

Just-In-Time Strategic Plan Solution



Sometimes the world catches us in a position that is a little embarrassing. In some cases it is a matter of market conditions, natural disaster or in our latest experience, economic disaster. No matter the source, there are times when the last strategic plan is made almost instantly obsolete. In these circumstances, organizations tend to move away from strategic planning in favor of a more “shoot from the hip” approach. This is completely understandable from an urgency point of view. It also makes sense because of the classic approach taken to strategic planning that is slow, contemplative, soul searching and introspective in nature. There just is no time to do any navel gazing when faced with the reality of the rough equivalent of Katrina or 911. That said, there is no better time to employ sound strategic planning concepts in high-speed fashion. A small investment in the right kind of strategic planning can mobilize a team with greater overall speed than launching into a rescue effort only to find out the helicopter is out of gas, the truck has a flat tire and the only resource available is a motorcycle. Sometimes the best thing leaders can do is rally the team around a process that is scaled to fit the situation.

Business Challenge

A new CEO came in to an organization that had not only hit the plateau of their business model, they were approaching the cliff on the other side at a high rate of speed. The prior executive had created a significant problem in business viability by driving higher levels of revenue that were without the benefit of margin. This created overloaded capacity, short cash supplies, eroding delivery performance and a near customer revolt. All of the things we don’t want and none of the things we do. And that was just day one. As time went on, it became apparent how brittle the infrastructure of the organization had become. Reductions in force that had been necessary to stay afloat had caused the loss of much needed tacit knowledge to execute critical business processes. Therefore the underpinning capability to perform had serious damage to the hull of the ship and leaks were beginning to form. This is a situation that would cause most organizations to lose all sense of strategy and go immediately into fire fighting mode and stay there until the fire got put out or they perished in the blaze. The group was tempted to do so because the phones were ringing off the hook and a happy face was nowhere to be found.

Solution

One of the illusions of business is that there are times when planning is not affordable. The reality is that there is no time when 1-2 days of work as a team would tank the organization if it were spent getting the team to operate as a team with a common blueprint for action. What is often missing is the professional service that is designed to be compact enough and scaleable enough to apply to a tense and pressing situation. The team made the investment in a short and powerful process that started with a focused assessment of the situation, the careful planning of time utilization of the team for planning and a series of short sessions to align activity coupled with coaching of the executive team through execution.

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Results

We created a way for the executive team to break the recovery effort into 4 strategic areas. Each area was then decomposed into its component parts with targets and defined interdependencies between the areas. By doing so, the work of the organization required to recover their business performance became transparent to the entire team. This allowed each cross-functional team to execute interdependently to get the business back on track. In the process, critical infrastructure and capability issues were surfaced and acted on in real time. A governance structure was created for the management of cross-functional effort. All in all, this was a really close call with disaster. Without the strategic planning effort, there was virtually no chance of success in saving this company from a total liquidation. In addition, the strategic plan was created in such a way as to preserve and clarify the foundational aspects of the company by focusing the team on core competency, company brand and long range targets. Sometimes we have to go slow to go fast. Going slow for 1-2 days and then moving at record speed beyond that is far better than going medium speed for six months.

Summary

The often-used metaphor for business is sports. In sports, there is a definite start and end to the game and season. The unfortunate reality of this is that business has no game or season end other than shutting the doors. Therefore our mental models can easily encourage us to think as if we have no time to plan because we are in the middle of a game. This is largely an illusion that we construct ourselves. Business has no game clock. It has no time-outs either. We have to use some of our time to bring the organization together to create the ability to work effectively together. To do otherwise is to encourage the uncoordinated chaos of a soccer team of 5 year olds that swarm around the ball and make little progress while exhausting themselves. Our organizations can be much more progressive and productive than that. To learn more about how our unique blend of strategic planning works or to get started on taking advantage of the opportunities to make a significant impact on value creation, call us at StratEx Advisors, Inc. at 530-672-8178 or simply email mark@stratexadvisors.com