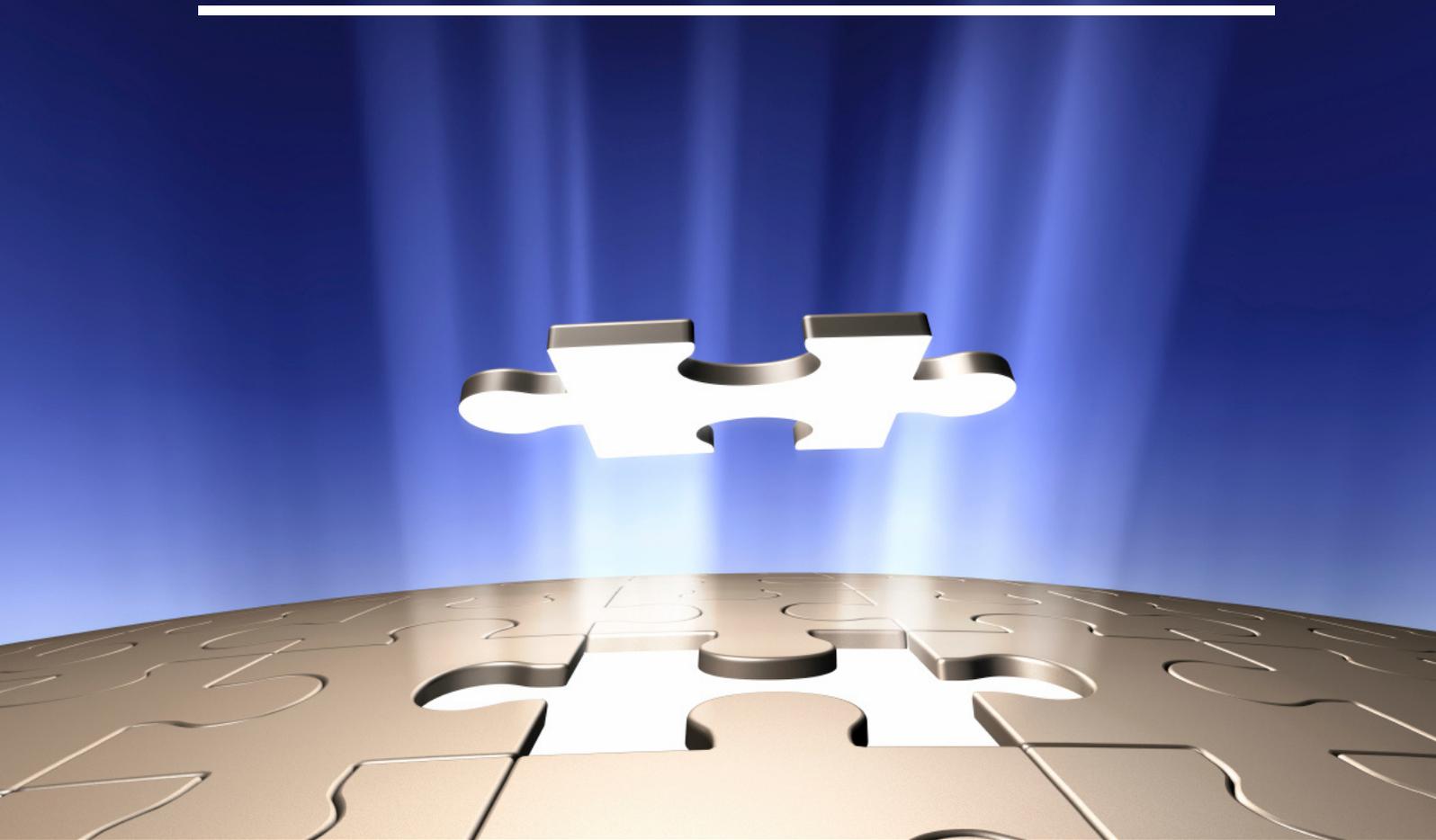


The best way to predict the future
is to create it

THINK STRATEGICALLY



JAYNE CORMIE

THINK STRATEGICALLY

A Practical Guide to Strategic Thinking

Jayne Cormie

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Contents

	Page
The Language of Strategy	7
Chapter 1 – Terminology	8
Strategy Metaphors	12
Chapter 2 – Metaphoric Thinking	13
The Strategy Process	21
Chapter 3 – The Strategy Process	22
Strategic Insight	23
Chapter 4 – Strategic Insight	24
Chapter 5 – Internal Insight	25
Chapter 6 – External Insight	30
Chapter 7 – SWOT Analysis	35
Strategic Vision	38
Chapter 8 – Vision	39
Chapter 9 – Mission	43
Strategic Ideas	45
Chapter 10 – Strategies and Tactics	46
Case Studies	52
Chapter 11 – Community Cinema	53
Chapter 12 – The Thinking Business	62
About the Author	74

"The best way to predict the future is to create it."



Strategic Ideas

Statement of Intent
 Strategy
 Tactic

What do we want to do?
 Specific action

How will we do it?
 How

What will success look like?

- Aspirational
- Inspirational
- Memorable
- Verb - Target - Outcome
- Format
- Example: Save endangered species from extinction
- Save African children's health

What is the ultimate goal?

"Without strategy, action is aimless. Without action, strategy is useless."

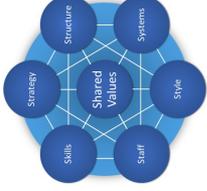
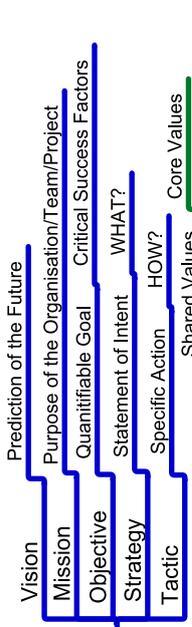


the **thinking** business
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"If you don't know where you are going, any road will get you there."
 Lewis Carroll

Definitions



Think Strategically
 Insight - Vision - Ideas

Strategic Vision



Other Strategy Models

- Stakeholder Analysis
- BCG Matrix
- Porter's Five Forces Model
- Scenario Planning
- Blue Ocean Strategy
- Porter's Generic Strategies
- Ansoff's Matrix
- Scorecard
- Strategy Diamond
- 5 Step Strategy Model

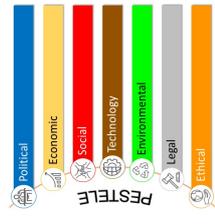


Strategic Insight



"Strategy without tactics is the slowest route to victory. Tactics without strategy is the noise before defeat."
 Sun Tzu c. 490 BC, Chinese military strategist

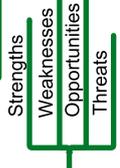
Seven 'S' Framework



PESTLE



SWOT Analysis



The Language of Strategy

Chapter 1

Terminology

'Strategy is an integrated set of choices that uniquely positions the firm in its industry so as to create sustainable advantage and superior value relative to the competition.'

A.G. Lafley and Roger L. Martin

Defining Strategy

The word “strategy” is derived from the Greek word “stratēgos”; stratus (meaning army) and “ago” (meaning leading/moving).

Strategy can be defined as “The general direction set by and for an organisation to achieve a desired state in the future. It results from the detailed strategic thinking and planning process”.

•

Vision

The vision conveys the PREDICTION OF THE FUTURE. It expresses the desired future position of the company and the wider impact it wants to create and thereby provides the strategic direction for the organisation.

At the corporate level, the vision can encompass the broader industry, or it can focus on the organisation. Imagine that the industry is represented by the Universe. What does the organisation envision for the future of the universe? Within the universe exists several planets, one of which is the organisation. What does the organisation envision for its own planet?

Example: Microsoft

In 1980, Bill Gates stated the vision of Microsoft which was:

‘A computer on every desk and in every home.’

This is a good example of a vision statement that envisions the future for both the computer industry and The Microsoft organisation. However, when Bill Gates first expressed this vision, many people thought it was unrealistic and unachievable. Fast forward four decades and approximately 90% of households have at least one computer (source: The American Community Survey (ACS), 2016) which shows the power of thinking big to drive the company towards achieving its desired future.

Example: The Walt Disney Company

The Walt Disney Company vision statement at the corporate level is 'To make people happy.'

This vision statement is cascaded to all the companies within the Walt Disney Company portfolio to provide the strategic direction for the different lines of business. Each business uses the corporate vision statement as the framework to create their own by asking, 'how do we make people happy?'

For example, the Disney Parks and Resorts vision statement is: 'We create happiness by providing the best in entertainment for people of all ages everywhere.'

This vision statement is then cascaded down to the individual parks and resorts to provide the framework for their own vision statements. For example, the Disneyland Hong Kong vision statement is: 'Create magical memories for our guests, cast and communities.'

Furthermore, each individual department or team within the Disneyland Hong Kong park can use this vision statement as the framework to create their own.

Example: The Walt Disney Company – Environment

Protect the planet and deliver a positive environmental legacy for future generations

This process of cascading the vision statement down from the corporate level throughout the organisation ensures that the company is aligned at all levels and that the business strategies and tactics enable the organisation to achieve its vision.

The strategic vision section of this course discusses the creation of a vision in more depth and explains how to develop a compelling vision statement using a simple formula.

•

Mission

A Mission Statement communicates the purpose of the organisation. It defines the company's business, its major goals and its approach to achieving the vision and objectives.

Mission statements typically include the words 'leading', 'number 1', 'best', and 'world-class'.

Example: The Walt Disney Company

The Walt Disney Company vision statement is 'To make people happy.'

The mission of The Walt Disney Company is 'to entertain, inform and inspire people around the globe through the power of unparalleled storytelling, reflecting the iconic brands, creative minds and innovative technologies that make ours the world's premier entertainment company.'

Example: The Walt Disney Company – Environment

To conduct our business and create our products in an ethical manner.

Vision or Mission?

It is important to note that the terms 'vision' and 'mission' are often used interchangeably.

A good example of this is Netflix.

Netflix state their mission statement as ***'to entertain the world.'*** Their vision statement is ***'To continue being one of the leading firms of the internet entertainment era.'***

Technically speaking, using the academic definitions of a vision and mission, the Netflix mission statement is the vision and what they call their vision statement is in fact, the mission statement. However, as long as the company has clearly defined vision and mission statements, and they are communicated with clarity and consistency within the business, the specific terminology used is less important.

An effective way to clarify the difference between a vision and a mission is as follows:

The **vision** is the 'why'.

The **mission** is the 'what' and 'how'.



Objectives

An objective is a QUANTIFIED GOAL. It defines what is to be achieved and when it is to be achieved by. Typically, organisations state multiple long and short-term objectives at all levels of the business.

Example: The Walt Disney Company – Environment

- Zero Net Greenhouse Gas Emissions
- Zero Waste
- Maintain potable water consumption at 2013 levels

(source: <https://thewaltdisneycompany.com/app/uploads/envirogoalsandtargets.pdf>)

•

Strategy

A strategy is a STATEMENT OF INTENT. It is an interpretation of the vision, mission and objectives as a specific plan of action. It expresses 'WHAT' the organisation intends to do over a specified period of time.

Example: The Walt Disney Company – Environmental Strategy

1. Reduce net greenhouse gas emissions
2. Divert waste from landfills and incineration
3. Promote effective management of water use at existing sites

•

Tactics

A tactic is a PRACTICAL ACTION. It describes the specific task(s) required in order to implement the strategy. It focuses on 'HOW' the organisation will achieve the strategy.

Example: The Walt Disney Company – Environment

1. Reduce net greenhouse gas emissions
 - Implement energy efficiency measures
 - Build energy guidelines and sustained efforts to influence employee behaviour with regards to energy use
 - Identify suitable alternative/renewable fuels for transportation assets like cruise ships, bus fleets, and attractions
2. Divert waste from landfills and incineration
 - Adopt of a waste management hierarchy: Reduce-Reuse-Recycle
3. Promote effective management of water use at existing sites
 - Identify current best management practices
 - Develop and implement water conservation measures

Strategy Metaphors

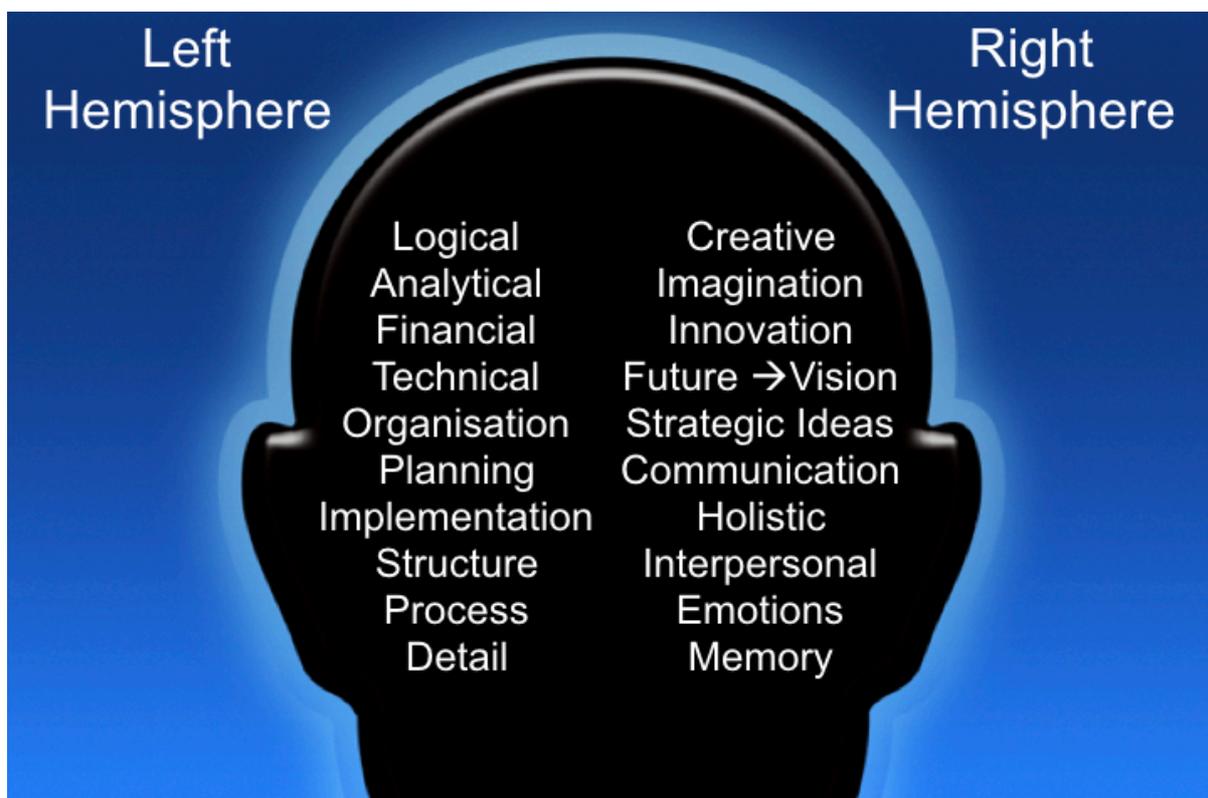
Chapter 2

Metaphoric Thinking

‘The greatest thing by far is to be a master of metaphor.’
Aristotle

Typically, most organisations approach the strategy development process from a purely left-brained perspective. They focus on logical and analytical thinking with financial performance, data analysis and short-term planning being the key focus areas. Whilst this type of thinking plays an important role in strategic thinking it ignores vital input from the right-brained mode of thinking which involves defining the future vision and creating strategic ideas.

Figure 1: Whole Brain Thinking



It is important to adopt a whole-brained approach to strategic thinking in order to balance logic with creativity, consider the big-picture as well as the detail and plan for both the short and long-term.

An effective way to adopt a whole brain methodology is to use the brain's core operating system otherwise known as metaphoric thinking. The brain is wired for storytelling and metaphors are a type of story that stimulates the brain to think, learn and communicate.

Research suggests that we use six metaphors per minute of speech and many of the words and phrases we use in everyday life are metaphoric.

Think of a time when you were trying to explain something to another person, but they simply weren't understanding your explanation as signalled by a blank and confused look on their face. It is highly likely that you used a metaphor to explain the idea which helped them to interpret and understand what you were saying.



Metaphors

A metaphor is defined as 'a figure of speech that describes an object or action in a way that isn't literally true but helps explain an idea or make a comparison. (source: Grammarly.com) Metaphors state that something *is* something else whereas a simile says something *is like* something else.

For example, Shakespeare uses a metaphor in his comedy play, As You Like It, when the melancholy Jaques states: 'All the World's A Stage, and all the men and women merely players.'

Many of the common words using within the business environment are metaphors including:

Think outside the box
Low hanging fruit
Window of opportunity
Time is money
Product lifecycle
Supply chain
Peak performance
Hit the ground running
Cash cow
Silo mentality
Bandwidth
Post-mortem analysis
Team player
Agile sprint
Lightbulb moment
Ladder of success
Strategy journey
Sowing seeds

Similes

Similes are also commonly used tropes to describe ideas and explain concepts. For example, in the 1994 film *Forrest Gump*, starring Tom Hanks, Forrest says '*Life is like a box of chocolates: you never know which one you're going to get.*'

Examples of everyday similes used in business include:

Strategy is like playing a game of chess

Getting the team together is like trying to herd cats

Finding the information is like finding a needle in a haystack

We are all as busy as bees

The explanation is clear as mud

Watching the presentation was like watching grass grow

That conversation was as dull as dishwater

•

Disney Pixar Metaphors

The book, *Creativity, Inc* written by Ed Catmull, is peppered with metaphors relating to Pixar to describe emotions, projects, processes etc. Below are a few examples:

Management

'I remember going home at night, exhausted, feeling like I was balancing on the backs of a herd of horses – only some of the horses were thoroughbreds, some were completely wild, and some were ponies who were struggling to keep up. I found it hard enough to hold on, let alone steer.'

Building a Company

'Building a company is like being on a wagon train headed west. On the long journey to the plenty, the pioneers would be full of purpose and united by the goal of reaching their destination. Once they arrived, people would come and go, and that was as it should be.'

Risk

'Like an explorer perched on the edge of a melting ice floe, we needed to leap to more stable ground.'

Process

'If Pixar is a hospital and the movies are the patients, then the Braintrust is made up of trusted doctors.'

Senior Leadership

'You've got to feed the Beast.'

Seed Ideas

'I call the early mock-ups of our films "ugly babies'. They are not beautiful, miniature versions of the adults they will grow up to be. They are truly ugly, awkward and uninformed, vulnerable and incomplete. They need nurturing – in the form of time and patience – in order to grow.'

Attention to Detail

'The beautifully shaded penny.'

Resource Allocation

'Appetite control.'

Future

'If writing a screenplay is like climbing a mountain blindfolded, that implies that the goal is to see an existing mountain. – while I believe it should be the goal of creative people to build their own mountain from scratch.'

Mergers and Acquisitions

'Right now, Pixar is a yacht. But a merger will put us on a giant ocean liner, where big waves and poor weather won't affect us as much. We'll be protected.'

•

Vision Stories

There are five types of story used in the business environment to communicate messages internally and externally, one of which is the Vision Story, which expresses the envisioned future of the company. The aim of the vision story is to motivate and stimulate employees to transform the vision into reality for the business.

During this programme, you will use metaphoric thinking to inspire you to create and express your strategic thoughts and ideas by using metaphors, similes and analogies as the key source of inspiration. The vision story you create will visualise the strategic journey starting from the current strategic position and culminating in the desired future state.

The process involves the left brain thinking modes of logic and analysis combined with the right brain thinking modes of creativity and strategic visioning to produce a compelling vision story that can be communicated within the organisation to explain the strategy. It's a fun and inspiring process whether you are creating strategies on your own or thinking as a team.

•

Benefits of Using Metaphors

Some of the benefits of using metaphors for strategy development and communication include:

- Engage the whole brain in the thinking process
- Stimulate creative thoughts and ideas
- Communicate the vision story – compelling and easy-to-understand
- Insightful, inspiring and fun to create

•

Types of Metaphors

1. Related Metaphors

A related strategy metaphor is directly associated with the industry, organisation, team or project etc.

Related metaphors yield practical strategic ideas and a compelling vision, but the ideas are typically less creative and inspiring than when an unrelated metaphor is used.

2. Unrelated Metaphors

An unrelated metaphor is when an analogy is created between two unrelated things, in this case, the industry/organisation/team/project and the metaphor.

There are many metaphoric themes that can be useful unrelated frameworks for the creation of business strategies including:

War Metaphors

Whilst war metaphors are still relevant to the business environment, they sometimes invoke strong emotions within ex-military service personnel and individuals with other links to the armed forces. Therefore, it is important to use war metaphors with caution and sensitivity.

Sports

The Olympic games, Formula 1 racing, football matches and the Tour de France are amongst some of the most popular sports metaphors used in strategy development. However, there are many solo and team sports to choose from so you are not limited to any of these suggestions.

Nature

We use many nature analogies in the business environment including product life cycle, low-hanging fruit, busy bees etc. Examples of nature themed strategic metaphors include:

- Bee-hives to depict an organisational hierarch, structure, roles and responsibilities
- Deep sea ocean to represent the key strengths, weaknesses, threats and opportunities within a business
- Ant colonies to describe team workflow
- Weather events to explain internal and external strategic forces

Entertainment

This is also a popular theme for business metaphors because it can include all aspects of art and entertainment including:

- Festivals including music, food, religious and art
- Theatre
- Music concerts including orchestras
- Theme parks
- Movies
- Circus
- Carnivals
- Games

Transport

This theme is wide-ranging and includes transport networks, ports and all forms of transport including trains, cars, aircraft and boats.

Machines

Business processes are often described as systems, engines and other forms of mechanical apparatus.

Culture

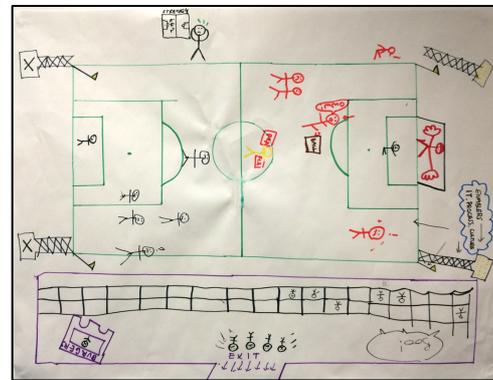
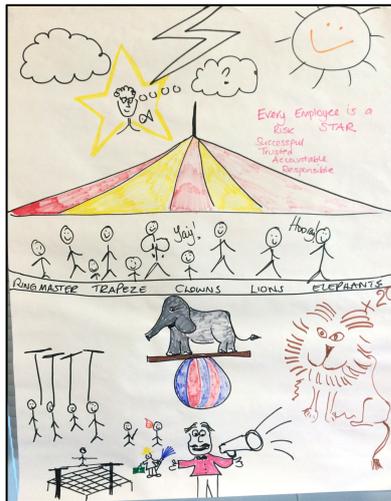
This theme refers to the different cultural ecosystems including families, teams, tribes and forms of society. It also incorporates cultural traditions, values and philosophies.

These are just a few examples of the themes and ideas for unrelated metaphors that can be used during the strategic development process.

Examples of Strategy Metaphors

Firstly, it's important to note that it's not necessary to be able to draw in order to create strategy metaphors. Simple images, stick people, symbols and line drawings suffice. It's not the quality of the drawing that's important, it's the quality of the thinking that's key to creating compelling vision stories.

Examples of strategy metaphors:



How to Use Strategy Metaphors

There are two ways you can use metaphors to develop and communicate the strategy:

1. External Method

The external method involves physically drawing the metaphor as a visual story. It doesn't have to be elaborate; a simple sketch or doodle is sufficient. However, if the story is being used as a formal communication tool to cascade the strategy through the business, it can be redrawn using the skills of an artist to produce the artwork.

2. Internal Method

The internal method involves identifying an analogy and using it as framework to stimulate the thought process without the need to physically draw the metaphor. This approach yields good results, but it isn't as fun, engaging and inspiring as the external method especially when strategising in teams and communicating the strategy to others within the organisation.

The Strategy Process

Chapter 3

The Strategy Process

'Strategic thinking rarely occurs spontaneously.'
Michael Porter

The strategy process consists of 3 distinct steps:

Step 1 – Strategic Insight

This step focuses on identifying the current strategic position of the organisation by analysing the internal and external strengths, weaknesses, opportunities and threats of the business and the broader environment.

Step 2 – Strategic Vision

This step involves defining the long-term strategic direction of the organisation by creating a compelling vision that will motivate and empower the employees to focus their time, skills and resources to transform the vision into reality.

Step 3 – Strategic Ideas

This final step of the process converts the vision into a set of actionable strategies and tactics in the form of the strategic plan.



Process Flow

It is also possible to start the strategic thinking process at step 2 by creating the long-term vision before analysing the current situation using step 1 and finally proceeding to step 3 with the development of strategic ideas to achieve the vision. This process flow is useful for thinking about any new initiative whether it be starting a new business, building a new team or launching a new product.

Strategic Insight

Chapter 4

Strategic Insight

'If you know the enemy and know yourself you need not fear the results of a hundred battles.'

Sun Tzu c. 490 BC, Chinese military strategist

This step focuses on identifying the current strategic position of the organisation by analysing the internal and external strengths, weaknesses, opportunities and threats of the business and the broader environment.

It involves two stages:

Internal Insight which focuses on the performance of the organisation in the past and present. The Seven 'S' framework developed by the consulting company McKinsey will be used to analyse the internal aspects of the business.

External Insight which is broader in scope than the internal insight as it considers the current external forces influencing the organisation. The classic strategic analysis model, PESTELE, will be used to analyse the external factors.

The SWOT analysis is a useful tool when it is used to summarise the internal and external strategic insight.

Chapter 5

Internal Insight

'Analysis is the critical starting point of strategic thinking.'
Kenichi Ohmae

Internal analysis focuses on understanding what makes the business tick. It is an audit of the organisations strategies, systems, structure, skills, culture, people and values.

The McKinsey Seven S Framework is a useful diagnostic tool to analyse the internal performance of an organisation. The model was developed by former McKinsey consultants, Tom Peters and Robert Waterman in the late 1970s who identified seven internal elements that need to align for an organisation to be successful.

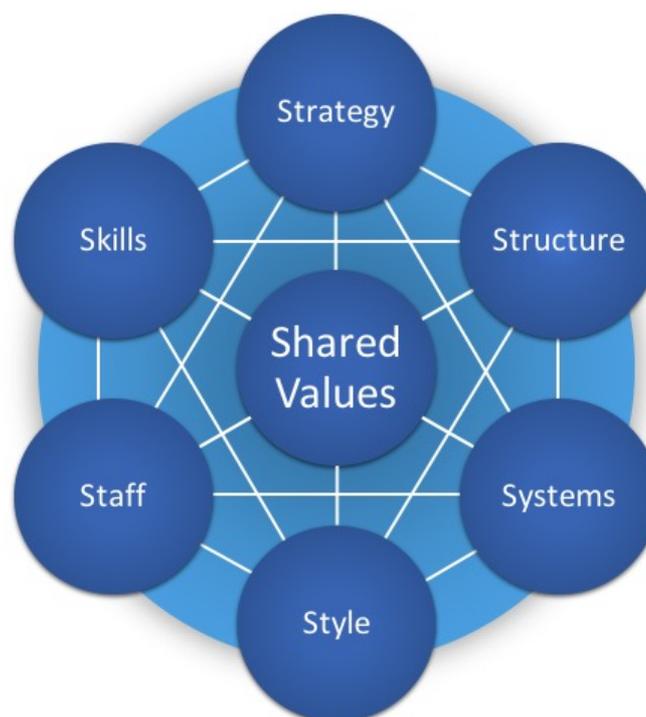
The model organises the seven elements into "hard" or "soft" elements:

Hard Elements : the three hard elements are Strategy, Structure and Systems.

Soft Elements : the four soft elements are Shared Values, Skills, Style and Staff.

All seven elements are interlinked and a change in one of the elements impacts the others.

Figure 2: Seven 'S' Framework



Shared Values

Shared values are the DNA that represent the lifeblood of the organisation. These values set the framework for the behaviours, attitudes and actions taken by the company. Furthermore, the vision, mission and strategies of the business must be in alignment with the core values.

- What are the core values of the organisation?
- How strong are the values?
- Are the shared values linked to the talents, skills and competencies of the team?
- Do the leaders exhibit the core values in their leadership style, decisions and behaviours?
- Are the systems and processes designed to facilitate the implementation of the values?
- Is the company structured in a way that everyone can live the values?

Example: Coca Cola

1. Leadership: The courage to shape a better future.
2. Collaboration: Leverage collective genius.
3. Integrity: Be real.
4. Accountability: If it is to be, it's up to me.
5. Passion: Committed in heart and mind.
6. Diversity: As inclusive as our brands.
7. Quality: What we do, we do well.

Example: The Walt Disney Company

- Innovation
- Quality
- Community
- Storytelling
- Optimism
- Decency

•

Strategy

This element focuses on the strategic plan deployed by a company to be competitive in its industry and market. It includes the vision, mission, strategies and tactics developed and implemented by the organisation to achieve success.

- What is our strategy?
- How will we achieve our objectives?
- What are our strategic priorities?

- Do we have the right skills and competences to deliver the strategy?
- Does the technology infrastructure, systems and processes support the implementation of the strategy?

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Structure

Structure refers to the organisation of the resources within the company into divisions, departments and teams.

- How is the company/team divided?
- What is the hierarchy?
- How do the various departments coordinate activities?
- How do the team members organise and align themselves?
- Is decision making and controlling centralised or decentralised?
- Is our talent structured to achieve the maximum productivity and efficiency?
- Do we have any talent gaps and/or skills shortages?

•

Systems

This element focuses on the processes and platforms used to support the business operations.

- What are the main systems used within the organisation to ensure the work gets done efficiently and effectively?
- Are any outdated systems still being used and what is the impact on business performance?
- How is the business monitored and evaluated?
- What internal rules and processes exist & are they effective?

•

Style

This element includes both the culture of the organisation and the key leadership and management behaviours that underpin the way things are done and influence how the rest of the organisation behaves within the workplace.

- What is the culture of the organisation?
- Do any micro cultures exist within the company and if so, how does it impact the business at the corporate, department and team levels?
- Does the culture empower and support the people?

- What is the leadership and management style?
- How effective is leadership and management within the business?

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Staff

The Staff element of the 7 S framework focuses on the people aspects of the organisation including the demographic and diversity profile.

- How diverse is the workforce?
- What is the demographic profile of the organisation?
- Does the company have an optimum balance of thinking styles, experience, confidence and passion to enable the organisation to achieve its goals?

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Skills

This element refers to the overall capabilities and competencies of the workforce. It is vital to the success of the organisation that the team possesses the right skills to be able to deliver the strategy and achieve the long-term strategic vision.

- What are the strongest skills represented within the company/team?
- Are there any skill gaps?
- How are skills monitored and assessed?
- What level and type of training is available? Is the training effective?

Practical Exercise – Internal Insight

1. Decide what type of strategy you would like to create.

Examples include:

- corporate strategy
- business division/unit
- business function strategy e.g., marketing, finance, operations
- team strategy
- product/service strategy
- project strategy
- personal strategy

2. Conduct an internal insight analysis of your chosen strategic focus area using the Seven 'S' Framework to stimulate your thinking.

Use the Seven 'S' Framework worksheet below to record your thoughts.

Shared Values	
Strategy	
Structure	
Systems	
Style	
Staff	
Skills	

Chapter 6

External Insight

'Think beyond the box of your own organisation.'

Jayne Cormie

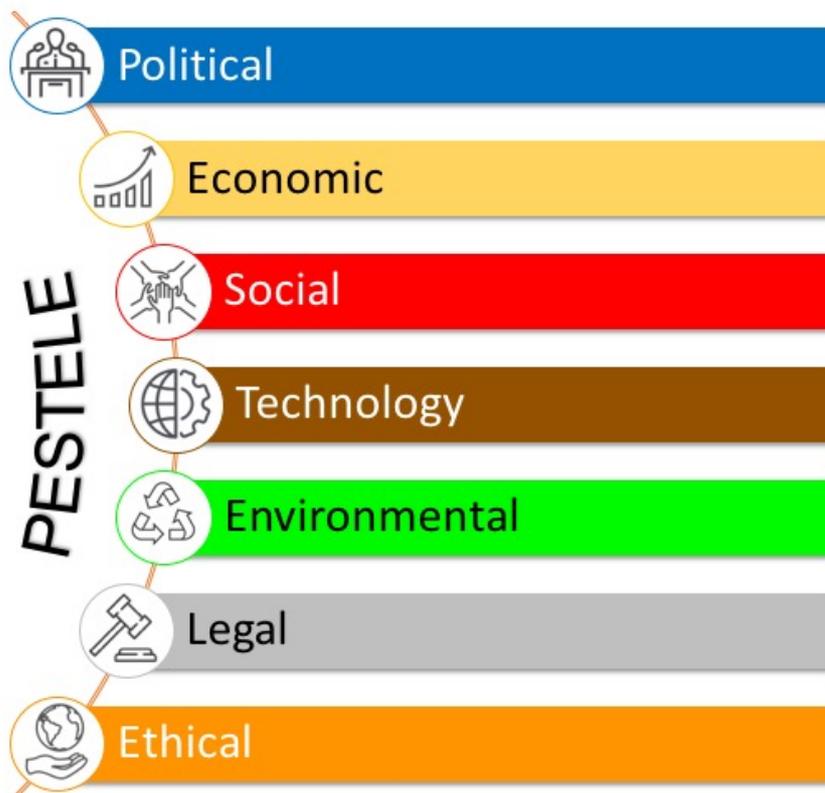
External analysis focuses on developing insightful information and knowledge with respect to the consumer, customer, market, industry, brands and competitors and any other external influence on the organisation.

A simple tool to structure the external analysis is the recently updated strategic analysis tool, PESTLE which is now referred to as PESTELE or STEEPLE. In this programme, it will be referred to as the PESTELE analysis.

The PESTELE analysis is an audit of an organisation's external influences with the purpose of using this information to guide strategic decision-making. The assumption is that if the organisation is able to audit its current environment and assess potential changes, it will be better placed than its competitors to respond to changes.

PESTELE is a mnemonic for seven different types of external influence:

Figure 3: PESTELE Analysis



Political

The political factors determine the extent to which politics influence global and local economies and industries and include:

- Government type and stability
- Taxation policy
- Fiscal policy
- Employment laws
- Trade policy, restrictions and tariffs

•

Economic

Economic factors have a significant influence on the performance and profitability of industries and organisations. The factors include:

- GNP trends
- Interest and inflation rates
- Economic growth trends and patterns
- Exchange rates
- Unemployment
- Government expenditure
- Disposable income

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Social

This factor is also referred to as the socio-cultural factors influencing the organisation and include the following aspects:

- Population analytics
- Demographics
- Income distribution
- Social mobility
- Lifestyle changes
- Attitudes to work, health and leisure
- Consumerism and buying trends
- Levels of education
- Social media and community
- Cultural trends

Technology

The technology factors focus on how technology influences the operational effectiveness and efficiency of an industry and includes:

- Technology innovations
- Automation
- Connectivity
- Speed of technology transfer
- Lifecycle of technology
- Research and Development
- Social media
- Communication infrastructure
- Market awareness and acceptance

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Environmental

Environmental factors are the influences determined by the external environment including:

- Climate
- Climate change
- Weather
- Geographical location
- Environmental policy and legislation
- Energy consumption
- Waste disposal
- Carbon footprint targets
- Pollution targets

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Legal

The legal factors focus on the law and legislation and how they affect how businesses operate. The factors include:

- Employment law
- Competition law
- Consumer rights and law
- Health & Safety
- Product safety and labelling
- Equal opportunities

- Advertising standards
- Privacy laws and data protection
- Financial regulation

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Ethical

The ethical factor is a new addition to this strategic analysis model and focuses on the ethical and moral principles, issues and challenges that can arise within industries and organisations. Factors include:

- Corporate social responsibility (CSR)
- Fair trade
- Slavery acts
- Child labour
- Philanthropy and volunteering

The PESTELE analysis is a simple tool to use but it yields useful strategic information about the main external influences affecting the industry and organisation. Whilst its primary use is to think about the external factors, it can also be used to consider the internal factors influencing the business, for example, internal politics, corporate social responsibility strategy, employee demographics, profit and loss etc.

Practical Exercise – External Insight

1. Conduct an external insight analysis of your chosen strategic focus area using the PESTELE model to stimulate your thinking.

Use the PESTELE worksheet to record your thoughts.

Political	
Economic	
Social	
Technology	
Environmental	
Legal	
Ethical	

Chapter 7

SWOT Analysis

'In the midst of chaos, there is also opportunity.'
Sun tzu

The SWOT analysis is another classic strategic analysis model which is used to assess the current status of the organisation from both an internal and external perspective. It can be used as a standalone tool or in conjunction with the Seven S Framework and STEEPLE analysis.

SWOT is a mnemonic for Strengths, Weaknesses, Opportunities and Threats.

Figure 4: SWOT Analysis



Strengths

The strengths element of the SWOT analysis focuses on the characteristics of a company that give it a competitive advantage.

Weaknesses

The weaknesses refer to characteristics that are disadvantageous to the company in relation to the competitive environment.

These two elements tend to be internally focused.

Opportunities

Opportunities focus on aspects which provide the company with an opportunity to increase growth and improve profitability.

Threats

These include elements that negatively impact the company and could endanger its performance and profitability.

The insights from the Seven S Framework, PESTELE model and SWOT analysis are used to construct the strategy metaphor.

Practical Exercise – SWOT Analysis

1. Conduct a SWOT analysis of your chosen strategic focus area using the insights from the Seven 'S' Framework and PESTELE model.

Use the SWOT worksheet to record your thoughts.

Practical Exercise – Strategic Insight Metaphor

2. Draw a metaphor picture to visualise the strategic insights from the Seven 'S' Framework, PESTELE model and SWOT analysis.

This metaphor represents the 'Where are we now?' scenario.

<p>Strengths</p>	<p>Weaknesses</p>
<p>Opportunities</p>	<p>Threats</p>

Strategic Vision

Chapter 8

Vision

'Without a vision, the people perish.'
Proverb 29:18

Developing the vision and mission is the process of shaping the desired future. Vision provides the strategic direction of the organization by identifying what the organisation wants to achieve. The business can then focus and align its strategic activities with the vision in order to propel it towards future success.

Remember that the vision is the 'why' and the mission is the 'what' and 'how'.

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The AIM Model

The vision of the company needs to be:

Aspirational

The vision must be aspirational because it is what the company envisions their desired future to be. It provides the purpose, strategic direction and priorities of the organisation in the long-term.

Inspirational

The vision should also be inspirational because it has the power to motivate employees, unify efforts and mobilise resources.

Memorable

This element is vitally important for the vision statement to be embedded into the minds of every employee within the business. Many vision statements are too difficult to remember due to them containing too many words, being meaningless and having a weak mental image associated with it. A good test of how memorable a vision statement is to ask anyone who works for the company to recite it from top-of-mind without having to refer to the presentation deck that was used to cascade the strategic plan throughout the organisation. Typically, the majority of staff members don't know what the vision statement is which often leads to a misalignment between the long-term strategic direction of the company and the tactical activities being implemented on a daily basis.

Whilst it is critical to create a compelling future for the business it is equally important to ensure that the vision statement is communicated clearly, concisely and consistently in order that it is used as a practical tool to focus business activities on its

achievement. Creating the vision story using the metaphor process facilitates the development and communication of the future vision.

There is a simple rule to follow when creating a vision statement to ensure that it is memorable which is to use a maximum of seven keywords. A keyword is a significant word which expresses an important concept. This rule of seven does not include connective words which are the transitional words and phrases that connect sentences and paragraphs. Examples of connective words include 'a', 'the', 'it', 'is', 'and', 'so', 'to', 'be', 'because' etc.

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Vision Statements

The aim of the vision is to convey the organisations prediction of the future. It answers the key question, 'what does success look like?'

Ideally, corporate vision statements should be at least 3-5 years in scope although this could be a longer time span depending on the nature of the industry. For example, organisations operating in an environment with long lead times in terms of research and development and innovation might require a vision statement that projects five years plus into the future. However, it is also possible to have shorter time scales for the vision, for example, short-term projects that need to be delivered within weeks or months rather than years. It is important to understand that unless the vision statement relates to a short-term initiative, a vision statement with less than three years in scope is a tactical plan.

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Example Vision Statements:

The Walt Disney Company: 'To make people happy.'

Ikea: 'To create a better everyday life for the many people.'

TED: We believe passionately in the power of ideas to change attitudes, lives and, ultimately, the world.

LinkedIn: 'Create economic opportunity for every member of the global workforce.'

Tesla: 'To accelerate the world's transition to sustainable energy.'

Nike: 'Bring inspiration and innovation to every athlete* in the world.'

*If you have a body, you are an athlete.

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How to Write a Vision Statement

As discussed earlier, it is important to write a vision statement with less than seven keywords in order to make it memorable for employees to remember.

There are three key elements to a vision statement which are included in the following formula:

Verb + Target + Outcome = Vision

The Walt Disney example stated earlier, 'To make people happy', includes all three elements:

Verb: Make

Target: People

Outcome: Happy

Using this simple formula will facilitate the process of writing and refining the statement to ensure that is aspirational, inspirational and memorable.

Example 1: 'Save endangered species from extinction.'

Example 2: 'Improve African children's health.'

Practical Exercise – Vision Statement

1. Write a vision statement for your strategic focus area to express your desired future state.

Remember that it must be:

- Aspirational
- Inspirational
- Memorable – use a maximum of 7 key words

Chapter 9

Mission

'Strategy is about making choices. It's about deliberately choosing to be different.'
Michael Porter

The mission communicates the ultimate purpose of the organisation and the reason why it exists. It states the primary goal of the company, its philosophies and how it will achieve the vision.

A typical mission statement contains three components:

1. The overall goal of your business - what are you trying to achieve, why are you in business
2. What your business does - products and services it provides
3. What's important to your business - the values your business lives by

The Walt Disney Company

Vision: 'To make people happy.'

Mission: 'To entertain, inform and inspire people around the globe through the power of unparalleled storytelling, reflecting the iconic brands, creative minds and innovative technologies that make ours the world's premier entertainment company.'

Ikea

Vision: To create a better everyday life for the many people.

Mission: Offer a wide range of well-designed, functional home furnishing products at prices so low that as many people as possible will be able to afford them.

TED

Vision: We believe passionately in the power of ideas to change attitudes, lives and, ultimately, the world.

Mission: Spread ideas

LinkedIn

Vision: 'Create economic opportunity for every member of the global workforce.'

Mission: 'Connect the world's professionals to make them more productive and successful.'

Tesla

Vision: To accelerate the world's transition to sustainable energy.

Mission: To create the most compelling car company of the 21st century by driving the world's transition to electric vehicles.

Nike

Vision: Bring inspiration and innovation to every athlete* in the world.

*If you have a body, you are an athlete.

Mission: Create ground-breaking sports innovations, make our products sustainably, build a creative and diverse global team, and make a positive impact in communities where we live and work.

Practical Exercise – Mission Statement & Objectives

1. Write a mission statement to express the ultimate goal of your strategic focus area.
2. Identify any quantifiable objectives that will be used to measure the success of the strategy.
3. Draw a metaphor picture to visualise the future vision.

This metaphor represents the 'Where do we want to be?' scenario.

Strategic Ideas

Chapter 10

Strategies and Tactics

*'Strategy without tactics is the slowest route to victory.
Tactics without strategy is the noise before defeat.'*
Sun Tzu

The final part of the strategy development process is to define the strategies which will enable the organisation to achieve its vision, mission and quantifiable objectives. These strategies bridge the gap between the current position of the organization and its desired future position and is often referred to as the strategic plan or strategic roadmap.

The corporate strategy is the highest level of strategy within the organisation and is the framework for all other business strategies within the company. This is one of the key reasons why the corporate vision, mission, objectives and strategies must be communicated to every department, team and individual in a clear, consistent and compelling way to ensure alignment with the overall plan.

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Strategy and Tactics

A strategy is a statement of intent. It is the 'what' does the business want to do?

A tactic is 'how' will the strategy be achieved via practical projects and actions that the organisation will take.

Example:

Strategy: To lose weight.

Tactics:

- Run 5km a day
- Go to the gym 5 times a week
- Eat less carbohydrate
- Reduce alcohol intake

This simple example demonstrates that the strategy focuses on the 'what' which in this case is to lose weight. There are many ways to lose weight which are the specific tactics or 'how', for example, go to the gym 5 times a week.

The Power of ‘Why?’

Despite the clear distinction between a strategy and a tactic, it can still be quite confusing to differentiate between the two terms and the question, ‘is it a strategy or a tactic’ might still come to mind. In this situation, it is important to ask the most powerful yet underrated question in business, ‘why?’

Question:

Why do I want to go to the gym 5 times a week? (Tactic)

Answer:

To lose weight. (Strategy)

It’s also possible to apply the ‘why’ principle to the strategy, which will enable a higher level of strategy, sometimes referred to as an ‘Umbrella Strategy’ to be revealed. For example:

Question:

Why do I want to lose weight? (Strategy)

Answer:

To improve my general health and wellbeing. (Umbrella Strategy)

Image:

Umbrella Strategy: To improve my general health and wellbeing.

Strategy: To lose weight.

Tactics:

- Run 5km a day
- Go to the gym 5 times a week
- Eat less carbohydrate
- Reduce alcohol intake

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How to write a Strategy

Strategic intent statements focus on the ‘what’ and always include a strong active verb, for example, empower, develop, create, improve, expand etc.

For example:

To improve internal communication.

Practical Example

People Strategy

“To recruit, retain and develop the right people, with the right skills, at the right time to deliver our vision.”

This umbrella strategy can be broken down into three core strategies:

Strategy 1 – Retention Strategy

To reduce employee turnover

Tactics:

- Provide competitive remuneration and benefits
- Conduct exit interviews
- Implement a rewards and recognition scheme
- Support employees with training and development
- Offer mentoring and coaching schemes
- Conduct annual employee engagement survey

Strategy 2 – Acquisition Strategy

To recruit top talent

Tactics:

- Analyse talent needs and skill gaps
- Write job descriptions
- Identify internal candidates for promotion
- Create and implement a succession planning process
- Appoint a headhunter/recruitment consultant
- Attend networking events

Strategy 3 – Development Strategy

To build a team of high performing individuals with leadership potential.

Tactics:

- Create a management development and training programme
- Build a learning management system
- Conduct performance appraisals
- Create individual development plans
- Establish performance metrics
- Develop a competency framework

Practical Exercise – Strategies and Tactics

1. Identify the key strategic pillars emerging from your vision metaphor.
2. Define the strategies and tactics for each of the strategic pillars.

Use the strategy templates to record your ideas.

Vision	
Mission	
Objectives	
Strategic Pillars	

Strategic Pillar:	
Vision	
Mission	
Objectives	
Strategy	Tactics
Strategy	Tactics
Strategy	Tactics

Case Studies

Chapter 11

Community Cinema

Background

The Village Cinema was founded by a group of local villagers who created the vision for a community cinema in a rural village in England. The vision was to transform the local village hall into a cosy, welcoming, and well-equipped village cinema for at least two nights every month. The team raised over £18,000 in grants, donations from local companies and the generosity of local residents, in order to buy professional cinema equipment, pay for the installation and adapt the village hall to accommodate the equipment.

The cinema opened its doors on a snowy mid-December day with an afternoon family matinee of *Despicable Me 2*, and an evening showing of *The Life of Pi*.

Since the cinema arrived in the village, it has been successful in bringing the people of the local community and the surrounding areas together for a cinema experience that is a refreshing change from the commercial town cinemas, without having to compromise on the quality. It is now a fundamental part of our village life and a central hub in the community for socialising and entertainment.

Internal Insight – Seven ‘S’ Framework

Share Values	<ul style="list-style-type: none"> • Fun and friendly • Audience centric • Passion for film • Teamwork • Philanthropy
Strategy	<ul style="list-style-type: none"> • No overall cinema strategy • Basic marketing strategy
Structure	<ul style="list-style-type: none"> • Team of volunteers led by Chairman • Assigned roles for finance and marketing • Informal role allocation on film nights
Systems	<ul style="list-style-type: none"> • Well-equipped, high quality cinema equipment and set-up • Reliant on the village hall – capacity and availability • Financial accounting and reporting system • Website and email technology
Style	<ul style="list-style-type: none"> • Informal • Friendly and social environment • Fun teamworking
Staff	<ul style="list-style-type: none"> • Diverse team – age, personalities, interests • Shared passion for film • Dedicated to supporting the local community and philanthropy
Skills	<ul style="list-style-type: none"> • Film analysis and selection • Finance • Marketing • Technology

External Insight – PESTELE

Political	<ul style="list-style-type: none"> • Local borough and parish council policies
Economic	<ul style="list-style-type: none"> • Film industry investment – movie studios • Film licensing costs • Affluent local population • Competitive ticket pricing • Fundraising donations • Famous film location - tourism
Social	<ul style="list-style-type: none"> • Older audience demographic • Low use of technology within the community including website, email and social media • Discerning audience with strong film preferences
Technology	<ul style="list-style-type: none"> • Cinema equipment cost and lifecycle • Website hosting and management • Technology skills and training
Environmental	<ul style="list-style-type: none"> • Geographical location – small rural community with limited audience reach • Local residents - noise pollution • Pandemic • Tourism
Legal	<ul style="list-style-type: none"> • Film licensing • GDPR • Health and Safety • Alcohol licensing
Ethical	<ul style="list-style-type: none"> • Volunteering – difficult to find new volunteers to join the team • Not-for-profit – donations to local and national charities

Summary – SWOT Analysis

<p>Strengths</p> <ul style="list-style-type: none"> • Strong shared values • Genuine sense of community spirit • Friendly and social environment • Fun committee team • Quality cinema equipment and professional set-up • Marketing including website, social media and email newsletters • Passion for film • Loyal and supportive audience • Financial accounting and reporting system • Philanthropy 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Reliant on the village hall – capacity and availability • Lack of formal strategy • Key person/skills dependency
<p>Opportunities</p> <ul style="list-style-type: none"> • Develop and implement a strategy • Increase audience capacity • Expand audience demographic • Increase audience reach – geographical boundary • Alcohol license • Develop local community partnerships 	<p>Threats</p> <ul style="list-style-type: none"> • Team turnover • Volunteer recruitment • Limited geographical reach • Film industry investment – film choice and release dates • Film licensing costs • Audience – age demographic, use of technology, discerning film tastes • Alternative forms of entertainment within the local community • Pandemic

Community Cinema – Current Scenario



Community Cinema – Future Vision



Strategy Overview

Vision	Bring the big screen cinema experience to the local community
Mission	To be a world-leading, not-for-profit community cinema screening films and other motion pictures using cinematic quality equipment in a friendly and social environment with all proceeds donated to local and national charities
Objectives	<ul style="list-style-type: none">• Grow audience attendance by 20% year on year• Deliver a 90% profit margin• Donate 100% of profits to local and national charities• Invest £1k in new cinema equipment
Strategic Pillars	<ul style="list-style-type: none">• Team• Audience• Operations• Finance• Marketing

Strategic Pillar: Marketing Strategy	
Vision	Be a community film society for all
Mission	To be an award-winning community cinema delivering a fun, entertaining and inspiring film programme to our audience
Objectives	Grow audience attendance by 20% year on year
Strategies	Tactics
1. Brand Strategy	
Raise awareness for the cinema in the local community and beyond	<ul style="list-style-type: none"> • Local poster campaign • Direct mail campaign to residents within the community • Advertise in local magazines and newspapers • Regular social media posts to promote the cinema website and film programme • Attend community events including county shows and local fairs • Enter national community cinema awards
Build the brand reputation as a cinema for all	<ul style="list-style-type: none"> • See audience strategy and programme strategy
2. Audience Strategy	
Increase audience loyalty	<ul style="list-style-type: none"> • Annual ticket membership • Loyalty card • Film club • Member-only film events • VIP seating • Audience feedback surveys

Broaden audience demographic	<ul style="list-style-type: none">• Matinees• Family shows• Date night evenings• Film school• After-school film shows• Outdoor cinema
3. Programme Strategy	
Expand the film programme	<ul style="list-style-type: none">• Show broad mix of genres• Host fundraising events• Annual film festival• Show locally produced films and films with local connections

Chapter 12

The Thinking Business

Background

The Thinking Business is a UK-based company providing training, consulting and facilitation services in creative thinking, strategic thinking, mind mapping and storytelling. Founded in 2000, the founder, Jayne Cormie, works with global and local clients across a diversity of industries helping them to drive personal and business growth by inspiring individuals and organisations to think differently.

Internal Insight – Seven ‘S’ Framework

Share Values	<ul style="list-style-type: none"> • Arete • Creativity • Expertise • Client-focused
Strategy	<ul style="list-style-type: none"> • Lack of formal strategy • Niche • Client ‘wish-list’
Structure	<ul style="list-style-type: none"> • One-man band
Systems	<ul style="list-style-type: none"> • Reliant on 3rd party support systems – financial accounting and website hosting
Style	<ul style="list-style-type: none"> • Authenticity • Empowering • Inspiring • Friendly
Staff	<ul style="list-style-type: none"> • Key person dependency
Skills	<ul style="list-style-type: none"> • Highly experienced • Expertise in core topics – creativity, strategy, mind mapping, storytelling • Technology savvy

External Insight – PESTELE

Political	<ul style="list-style-type: none"> • Brexit
Economic	<ul style="list-style-type: none"> • Exchange rates • Corporation tax • Personal tax • VAT rates • Training budgets • In-house training departments • Personal development investment • Competitors – budgets and investment
Social	<ul style="list-style-type: none"> • Ageing population • Social expectations • Home working • Responsibility for personal development and training
Technology	<ul style="list-style-type: none"> • Learning management technology • Online training • Web-based meetings • Social media platforms • Website hosting and management • Cyber security
Environmental	<ul style="list-style-type: none"> • Geographical location of clients • Carbon footprint – training materials and travel • Health and safety • Pandemic
Legal	<ul style="list-style-type: none"> • Professional indemnity insurance • GDPR • Training standards and compliance • NDA's
Ethical	<ul style="list-style-type: none"> • Corporate social responsibility • Philanthropy

Summary – SWOT Analysis

Strengths <ul style="list-style-type: none">• Strong values• Client list• Highly experienced• Expertise in key topic areas• Technology savvy	Weaknesses <ul style="list-style-type: none">• Key person dependency• Lack of formal strategy• Reliance on 3rd party systems – finance and website hosting• Niche topics
Opportunities <ul style="list-style-type: none">• Sell the business• Business transformation strategy• Market and programme development• E-learning• Expand the portfolio of training topics• Associate trainers• Investment in marketing	Threats <ul style="list-style-type: none">• One-man band – key person dependence• Competitors• Changing training industry – home working and personal responsibility• Corporation taxes and vat

The Thinking Business – Current Scenario



The Thinking Business – Future Vision



Strategy Overview

Vision	Inspire people to think their way to success
Mission	Be a global leading online training company delivering world-class learning and development programmes in thinking skills and storytelling
Objectives	<ul style="list-style-type: none">• Grow revenue by 50% year on year• Improve profit margins• Be carbon neutral by 2030
BUSINESS TRANSFORMATION STRATEGY	
Strategic Pillars	<ul style="list-style-type: none">• Client Service• Training Programme• Technology• Marketing Strategy• Research and Development• Diversification

Strategic Pillar: Client Service Strategy	
Vision	Create happy clients
Mission	
Objectives	
Strategies	Tactics
1. Client Experience	
Deliver an excellent client experience	<ul style="list-style-type: none"> • Simple end-to-end operations process • Open, honest and transparent communication • Client training needs analysis • Flexible delivery options – in-company, online, webinars • Training course content and delivery • Expert trainers • Post-training feedback surveys
2. Loyalty	
Develop client loyalty	<ul style="list-style-type: none"> • Discounts and rewards • Content creation for client intranet site • Tailor-made training courses • Affiliate programme • Client website portal • Upsell training courses
Broaden audience demographic	<ul style="list-style-type: none"> • Matinees • Family shows • Date night evenings • Film school • After-school film shows • Outdoor cinema
3. Client Acquisition	

Acquire new clients	<ul style="list-style-type: none"> • Website content • Social media marketing • Email database • Networking • Word-of-mouth and testimonials
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Strategic Pillar: Training Programme Strategy	
Vision	World-class learning and development programmes for individuals and organisations
Mission	
Objectives	
Strategies	Tactics
1. Academy	
Build the online training academy	<ul style="list-style-type: none"> • Content creation • Partnerships with content experts • Host platform • Marketing campaign - website, social media • Promote to existing and new clients and markets • Host courses on online training marketplaces
2. Training Experience	
Deliver an outstanding training experience	<ul style="list-style-type: none"> • Creative training materials • Stimulating training environment • Multi-media presentations and delivery methods • Pre and post-training support • Trainer – knowledgeable, friendly, approachable
3. Continuous Improvement	

<p>Implement continuous improvement programme</p>	<ul style="list-style-type: none"> • Regular content upgrades • Best practice in training delivery • Personal development programme • Competitor analysis
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<p>Strategic Pillar: Technology Strategy</p>	
<p>Vision</p>	<p>Creative content powered by innovative technology</p>
<p>Mission</p>	
<p>Objectives</p>	
<p>Strategies</p>	<p>Tactics</p>
<p>1. Outsourcing</p>	
<p>Continue to outsource technology infrastructure</p>	<ul style="list-style-type: none"> • Website hosting • Learning management system
<p>2. Software Solutions</p>	
<ul style="list-style-type: none"> • Utilise software to produce creative content 	<ul style="list-style-type: none"> • Source innovative software solutions • Learn and apply the software

Strategic Pillar: Marketing Strategy	
Vision	Globally renowned expertise
Mission	
Objectives	
Strategies	Tactics
1. Reputation	
Establish a global reputation as a topic expert	<ul style="list-style-type: none"> • Write and publish books, blogs and articles • Keynote speaking • Social media presence
2. Website	
Transform the corporate website into a content website	<ul style="list-style-type: none"> • Client portal • Write and publish blogs and articles • Free tools • Free eBooks
3. Digital Marketing	
Implement a digital marketing campaign	<ul style="list-style-type: none"> • Website design • SEO • Paid advertising • Email marketing • Social media

Strategic Pillar: Research and Development Strategy	
Vision	Globally renowned expertise
Mission	
Objectives	
Strategies	Tactics
1. Expertise	
Continue to build core topic expertise	<ul style="list-style-type: none"> • Desk research • Read academic papers and other published materials • Attend conferences and seminars • Regular competitor analysis • Write and publish blogs and articles • Update training course content and materials
2. Learning	
Develop knowledge, skills and expertise in new topic areas	<ul style="list-style-type: none"> • Identify new topics of interest • Read published materials • Attend conferences and seminars • Create new training courses

Strategic Pillar: Diversification Strategy	
Vision	Globally renowned expertise
Mission	
Objectives	
Strategies	Tactics
1. Diversification	
Launch a major new initiative	<ul style="list-style-type: none"> • Research and develop the idea • Produce the content and materials • Create a strategic plan • Create and implement a launch campaign

About the Author



Jayne Cormie is the founder and managing director of The Thinking Business Limited, which is a global training company specialising in thinking skills. She teaches mind mapping, creative thinking, strategic thinking and business storytelling to some of the world's biggest companies including Disney, Microsoft, Hormel, UNICEF, World Health Organisation, Pfizer and the European Commission.

Jayne is a fully qualified Buzan Licensed Instructor in Mind Mapping, Speed Reading and Memory Skills with over 25 years as a mind mapper. She was trained by and co-facilitated with the creator of Mind Maps, Tony Buzan.

Furthermore, she is a graduate of the Disney Creativity and Innovation Programme from the Disney Institute, and is a HBDI Accredited Consultant in the Herrmann Brain Dominance Instrument.