

Strategic Planning

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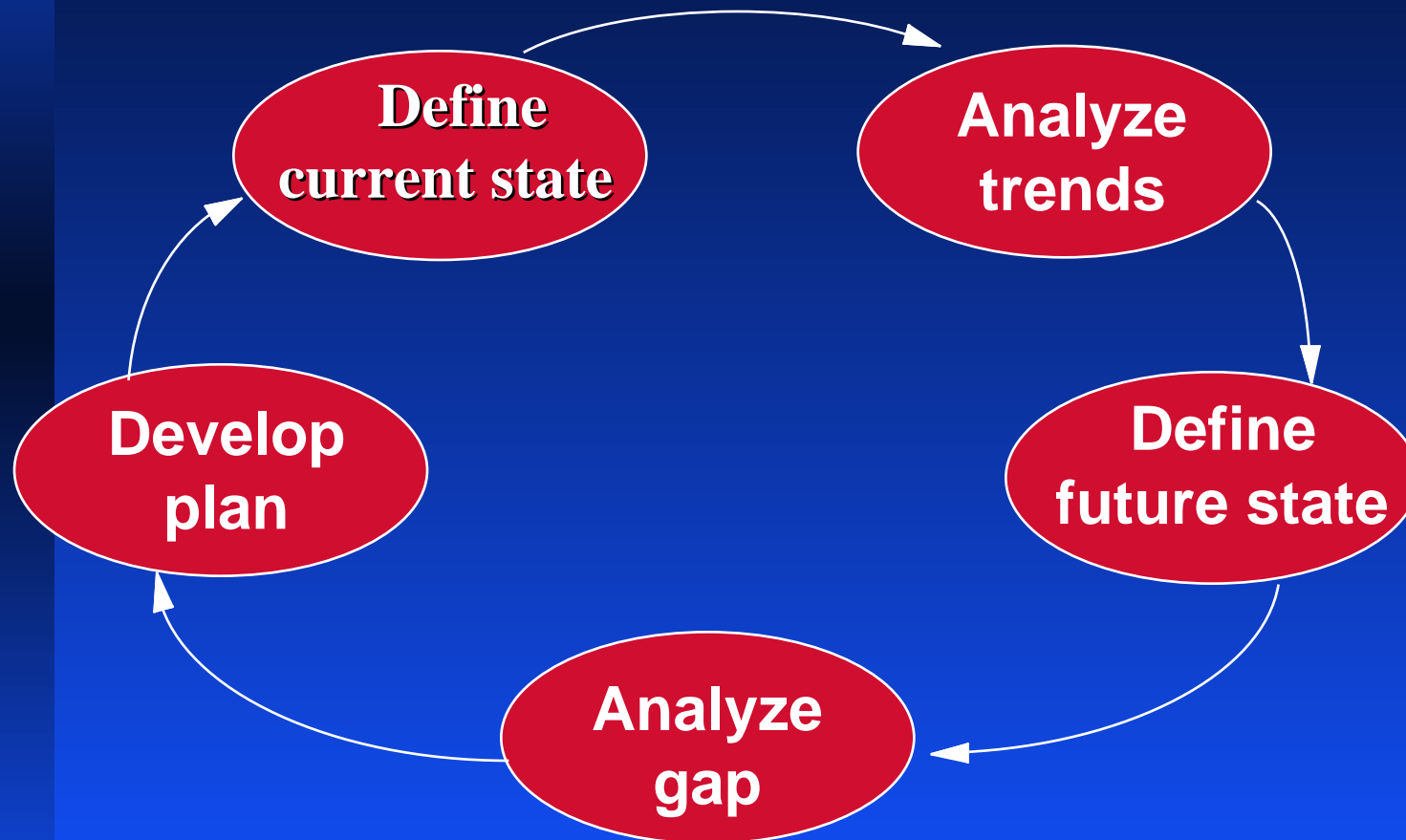
What is strategic planning?

- A process for determining
 - Where you are
 - Where you intend to be
 - How you're going to get there

Why do it?

- It allows you to control the things you can control and deal with the things you can't
- It's a way to ensure that your organization adds superior value to your customers
- It's your responsibility as a manager
- If you don't do it, someone else will

The generic process



Getting prepared

- Make it a group project - invite everyone to participate
- Make decisions by consensus, not majority rule
- If possible, get a neutral facilitator

Getting prepared

- Question everything, assume nothing - be prepared to put yourself out of business
- As manager, you set the tone - be careful about what you say and do, discuss the undiscussable

Getting prepared (cont'd)

- Look five years out
- Allow enough time (6 months minimum)
- Plan series of two-day meetings with several weeks between each session

Defining the current state

- Business definition
- Customer analysis
- Competitor analysis
- Strengths/weaknesses/opportunities/threats (SWOT) analysis

Business definition

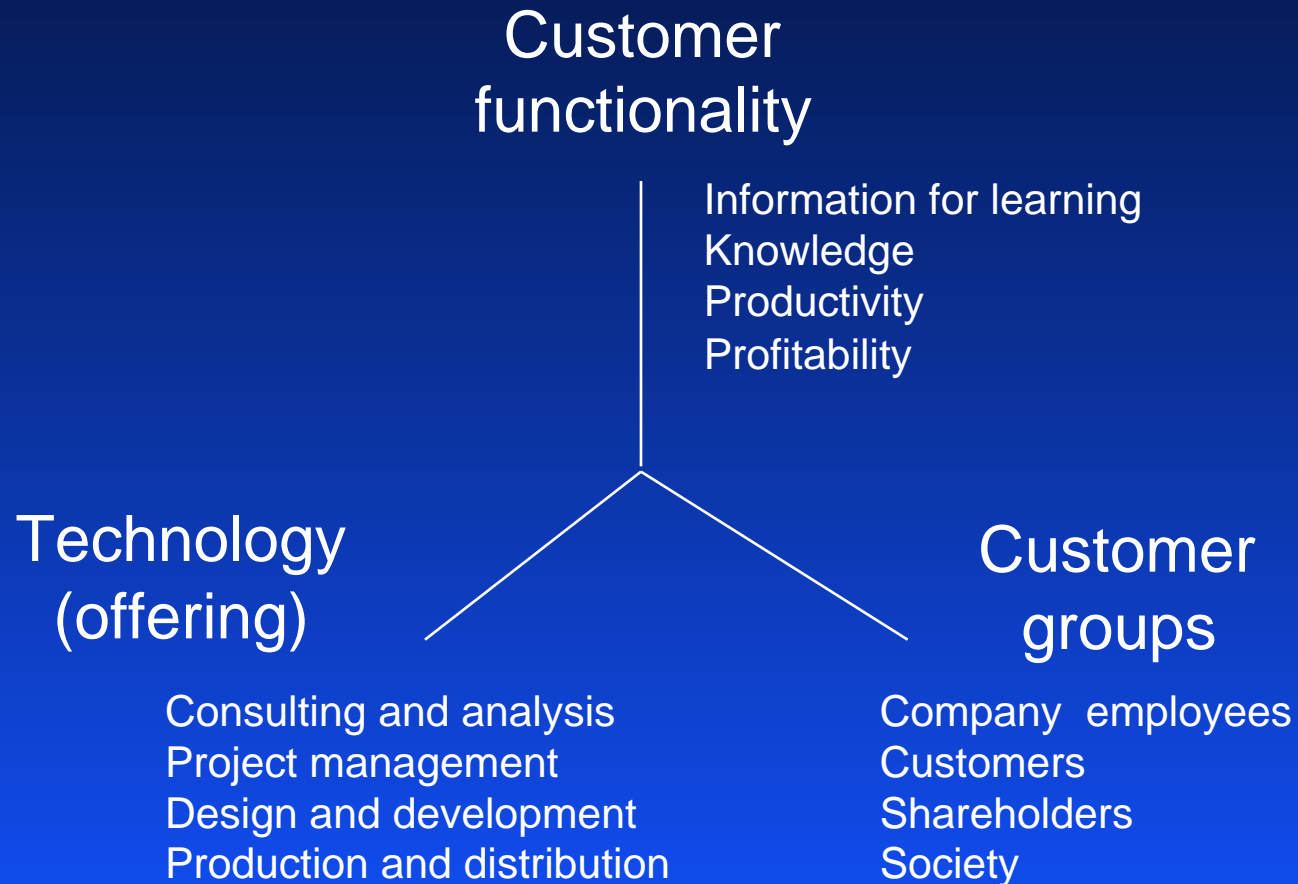
A single paragraph that answers the following questions:

- What is your offering?
- Who buys and consumes it?
- What do they get out of it?

Sample business definition

- Publication Services designs, develops and publishes information products for external customers. Our products enable our customers to learn how to use our company's products so that they can perform their own business tasks with greater ease and effectiveness, making their businesses more productive and profitable

Model for business definition



Customer analysis

- Who are they (who makes buying decision)?
- What are their key goals, objectives, and strategies?
- How are they organized?
- What are their critical success factors?
- How do they value for technical information?

Customer Analysis

- In your team, discuss what you would like to learn about your customers
 - External -- what are the job? what do they like or not like?
 - Internal -- how can we help them? what are their expectations?
 - How much money do you want to spend?
 - What skills levels do they have?

Customers needs

- More than one kind of customers?
- How do they do their work now?
- Language, age, experience, education
- What do they prefer?
- What problems do they have now?
- What tasks they are performing?
- How can information make their lives easier?

Products of customer analysis

- Detailed information about individual customers
- Quick-reference summary for each customer
- Set of generalized conclusions about customers and your relationship with them

Sources of customer information

- User site visits
- Surveys (paper/email/phone)
- Focus groups and customer partnerships
- Internal information sources

Performing the customer analysis

- Use teams to conduct research, surveys, and interviews
- Work off-line - use full group meetings to review and consolidate findings
- High vs. low value for information

Performing the customer analysis

- Look for patterns and tendencies in the data
 - Similarities and differences between customers
 - Conclusions about your relationship, perceived value

Sample customer summary

Group	Success factors	Value for info	Value for us
Admins	Speed performance	Install guides	Know products
Sources: H. Smith B. Jones	Accuracy Expertise	Technical notes Error recovery	Know support Access to experts
End users	Ease of learning	User guides	Technical knowledge
Sources: A. Brown T. Miller J. Doe	Speed performance Increased productivity	Tutorials Ongoing support	Instructional design Business insights

Sample customer analysis conclusions

- Our customers are computer experts
- Experts value all the information they can get
- Our customers are computer novices
- Novices value ease of learning and ease of use
- Novices place low value on information that is hard to find

Competitor analysis

- Who are they? (think broadly)
- What are their capabilities?
- How do we compare?
- What are our sources of competitive advantage (what do we do differently or better)?
- What are our strengths, weaknesses, opportunities, and threats? (SWOT analysis)

Competitor analysis

- In your teams, discuss who you believe to be your major competitors.
 - engineers and programmers
 - marketing, testing and QA, field service
 - customer service, training, HR, IS depts
 - outsourcing, independent contractors
 - accountants, other tech pubs departments
 - project leaders, product managers

Products of competitor analysis

- Data about individual competitors
- Strengths/weaknesses/opportunities/threats (SWOT) analysis
- Conclusions about your most significant competitors and your current sources of competitive advantage

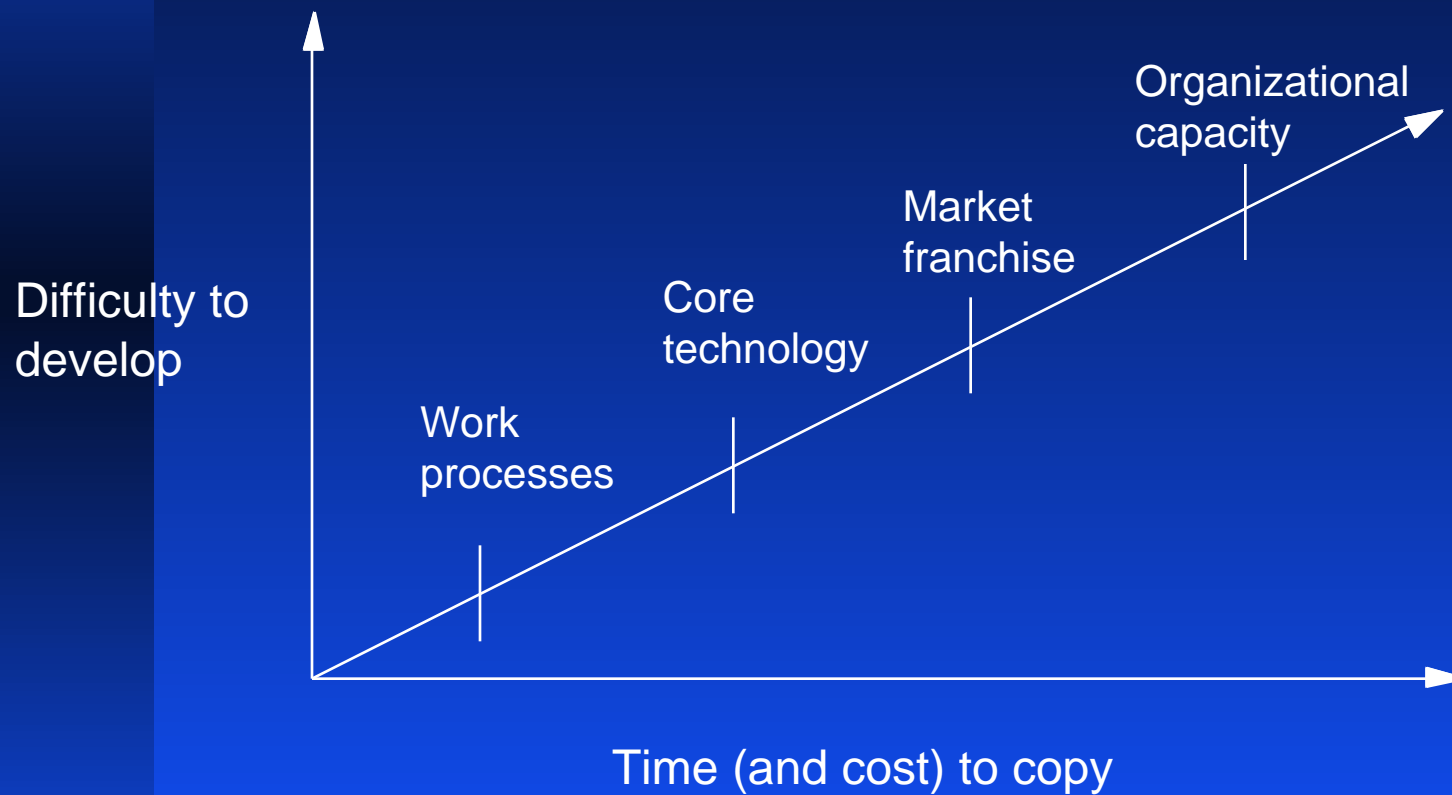
Sources of competitor information

- Networks
- Business partners
- Publicly available information
- Interviews
- Benchmark studies
- Customers

Performing the competitor analysis

- Use teams to conduct research, interviews, etc.
- Work off-line - use full group meetings to review and consolidate findings
- Pay special attention to not-in-kind competitors, especially others doing work themselves
- Do SWOT analysis to summarize your competitive position

Sources of competitive advantage



SWOT analysis

Strengths

Knowledge of products
Good to excellent quality
Good operating and managing processes
Solid technical background
Perceived as experts in Web design

Customers need to get more value from information
Leverage Web expertise to create multimedia
Strong demand for information and knowledge of solutions

Opportunities

Weaknesses

No multimedia experience
Don't have relationships with decision-makers
Weak strategic thinking and business skills
Percived by some as slow and expensive

Continued trend toward outsourcing
New generation of IT tools makes it easier for developers to think they can do work themselves
Customers do not value our information

SWOT analysis

- In your teams, list four major strengths and four major weaknesses.

Analyze trends

- External forces that drive businesses:
 - Economics
 - Resources and environment
 - International factors
 - Social change
 - Technology
 - Politics

Products of trends analysis

- List of trends (brainstorm)
- Certainty vs. impact matrix
- Short list of most significant trends

Degree of certainty vs. impact

		Impact on business	
		High	Low
Degree of certainty	High	Must plan for	Minimum resources if any
	Low	Maintain flexibility in plan	Forget it

Defining the future state

- What it takes to win
- Vision

What it takes to win

Given the most significant trends we identified:

- How can we gain power relative to others in the industry?
- Which customers should we serve?
- Which customer values should we address?
- Which competitors should we focus on?

Sources of information

- Which customers to serve - customer analysis
- Which customer values to address - customer analysis
- Which competitors to focus on - competitor analysis
- How to gain power - synthesis of all info collected in current state analysis

Sample list of what it takes to win

- Lead company in applying information technology to communication needs
- Focus resources on key customer needs
- Develop set of products and services that are valued by the customers and cannot be provided by others
- Earn status of the best provider

Vision

A shared mental picture of how we would like the business to be...

“If you can’t see it, you can’t become it.”

Qualities of a vision

- Comes from the mind and heart - asks too much of us
- We alone can make these statements - people recognize them as ours
- Radical and compelling - dramatizes wishes, hopes, and aspirations
- Conscious image that is the cause of our current behavior

Creating a vision

- Could be a set of statements, a picture, or both
- Should be developed and must be understood and shared by the entire organization
- Should focus on customers, end-users, and other stakeholders

Sample vision statement

Who we serve:

- We are aligned at a strategic level with corporate business strategies.

What we do:

- We design, develop, and manage usable, useful information solutions.
- We identify and promote the appropriate use of leading-edge communication technologies and methodologies.

Sample vision statement (cont'd)

How we benefit our partners:

- Our solutions provide measurable competitive advantage to our customers and our corporation.

Sample vision statement (cont'd)

How we work:

- We work in flexible, self-managed teams that are focused on business objectives.
- We are leaders in using communication technologies and methodologies.
- Our internal processes ensure usable, useful information solutions.

Sample vision statement (cont'd)

How we are recognized:

- We are recognized and supported as an essential part of the product development teams and are considered to add value for customers.

Sample vision statement (cont'd)

- Our co-developers gladly support us with continued partnering, recognition, resources, and retention.
- We are recognized individually through professional and organizational advancement.

Analyzing the gap

You know where you are (current state)

You know where you intend to be (future state/vision)

So how do you get there?

Analyzing the gap

- Get everyone involved
- Develop a list of all the obstacles to getting to the various elements of the future state (everyone brainstorms with Post-Its)
- Consolidate duplicates and categorize
- Use the list of obstacles to create a roadmap/
plan

Obstacles and solutions

- Not enough time
- No impact on development/design
- No management support
- Late changes
- No schedule input
- Organizational barriers
- Set aside a hour a week for planning
- Prioritize and say NO
- Get involved early
- Set expectations
- Hire more people with the right skills
- Cross training in group

Obstacles and Solutions

- Hire interns and contractors
- Reduce scope
- Offer to write specs
- Highlight value of involvement
- Promote feature teams
- Offer to help in general
- Cost/benefit analysis
- Do a great job with what you have
- Educate management
- Enlist customer support
- Develop a clear proposal
- Research who/what they need

Obstacles and Solutions

- Advertise/sell/demo
- Communicate
- Freeze date for doc
- Make allies in other groups
- Get involved in development methods
- Educate in our process
- Product must have doc
- Process involvement
- Set realistic limits
- Support of managers and customers
- Look for allies/reduce costs by working together
- Present one view to customers

Developing a roadmap/plan

- What needs to be in place at milestones between now and the target date (~five years from now)?

Developing a roadmap/plan

- Develop a set of goals, objectives, strategies, and tactics with timelines and responsibilities
- or
- Develop a milestone chart populated with events, activities, and metrics

Developing a roadmap (cont'd)

- Get everyone involved
- Use chart of obstacles as a starting point

Developing a roadmap (cont'd)

- Everyone writes on Post-Its at least one possible solution to each obstacle
- Everyone places his/her Post-Its on obstacle chart
- As a group, look at everything that's been posted and consolidate similar ideas into Post-It clumps
- As a group, arrange solution clumps into time order on timeline chart

List of obstacles

- In your team, develop a short list of obstacles
- For each obstacles, develop at least one possible solution

Developing a roadmap (cont'd)

- You'll have a mix of goals, objectives, strategies, and tactics (or events, activities, and metrics) - as a group, separate proposed solutions into proper categories
- There will still be gaps and contradictions in the roadmap - form work teams to fill in and resolve

Developing a roadmap (cont'd)

- Review work of teams with entire group
- Formalize roadmap in a document distributed/available to everyone

Promoting your vision and plan

Publicize and promote vision/plan with critical stakeholders:

- Your organization
- Your management

Promoting your vision and plan

- Business partners, especially key decision-makers
- Other organizations in your company, especially those with information-related competencies
- Vendors from whom you buy products/services

Promoting your vision and plan

- Discuss ways in which you can obtain recognition for your vision and plan.