

# **SSM 104: Strategic Thinking & Business Planning**

## **Introduction**

Too often company executives and professionals spend most of their time fixing day-to-day problems. They react to problems, rather than focusing on what they would like the company to be and then on making it happen. This course focuses on changing the way we think from reacting (responding to day-to-day problems, fixing and repairing) to developing plans for what we want to have happen and then implementing the plans.

In attending this course, you will gain the skills necessary to change your management approach from letting things happen to making things happen the way we want. These are necessary skills and key issues for anyone who is involved in:

- Developing a new company/division/department
- Improving the performance of an existing company/division/department when faced with major change in business conditions
- Balancing financial and non-financial objectives and goals
- Growing an existing company/division/department
- Planning his/her own career more carefully.

## **Objectives**

- Learn how to develop a plan to achieve the goals you want for you and your company, and develop strategic thinking in your organization/business unit/team.
- Determine where you and your company want to be.
- Develop a strategic plan for - your organization (company/division/business unit/team and for yourself personally.
- Identify the principles and mechanisms that drive successful implementation
- Develop measurable action plans that result in success. Identify, measure, and track critical success factors

## **Organizational Impact**

- A greater strategic perspective at all levels of the organization
- Development of the next generation of strategic leaders
- Development of specialist managers who are able and empowered to think strategically.
- Better appreciation by functional specialists/managers of the challenges faced by top management in taking a company forward in changing conditions.
- Better internal communication at a strategic level within the company/division/business unit/team.
- Creating tomorrow's business out of today's

## **Personal Impact**

- Greater confidence in understanding the potential strategic impact of your own current specialist managerial role.
- A vital knowledge base in preparing for greater responsibility and a potential move into general management and ultimately into top management.
- A better appreciation of the holistic nature of major business decisions.
- How to change from reacting to problems to making things happen the way you want for you and your company and to recognize the importance of planning what you want to happen instead of reacting to daily problems.
- How to simplify—manage 3-5 critical things instead of managing 50-60 unprioritised tasks
- How to develop long-term/medium-term/short-term plans.

## **Who Should Attend?**

- Anyone in a leading role or management role, or who is about to take up such a role. It would be valuable for others involved in developing or helping realize the company vision who wishes to update his/her knowledge by re-considering leading-edge thinking in the field of strategic thinking and strategic management.
- The course is designed to be very participative and is action-oriented. It will enable functional specialists and professionals from any part of the organization to take a broader view of their potential contribution to the performance of their company, division, business unit or team.

## **Course Outline**

### **Strategic Thinking and Making Things Happen**

- The essence of strategy – core concept and definition of terms
- What an effective strategic plan looks like
- How we think
- Analytical thinking
- Creative thinking
- Leadership and management, comparing the strategic and operational levels
- Strategic and operational goals – the significance and difference
- Two key roles
- Visionary - the role of the Chief Executive Officer
- Chief implementer - the role of the Chief Operating Officer
- Building a strategy/business planning team
- Mini-case 1: tutor presentation and group discussion
- Two key roles

### **Strategic Planning – The Detail of Powerful Business Analysis**

- Concept of the “business model”: the integrated supply-demand chain
- Vision and mission – case examples, class discussion and guidelines

- Practical group exercise on Vision and Mission Statements
- Analysis of the business environment (1) – the SPECCTRE technique
- Analysis of the business environment (2) - the 5-forces technique
- Cost-based strategies versus differentiation-based strategies

### **Strategic Choice and Linkage to Marketing and Sales Planning**

- How to evaluate market structures, trends and prospects
- SWOT analysis and the strategy matrix
- Strategic choice – how to make strategy selection decisions
- Linkage to marketing plans and sales plans
- Marketing plan – identifying and capturing value rather than just volume
- Sales plan – how to choose and fulfill market opportunities

### **Linkage of Strategy to Financial and Operational Planning**

- Strategic versus operational aspects of finance. The strategic role of the Chief Financial Officer (CFO)
- Globalization of the financial markets
- The issue of financial risk/volatility and its impact on strategy
- The strategic impact of time compression and shortening life-cycles
- Capital-labor substitution, overhead cost, fixed and variable costs, breakeven analysis
- The financial aspects of supply chain design – the “value engineering” of fixed and variable cost through outsourcing and “minimal inventory” processes

### **Bringing It All Together**

- Review of the whole course
  - Vision
  - Mission
  - Values
- Strategic choice and critical goals
- Marketing and Sales Plans
- Operational Plan
- The importance of Key Performance Indicators (KPIs) and measurements
- Building a business strategy team and gaining buy-in within the organization
- The importance of strategic planning aligned throughout an organization and its supply-demand chains. The emerging 21st century concept of 'dynamic alignment'
- Developing and implementing action plans
- The 'death of distance' and the shift of competitiveness from product/service to business model
- Final thoughts and conclusions – the future of strategic management