts with the most important question you could ever ask your customers or constituents - **“How likely is it that you would recommend [Company here] to a friend or colleague?”** Participants answer on a scale between 0-10, and based on their response they are categorized into one of three groups: Detractors, Passively Satisfieds or Promoters.



	Strategic Goals	Loyalty Metrics	
		Drivers for Customer Survey	Drivers for Employee Engagement Survey
NPS		How likely is it that you would recommend Acme to a friend or colleague?	How likely is it that you would recommend working for Acme to a friend or family member?
Customer	C1-increase customer satisfaction. (knowledgeable people) (convenient access) (superior service)	<ol style="list-style-type: none"> 1. Acme employees provide knowledgeable assistance when I have a question. 2. It is easy for me to get the attention of an Acme employee. 	<ol style="list-style-type: none"> 1. When working with customers I am able to inform them about all our services without assistance. 2. I rarely have to make a customer wait more than 2 minutes to talk with me.
Internal / Operational	I1-Understand our customers. I2-Create innovative services. I3-Cross-sell services.	<ol style="list-style-type: none"> 1. Acme's service provides innovative solutions to my needs. 2. Most of Acme's services are pertinent to my needs. 	<ol style="list-style-type: none"> 1. I feel I have the training necessary to do my job effectively. 2. I have the freedom in my job to provide solutions to our customers.
Innovation & Learning	L1-Build strategic information. L2-Develop strategic skills. L3-Focus resources. L4-Employee effectiveness.	<ol style="list-style-type: none"> 1. Acme employees are effective. 	<ol style="list-style-type: none"> 1. I understand the goals of the company and find ways to incorporate them into my daily interactions with customers.

DASHBOARD

Division Region State City Status

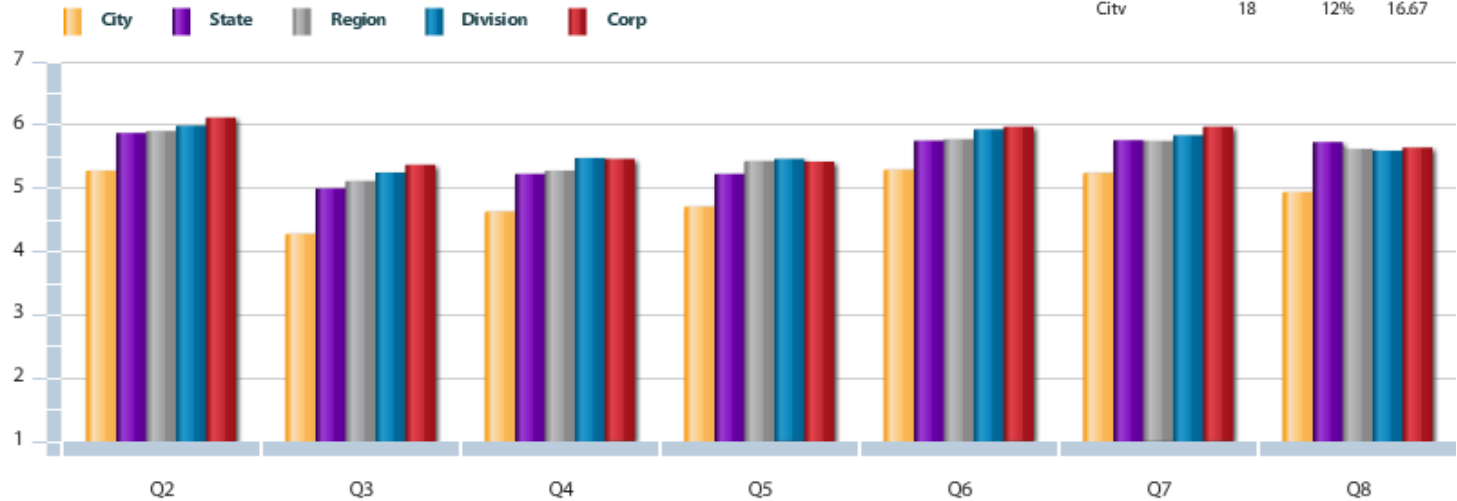
NPS: Seattle



- Q1-10
- YTD
- 2010
- 2009

2009: West, Northwest, Washington, Seattle

	Responses	Rate	NPS
Corp	762	14%	46.85
Region	163	13%	45.40
Division	71	12%	45.07
State	46	13%	36.96
City	18	12%	16.67



	Variance From Corporate Results		Comments					
	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8
Region	-4%	-3%	-3%	0%	0%	-1%	-3%	-1%
Division	-4%	-4%	-5%	-4%	0%	-4%	-4%	-1%
State	-22%	-5%	-7%	-5%	-4%	-4%	-4%	1%
City	-65%	-14%	-21%	-16%	-14%	-12%	-13%	-13%

SUMMARY ACTIONS

- ✓ Assess the processes you may have in place that can alert you to any emerging weaknesses, as well as help spotlight your strengths.
- ✓ Consider the importance of aligning any customer or staff survey effort with principals of the balanced scorecard, thereby bringing strategic relevance to your data.
- ✓ Actively collect the data with consistency and reference it regularly to help keep your Strategic efforts relevant.
- ✓ When the data drives it, create best practices and share with other business units.

WSJ Article: “Strategic Plans Lose Favor: Slump Showed Bosses Value of Flexibility, Quick Decisions”

HOT TOPIC: M3'S TAKE ON THE WALL STREET JOURNAL ARTICLE

POLLING QUESTION

- ❖ Title – “Strategic Plans Lose Favor” – implies that something else must be gaining favor since strategic planning is declining in favor.
- ❖ What business practice is taking its place or gaining favor?

ARTICLE HIGHLIGHTS

- ❖ There are two primary issues:
 - Strategy being dead
 - Strategic planning doesn't always work

FIRST ISSUE

- ❖ “Strategy, as we knew it, is **dead**,” states Northern American head of Accenture.
- ❖ Competitive strategy is about being different. It means deliberately choosing to perform activities differently or to perform different activities than rivals to deliver a unique mix of value.”

Michael Porter (*HBR* 1996)

FIRST ISSUE CONTINUED

- ❖ "...increased flexibility and accelerated decision making are much more important than simply predicting the future."
- ❖ It definitely is about – implementation / execution ability of the organization
- ❖ It definitely is about – instilling a corporate culture that embraces strategic change and performance
- ❖ It definitely is NOT about – simply predicting the future (however forecasts are vital to strategic planning)

SECOND ISSUE

- ❖ "...sales smacked up against reality, executives discovered that strategic planning **doesn't always work.**"
- ❖ **True** – *static* five-year strategic plans don't always work
- ❖ **True** – rate of change and width of volatility is much wider and faster
- ❖ **True** – good businesses don't change strategies every month, they change tactics to execute a strategy
- ❖ **True** – a strategic plan is a dynamic evolving living 'thing' – so you will have to shift tactics, but not overall direction

2009 BAIN TOOLS STUDY

	Usage	Satisfaction
Benchmarking	76%	3.82
Strategic Planning	67%	4.01
Mission and Vision Statements	65%	3.91
Customer Relationship Management	63%	3.83
Outsourcing	63%	3.79
Balanced Scorecard	53%	3.83
Customer Segmentation	53%	3.95
Business Process Reengineering	50%	3.85
Core Competencies	48%	3.82
Mergers and Acquisitions	46%	3.83
Strategic Alliances	44%	3.82
Supply Chain Management	43%	3.81
Scenario and Contingency Planning	42%	3.83
Knowledge Management	41%	3.66
Shared Service Centers	41%	3.68
Growth Strategy Tools	38%	3.87
Total Quality Management	34%	3.80
Downsizing	34%	3.59
Lean Six Sigma	31%	3.87
Voice of the Customer Innovation	27%	3.88
Online Communities	26%	3.69
Collaborative Innovation	24%	3.71
Price Optimization Models	24%	3.75
Loyalty Management Tools	17%	3.79
Decision Rights Tools	10%	3.68

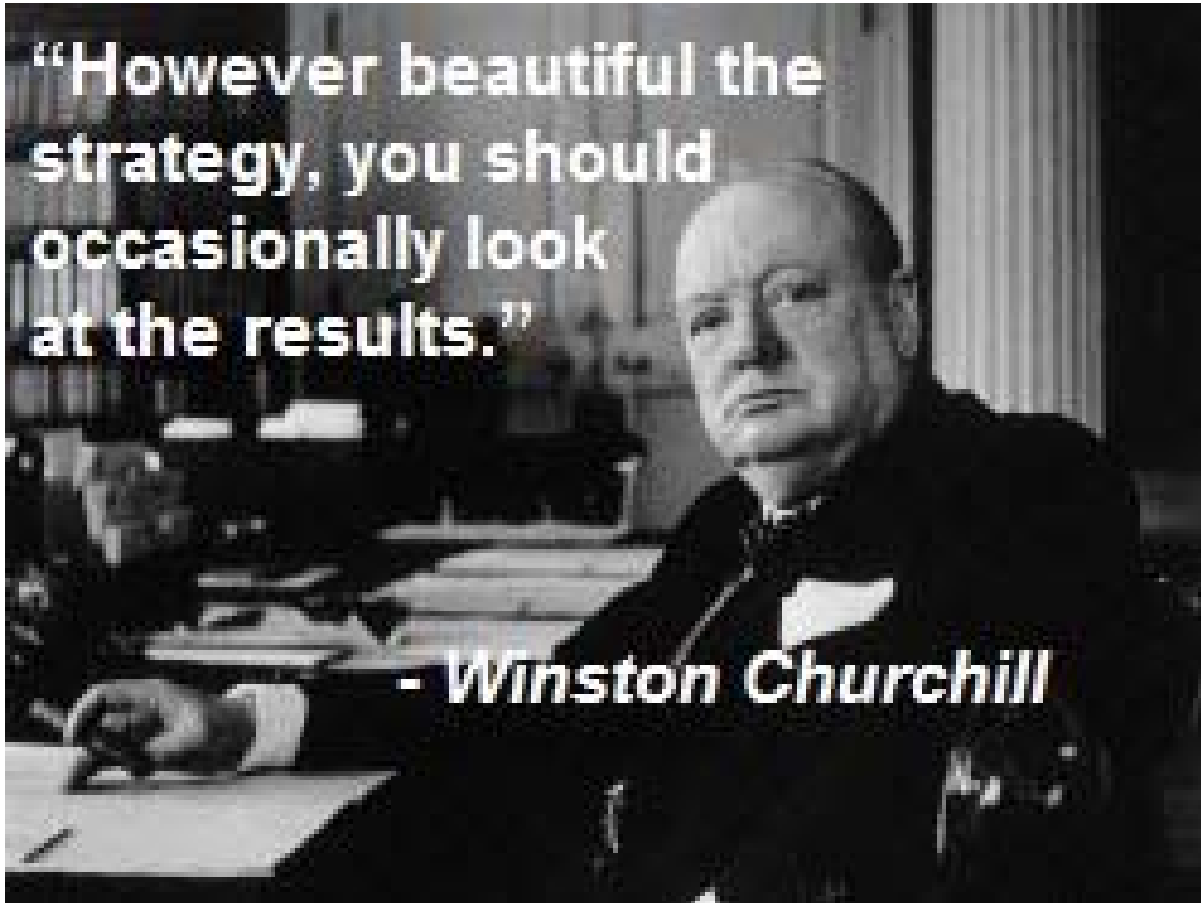
■ Significantly above the overall mean

■ Significantly below the overall mean
(usage = 42%, satisfaction = 3.82)

SUMMARY ACTIONS

- ✓ Take a long-term perspective with short-term actions
- ✓ Be flexible as the rate of change intensifies
- ✓ Implement, implement, implement
- ✓ Assess your organizational culture
- ✓ Be agile with your planning process

IN-THE-MOMENT QUESTIONS



NEXT HUDDLE

- ❖ 9am PT March 31st
- ❖ Send in questions for the next Strategy Huddle to admin@mystrategicplan.com (reference the Strategy Huddle in the subject line)
- ❖ Interested in sharing/presenting a best practice as a Strategy Leader? admin@mystrategicplan.com (reference the Strategy Huddle in the subject line)
- ❖ Follow us on Twitter @MyStrategicPlan
- ❖ Today's session is being recorded and will be posted online along with the PPT deck by end of week.

CONTACT INFORMATION

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