



HOW TO THINK STRATEGICALLY

How to master the strategic planning process to
craft an *actionable* strategic plan



THE STRATEGIC PLANNING PROCESS

How to Think Strategically

WHAT IS THE STRATEGIC PLANNING PROCESS?

RELENTLESSLY
TACTICAL
DISCUSSIONS



IMPRACTICAL
"BLUE-SKY"
SESSIONS

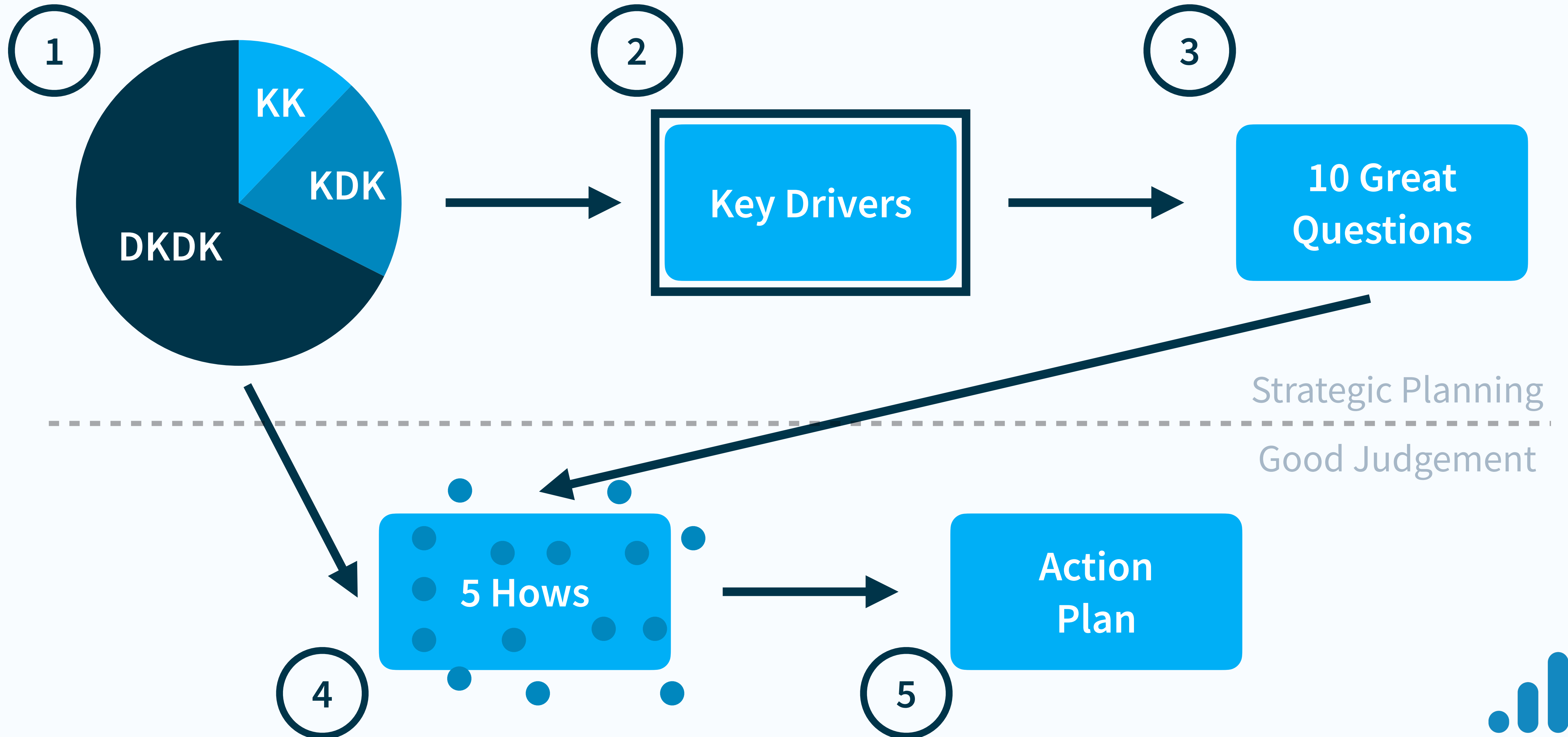




HOW TO USE THE WORKSHEET

How to Think Strategically

THE PS STRATEGIC PLANNING PROCESS





DEFINING STRATEGIC PLANNING

How to Think Strategically

DEFINITION

THE STRATEGIC PLANNING PROCESS

- Strategy is the conceptual framework from which tactics flow.
- From tactics flow individual actions.
- One person's strategy becomes someone else's tactics (and vice versa).
- Strategic Planning = Thinking + Judgment
- It's not *how* you think, it is *what* you think about



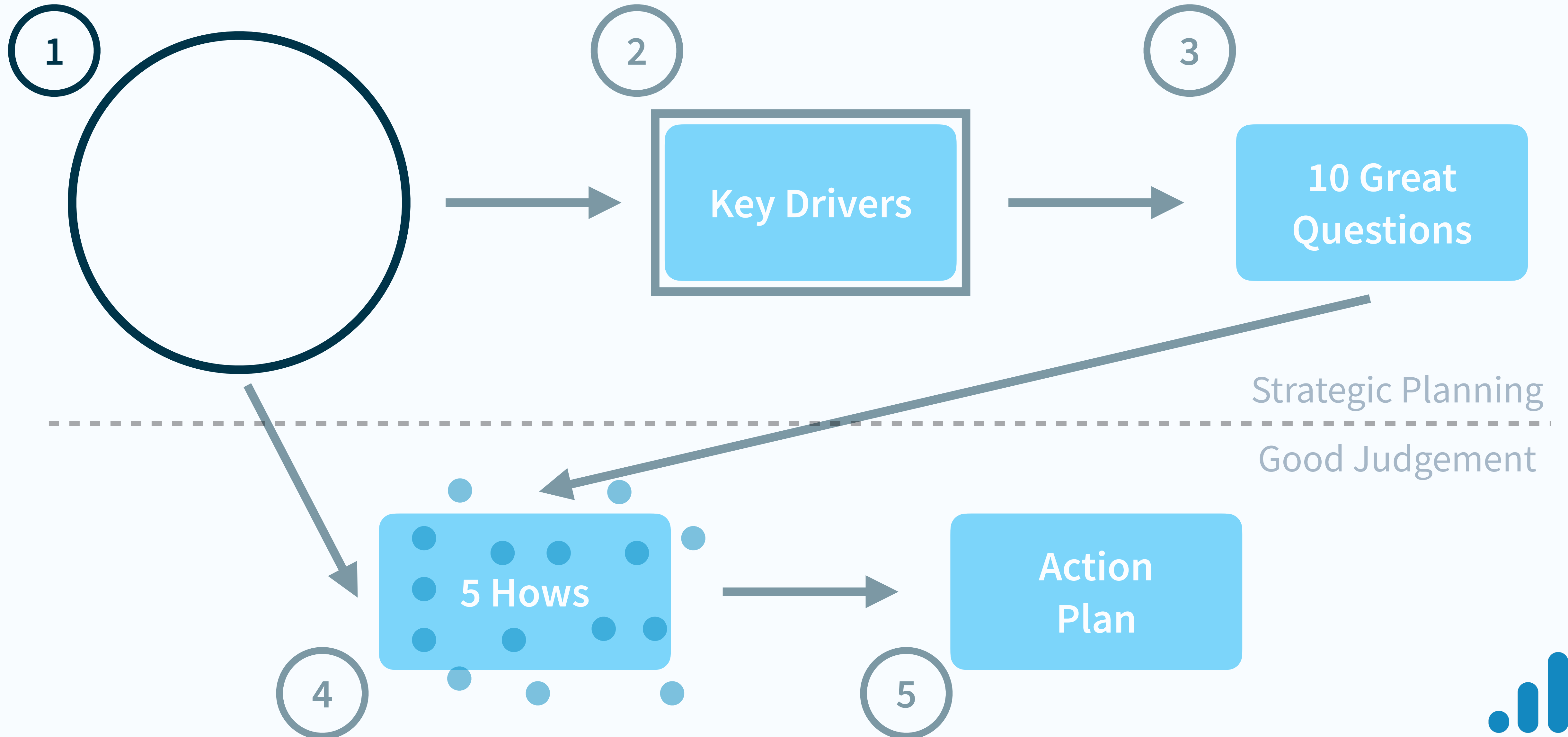


STEP 1

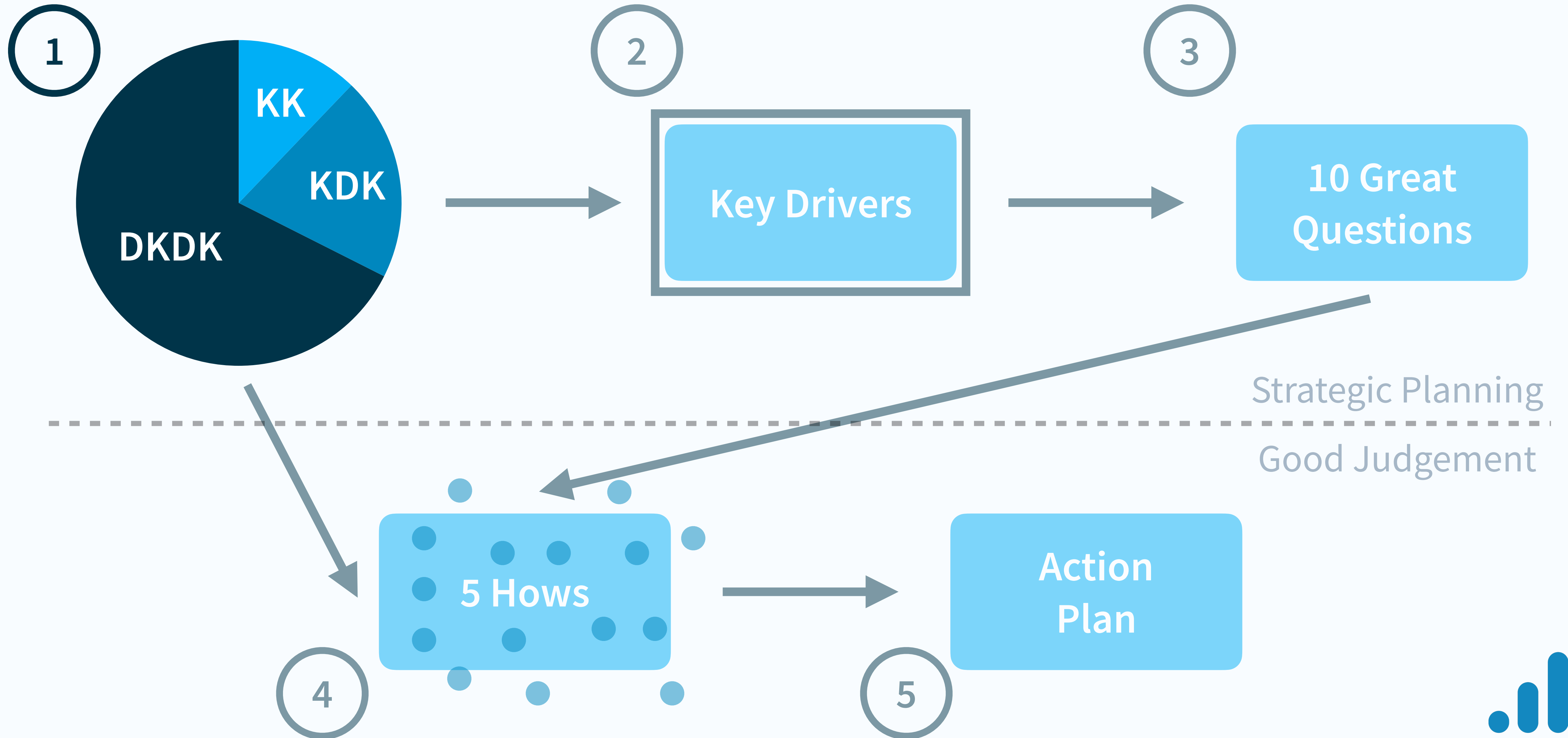
**FOCUS ON WHAT YOU DON'T KNOW
YOU DON'T KNOW**

How to Think Strategically

THE PS STRATEGIC PLANNING PROCESS

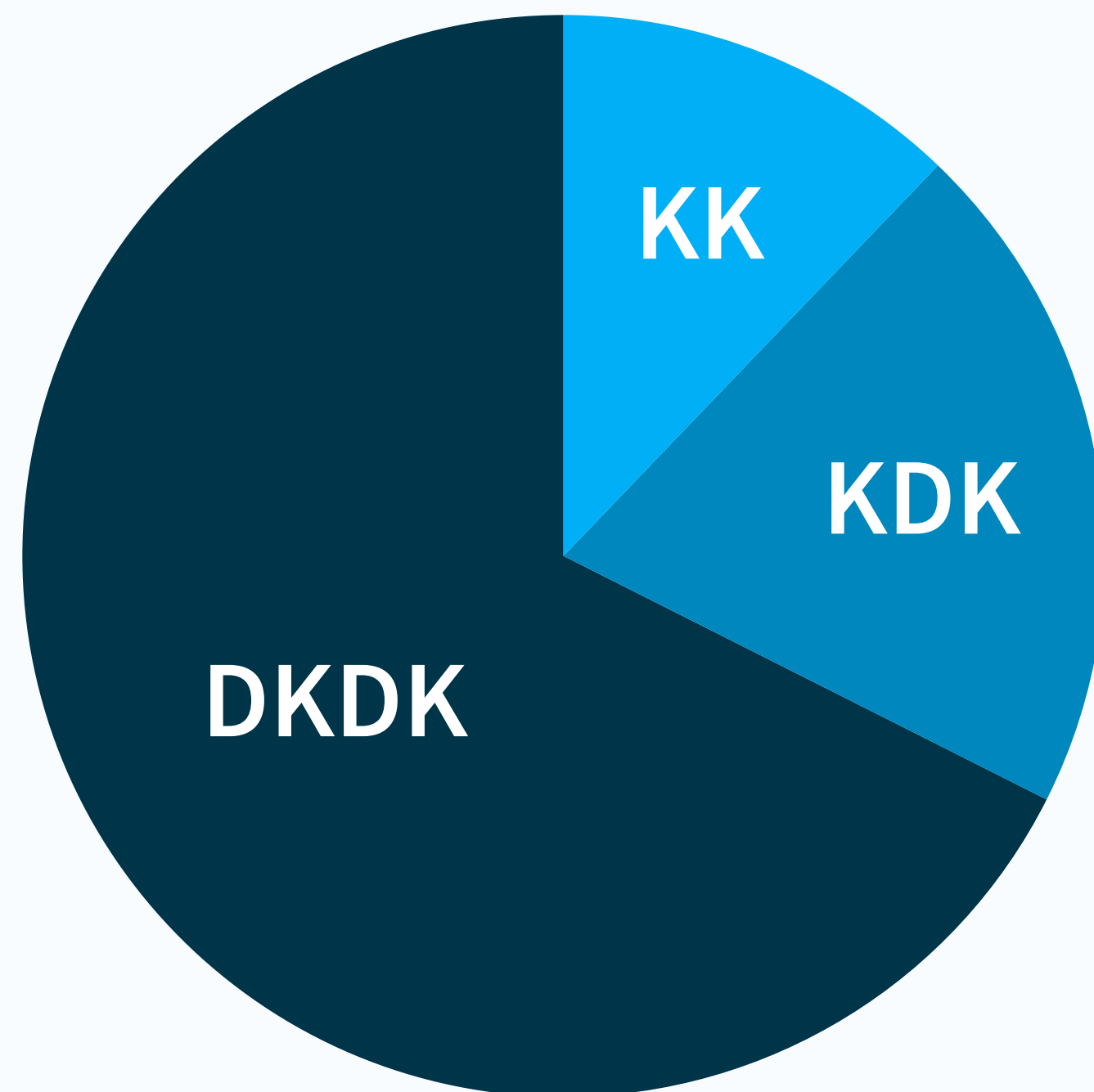


THE PS STRATEGIC PLANNING PROCESS



STEP 1

UNLOCKING THE PUZZLE



KK - What you know you know

- What you do every day
- Objectives

KDK - What you know you don't know

- The problems you know you have
- Tactical planning for next year

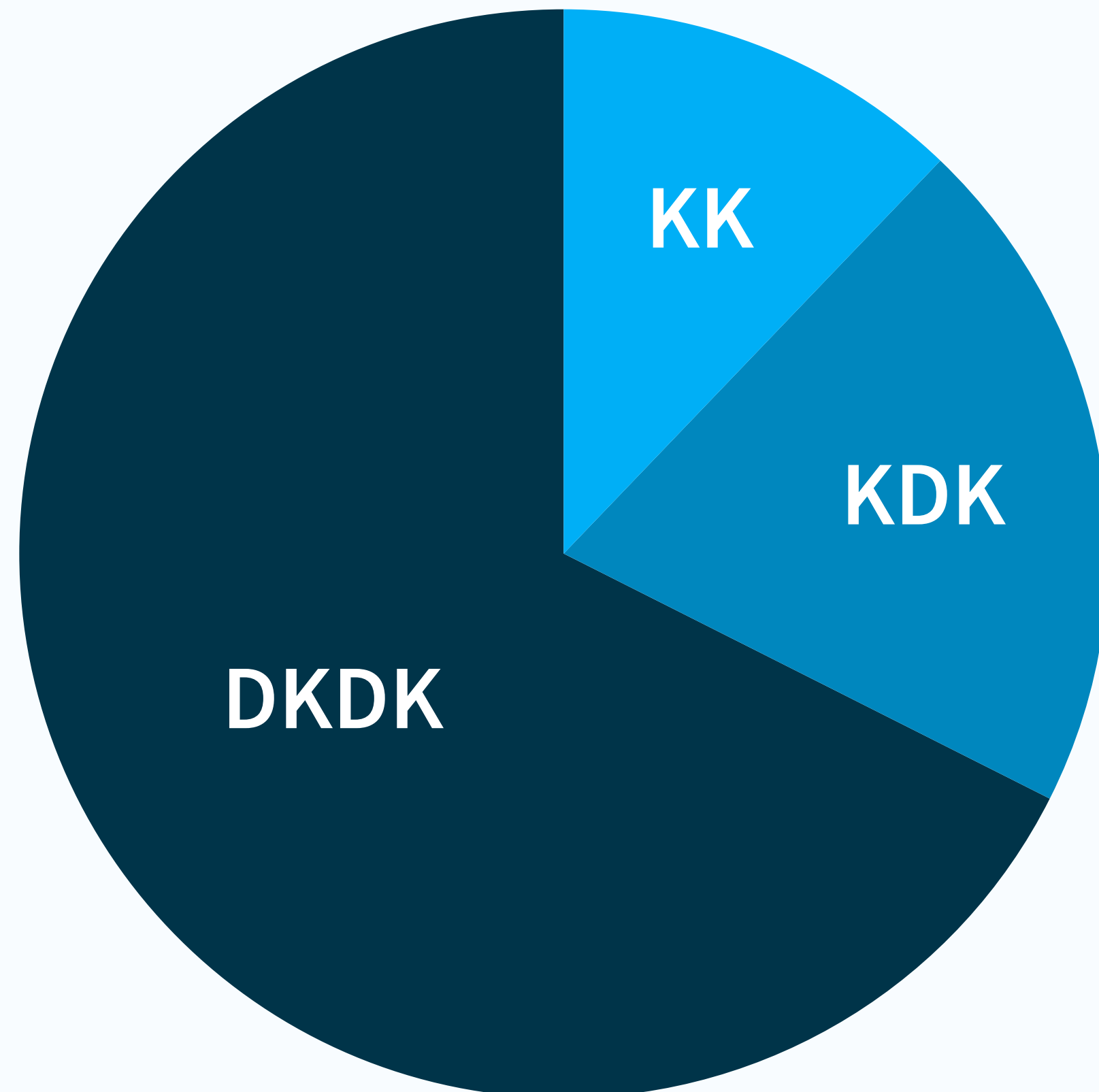
DKDK - What you don't know you don't know

- True strategic planning happens here

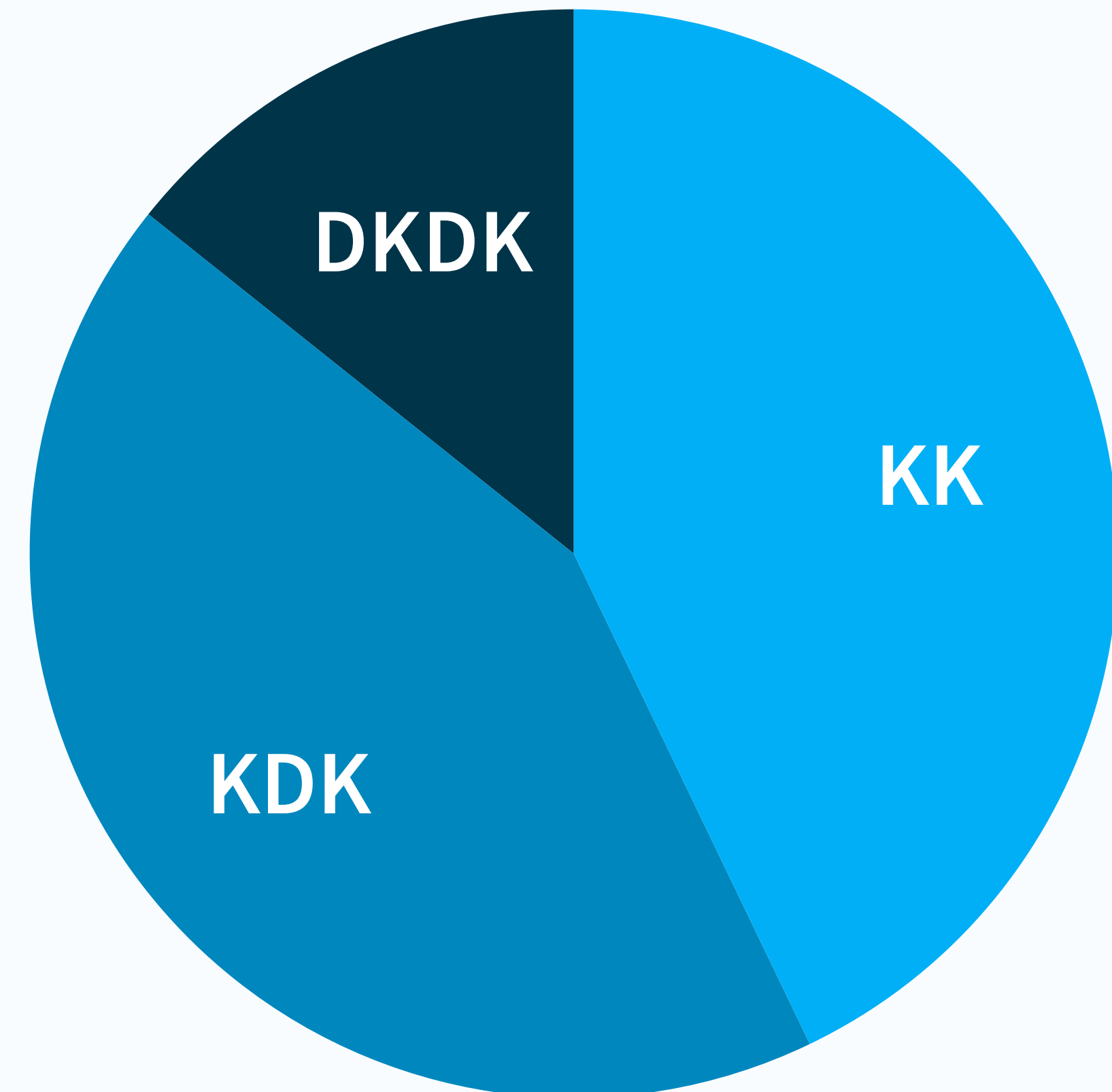


UNLOCKING THE PUZZLE

STRATEGIC PLANNING



NORMAL DAY-TO-DAY



STEP 1

UNLOCKING THE PUZZLE

FOUR WAYS TO GET TO DKDK

1. Define and clarify KK.
2. Define and clarify KDK.
3. Recognize each person has different segments of KK/KDK/DKDK and leverage the wisdom of teams.
4. Look back for pattern recognition.



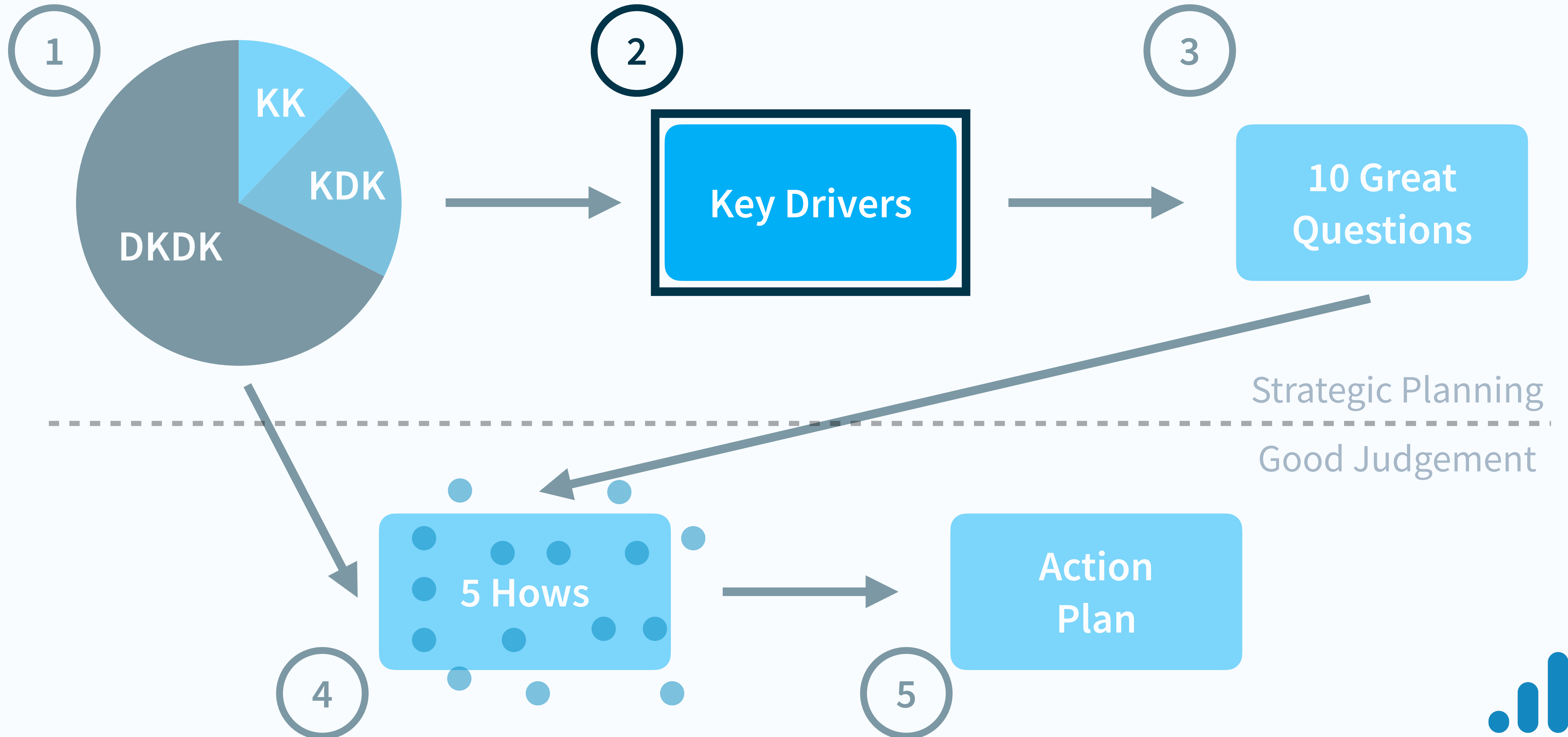


STEP 2

SET LIMITS

How to Think Strategically

THE PS STRATEGIC PLANNING PROCESS

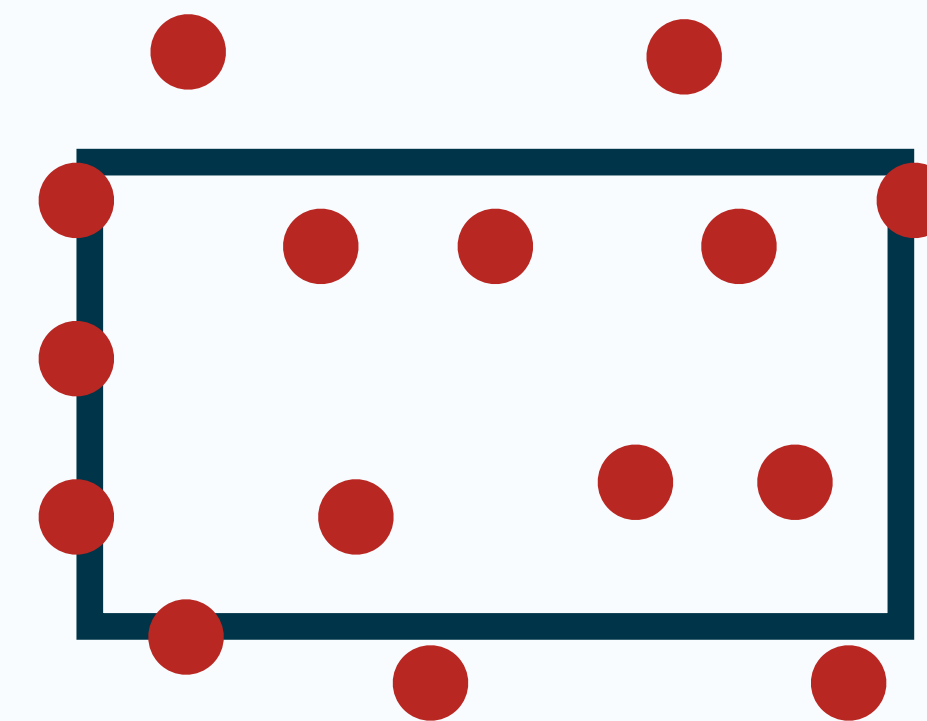


STEP 2

SET LIMITS

DEFINE THE BOX

- For strategic thinking to be actionable, it must be constrained by key drivers.
- What are the key drivers for your organization next year?
- Keep to somewhere around 2-4 key drivers.



STEP 2

SET LIMITS

DEFINE THE BOX

Examples of Key Drivers:

- Attract, retain and develop world-class talent
- Build and expand marketing capability
- Increase sales performance
- Define consistent, repeatable processes across the organization
- Accelerate and enable growth



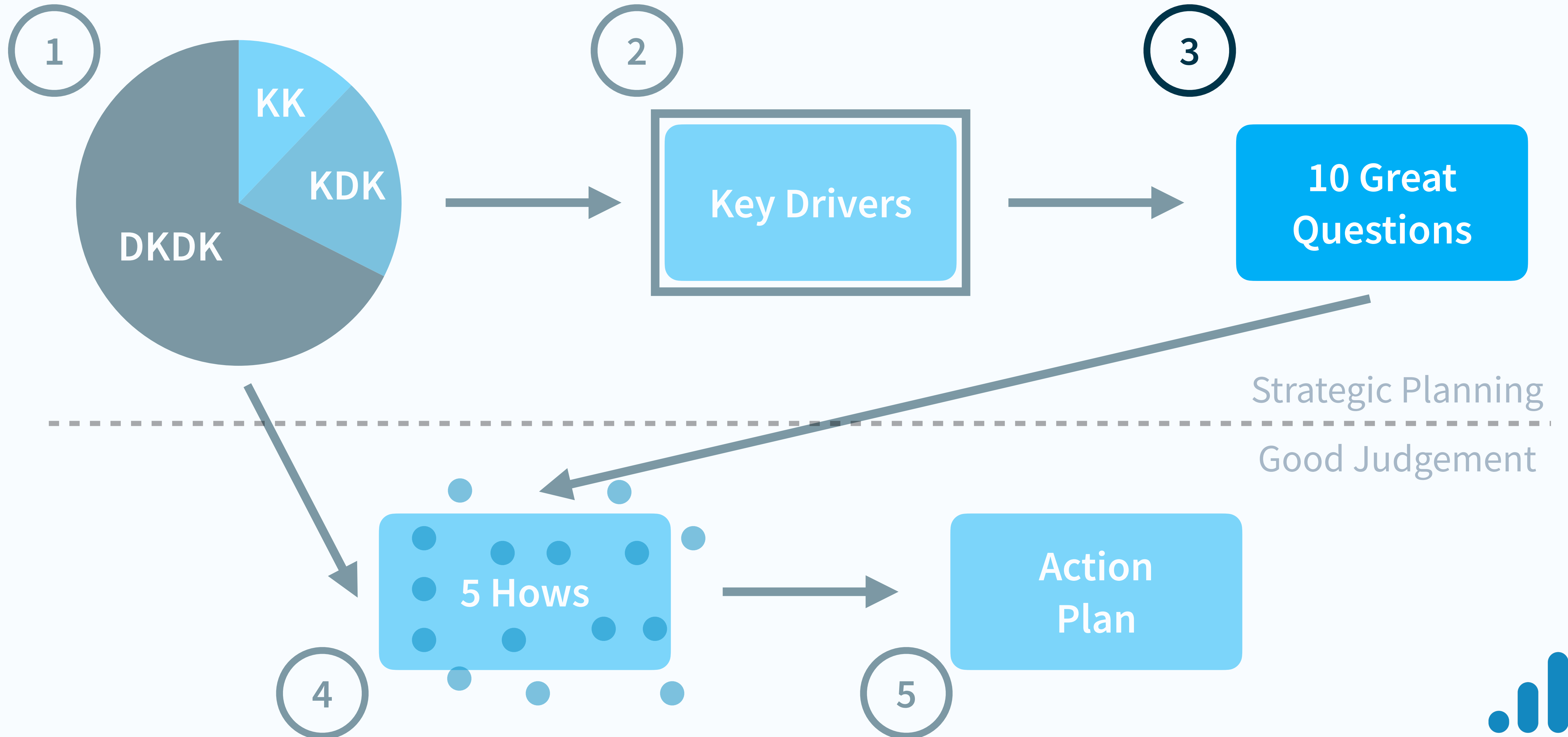


STEP 3

ASK 10 GREAT QUESTIONS

How to Think Strategically

THE PS STRATEGIC PLANNING PROCESS



STEP 3

ASK 10 GREAT QUESTIONS

LINKING DKDK AND KEY DRIVERS

The '10 Great Questions' are the link between DKDK and Key Drivers

A Great Question is one that is:

- Open
- Personally engaging
- Broad in scope
- Operationally relevant



STEP 3

ASK 10 GREAT QUESTIONS

EXAMPLES

1. **If you fired yourself today, and came back as a new boss tomorrow, what would you do?**
2. If a 'perfect' competitor opened up across the street from you tomorrow, what would they be like?
3. What is the one thing your organization was worst at this year? What single thing most needs to happen to fix it?
4. What is the one thing your organization did best this year? What do you need to do to turn that success into a repeatable process?
5. Which individual was most responsible for standing in the way of your organization's success this year? What are you going to do about it?



STEP 3

ASK 10 GREAT QUESTIONS

CREATING GREAT QUESTIONS

6. Which department, division, team or function was most responsible for standing in the way of your organization's success this year? What are you going to do about it?
7. Which individual was most responsible for your organization's success this year? What are you going to do about it?
8. Which department, division, team or function was most responsible for your organization's success this year? What are you going to do about it?
9. **What is the single metric or measurement you least liked hearing about this year? What will you do to prevent the same thing happening next year?**
10. What is the single metric you will measure your success by (not how anyone else will measure your success – how you will measure your own success). What are you doing about it?



STEP 3

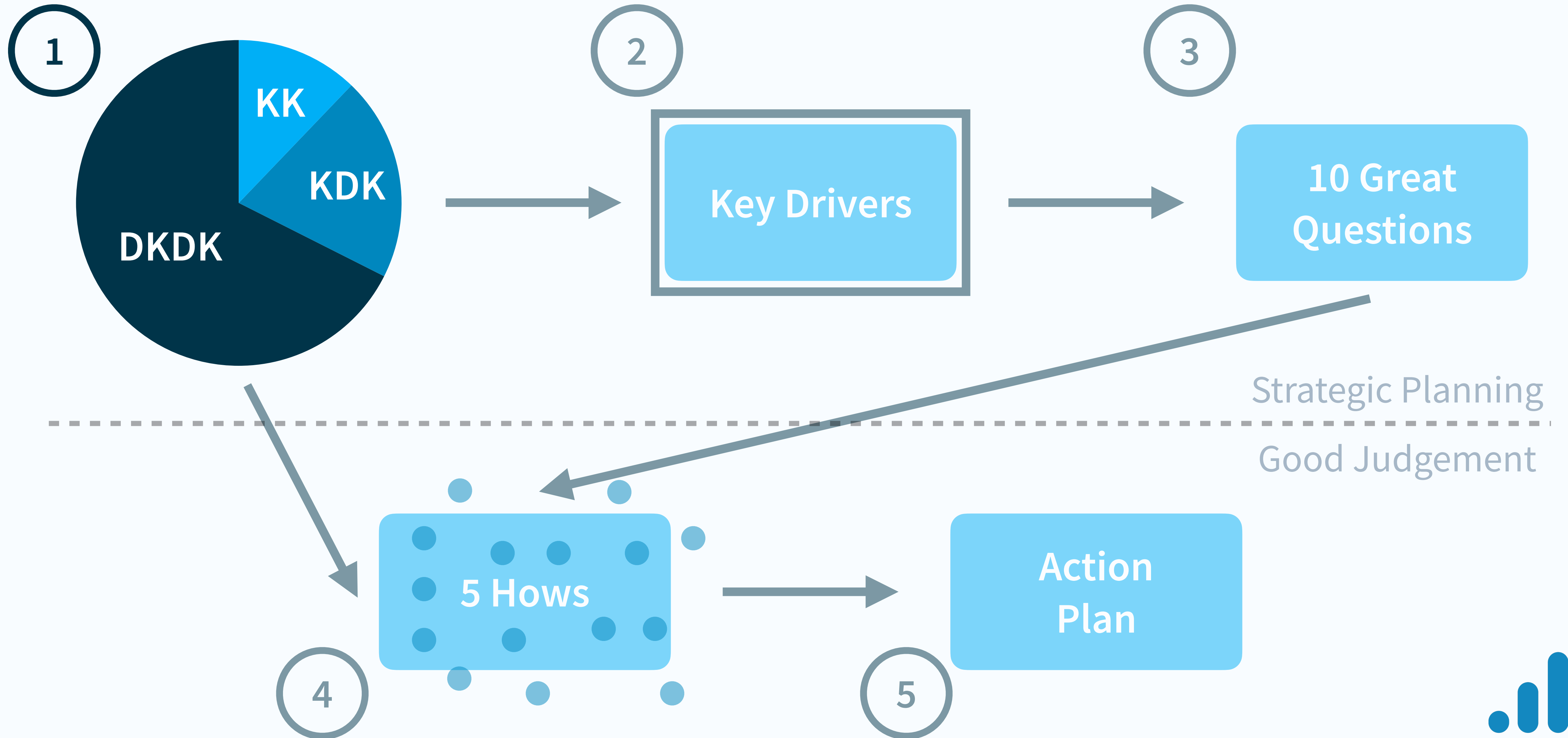
ASK 10 GREAT QUESTIONS

CREATING GREAT QUESTIONS

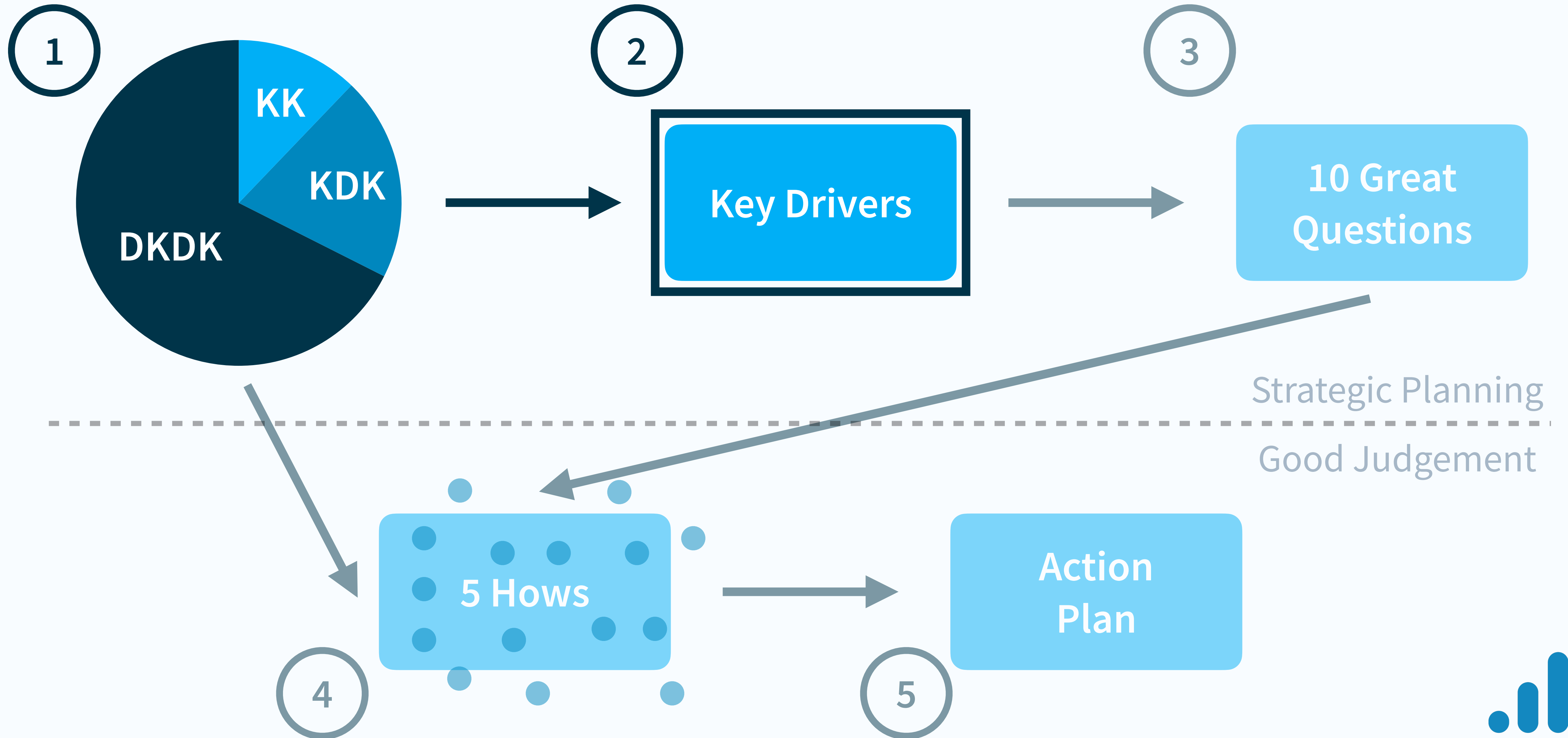
1. Steal them.
2. Keep a notepad and throughout the year if someone asks you a question you don't know the answer to, write it down. It was probably a good question.
3. Sit in on another enterprise's strategic planning meeting - write down "dumb questions" that come to your mind from your position of ignorance.
4. Find someone who's DKDK is different from yours, and ask them what they would ask you about what you do in the enterprise if they were going to take over your role.



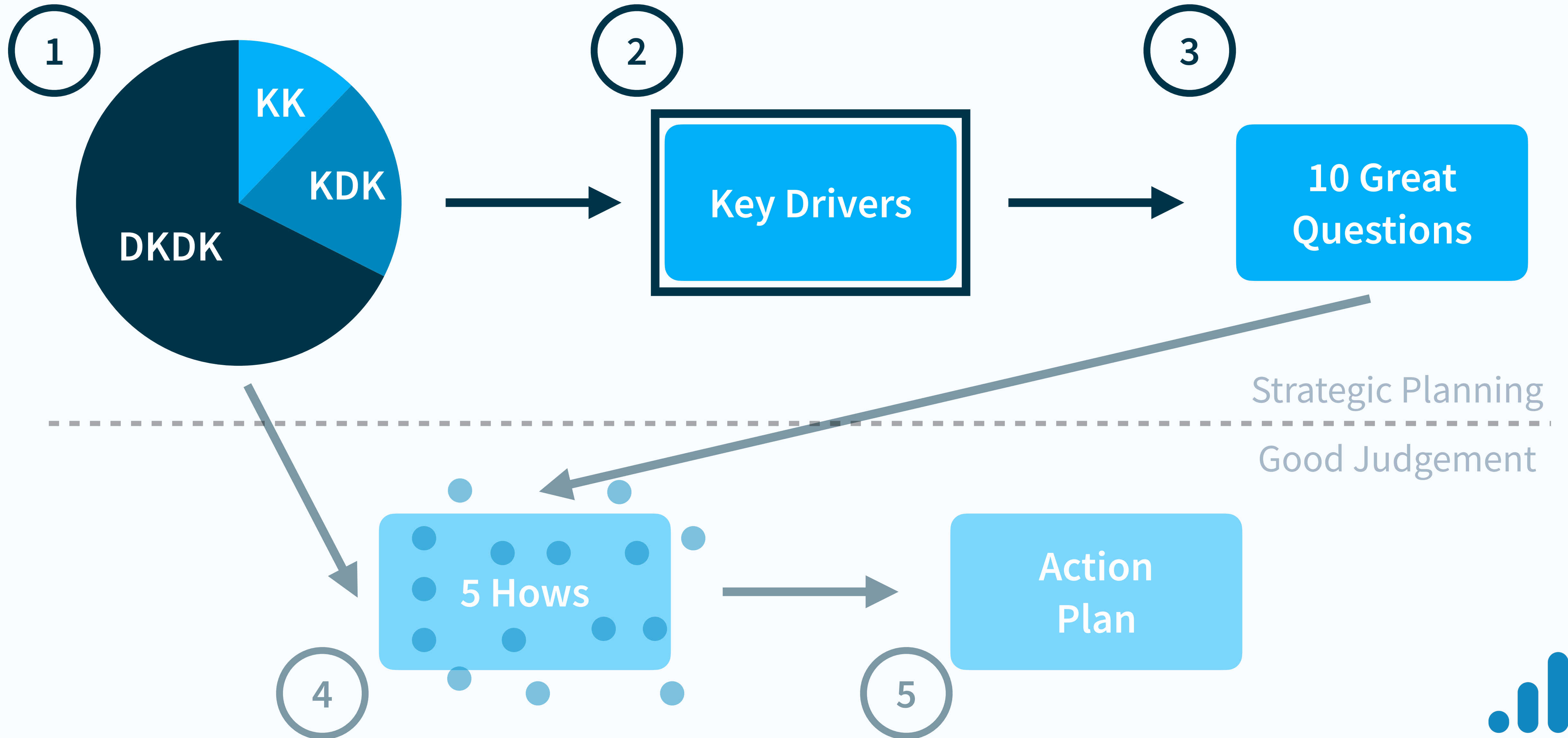
THE PS STRATEGIC PLANNING PROCESS



THE PS STRATEGIC PLANNING PROCESS



THE PS STRATEGIC PLANNING PROCESS



STEP 3

SIDEBAR

SIDEBAR: THE MECHANICS OF ASKING AND ANSWERING GREAT QUESTIONS

- Consider using a facilitator at this stage.
- Don't do this on a Monday.
- Have it off site if possible.
- Have an inspiring view.
- Have a planned social event before the strategic session, not after.
- The one person you must involve: The Torpedo.



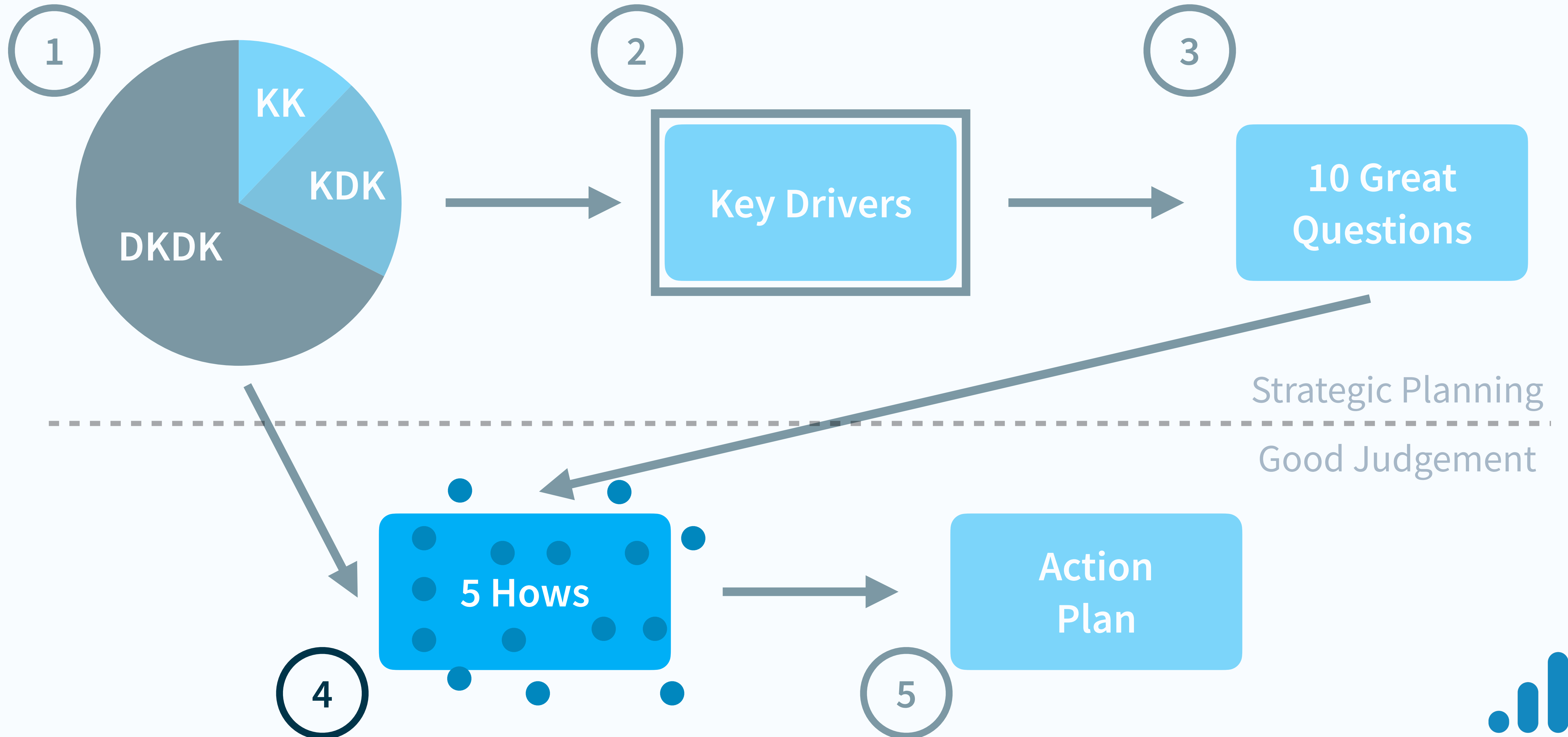


STEP 4

5 'HOW?'S

How to Think Strategically

THE PS STRATEGIC PLANNING PROCESS



STEP 4

5 'HOW?'S

ADDING A DOSE OF REALITY

- Ask, “How will we/you do that?” (Rinse and repeat)
- This process determines the practicality of the outputs of the strategic thinking phase.
- This part of the process should not be facilitated, it needs to be ruthlessly practical, and therefore needs local knowledge.
- Make it a separate session from the brainstorming phase.
- Hold this part of the process in a windowless room on site, with access to lots of data, and communication tools.



STEP 5

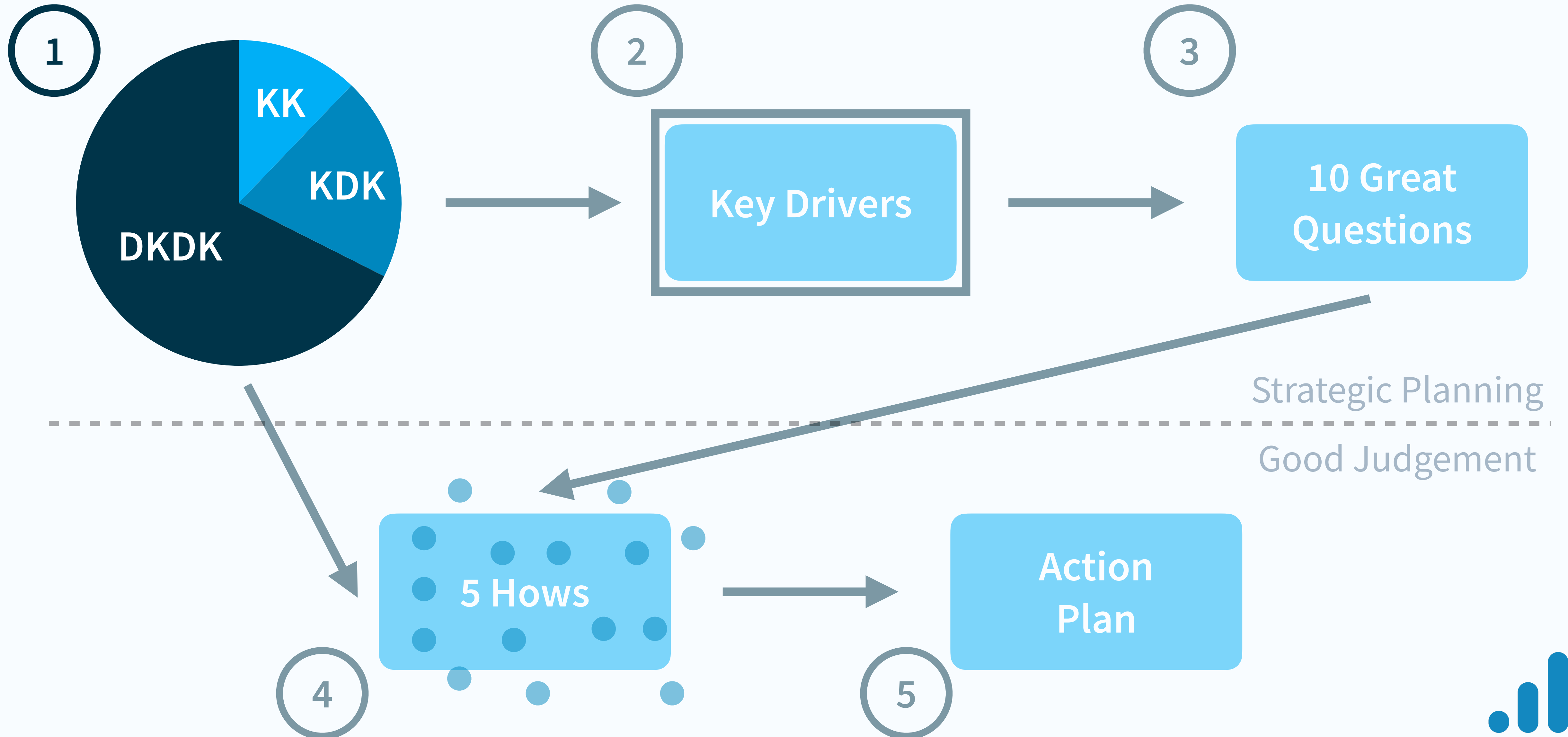
ACTION PLAN

IDENTIFYING KEY FOCUS AREAS

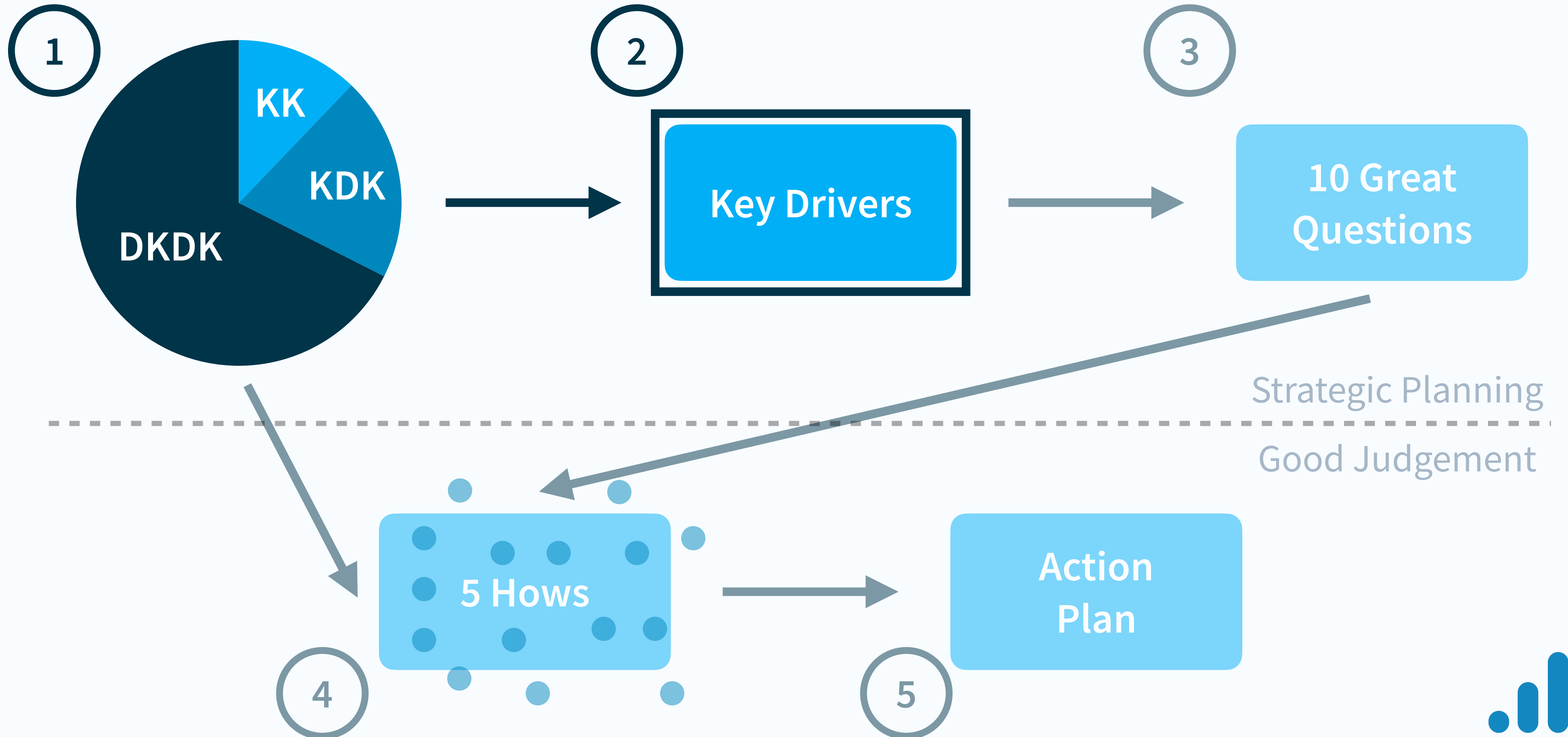
- What 2 (or 3) actions must be taken?
- What is the “definition of done” for each action?
- When does it need to be completed?
- Who needs to complete it?
- How will we hold each other accountable?



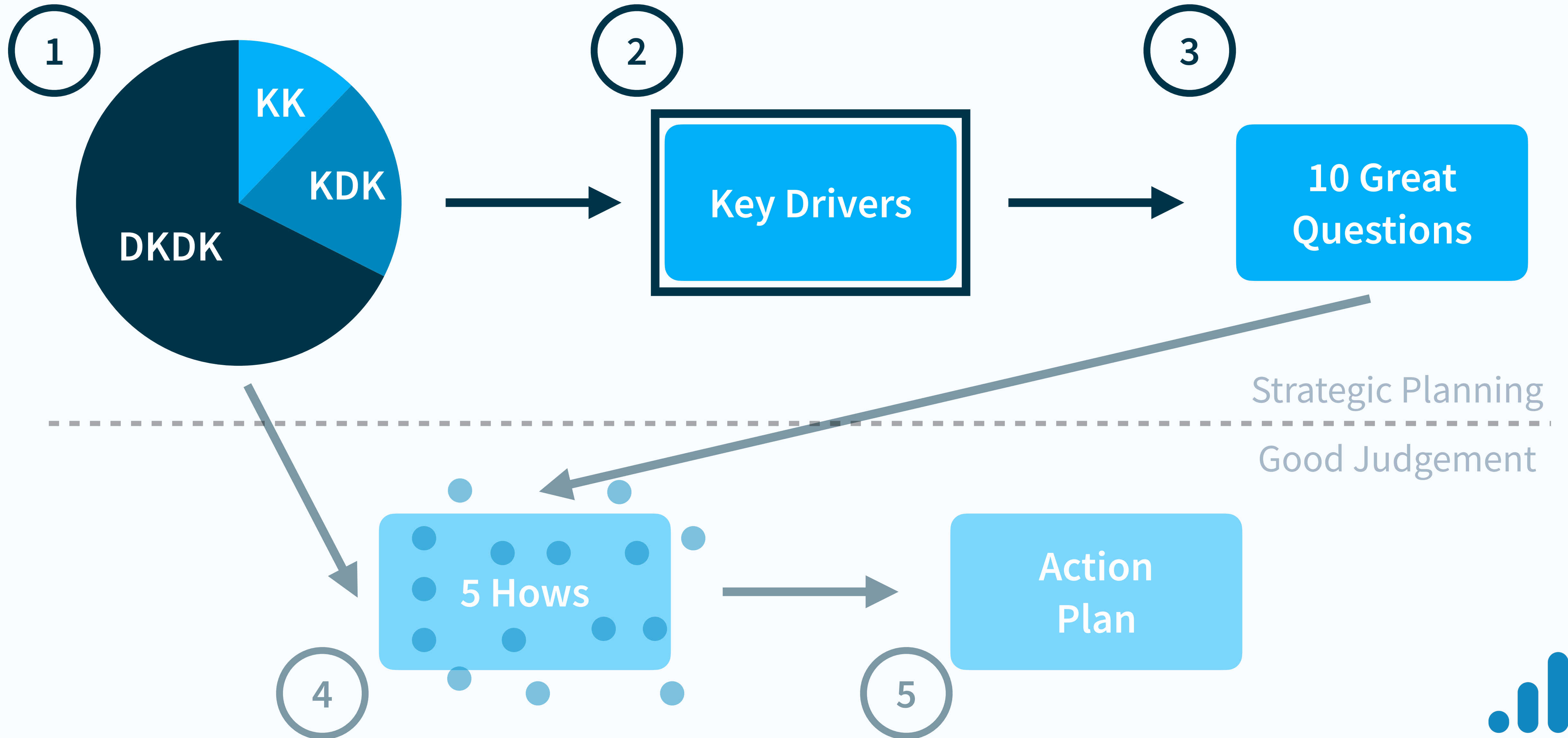
THE PS STRATEGIC PLANNING PROCESS



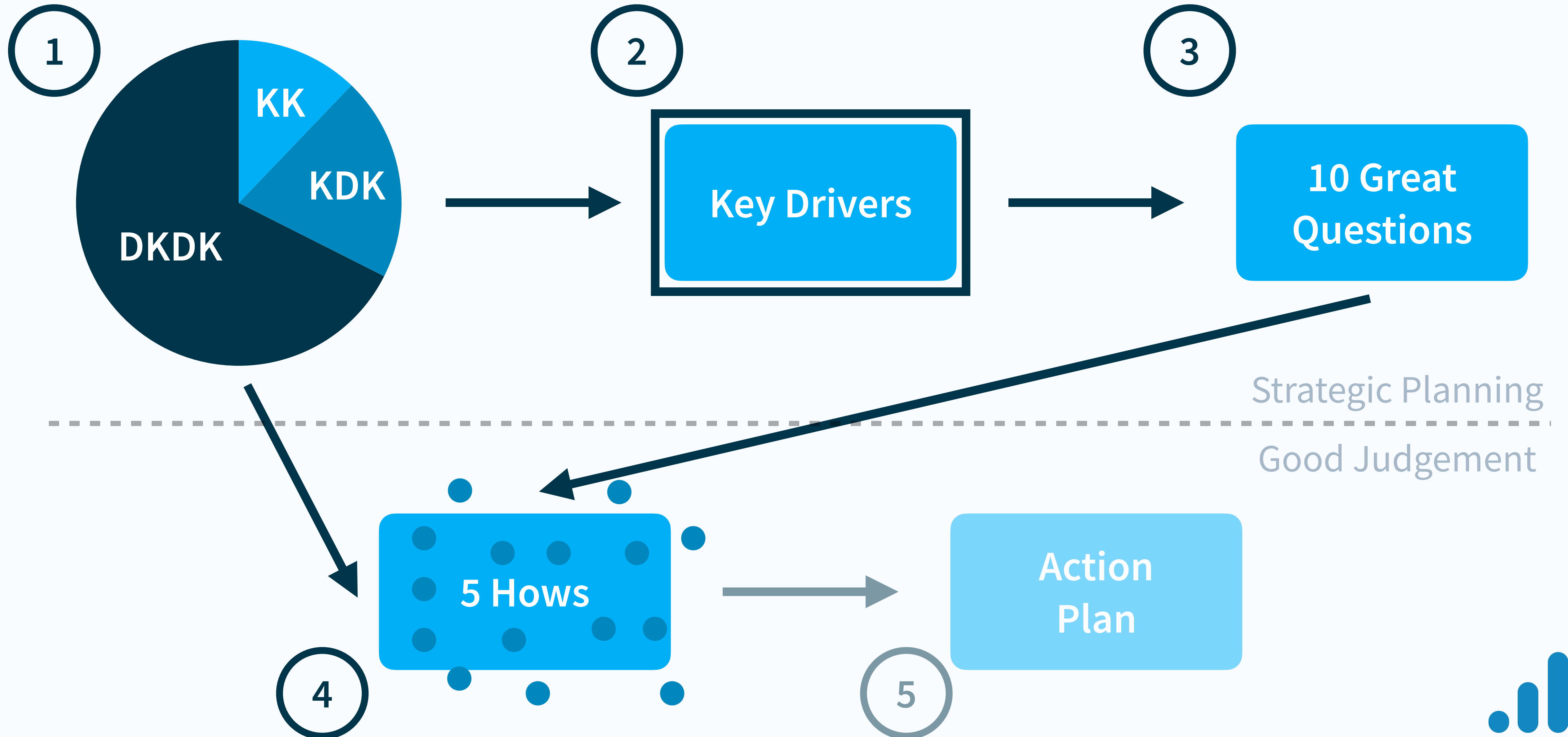
THE PS STRATEGIC PLANNING PROCESS



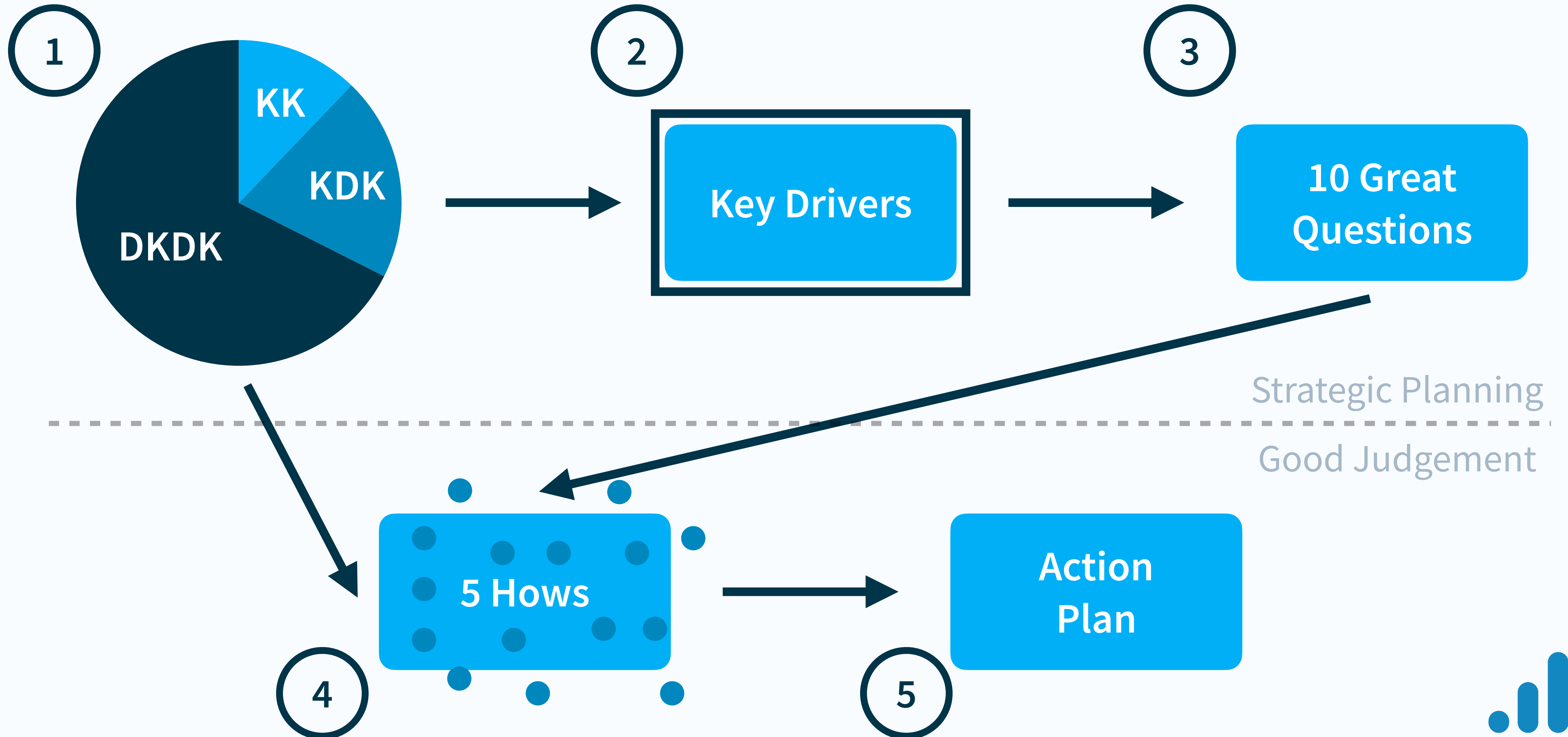
THE PS STRATEGIC PLANNING PROCESS



THE PS STRATEGIC PLANNING PROCESS



THE PS STRATEGIC PLANNING PROCESS





WHAT CAUSES STRATEGIC PLANNING TO FAIL?

How to Think Strategically

TOP 6 SABOTEURS OBSTACLES TO EFFECTIVE STRATEGIC PLANNING

1. Not defining KK's and KDK's.
2. Not defining The Box or defining it far too broadly.
3. Not "blue skying" enough at the 10 Great Questions stage.
4. Not knowing when or how to move on to the 5 How's.
5. Not being ruthless in the use of the 5 How's.
6. Not identifying and pre-selling to The Torpedo.





HOW DO I INSTITUTIONALIZE THE PROCESS?

How to Think Strategically

INSTITUTIONALIZING THE PROCESS

KEYS TO SCALE

- Make sure everyone knows their KK's and KDK's.
- Preach the box (key drivers).
- Trap outputs from other people. (Use a virtual "suggestion box".)





WHAT IF IT'S ONLY YOU?

How to Think Strategically

WHAT IF IT'S ONLY YOU?

WHAT IF YOU'RE *IT*

- 360° it: Ask for help from peers, direct reports, mentors or a coach.
- Make 'best practice' visits elsewhere.
- Use your supply chain (vendors, customers).





HOW DOES THIS IMPACT YEAR-END PLANNING?

How to Think Strategically

YEAR-END PLANNING SPECIAL CONSIDERATIONS

- Don't plan or think solely in reaction to the current year.
- If you're downstream of a larger SP process, do your initial strategic planning before you get given directions.
- If you haven't done this before, combine your strategic planning review process with a review of your KK and KDK.
- Ensure the box (key drivers) is updated and current.

