

Business Tips - Strategic Planning



Table of Contents

Business Strategy.....	3
Top 4 Goal Setting Methods.....	4
OKRs vs. KPIs.....	5
Developing A Strategic Plan	6
The 80-20 Rule (aka Pareto Principle)	7
Setting Priorities - Cheat Sheet	8
Why Do So Many Strategies Fail?.....	9
Steps to Measure Results	10
Strategy Execution Mindset	11
11 Ways to Improve Your Goal Setting	12
SWOT Cheat Sheet	13

BUSINESS STRATEGY

The Ultimate Cheat Sheet

Key Point: Business strategy is your game plan for success. Tools like those below help you figure out where you stand and where you could go. They guide your decisions, so you make smarter moves in a competitive world.

1. Where Are We Now

SWOT ANALYSIS

S Strengths What you're good at.	Internal	W Weaknesses What you're bad at.
O Opportunities What you can capitalize on.	External	T Threats What can harm your business.



2. Where Do We Want to Be



ANSOFF MATRIX

New Markets	Market Penetration Sell more of the same stuff to the same people.	Product Development Create new products for your existing customers.
	Market Development Sell your existing products to new markets or groups.	Diversification Make new products and sell them to new markets.
Existing Products	Existing Markets	New Products

3. How Do We Get There

VRIO FRAMEWORK

V	R	I	O	
Valuable	Rare	Imitable	Organized	
NO				Competitive Disadvantage
YES	NO			Competitive Parity
YES	YES	NO		Temporary Competitive Adv.
YES	YES	YES	NO	Unused Competitive Advantage
YES	YES	YES	YES	Sustainable Competitive Adv.

4. What Can Get In Our Way

TOWS ANALYSIS

	Strengths	Weaknesses
Opportunities	SO How can we use our strengths to seize new opportunities?	WO What opportunities can help us overcome our weaknesses?
Threats	ST How can our strengths help us fend off threats?	WT What can we do to minimize our weaknesses and dodge threats?

Find this useful? Follow me, **Justin Wright**, for more. [LinkedIn.com/in/jwmba](https://www.linkedin.com/in/jwmba).

Top 4 Goal Setting Methods

TOP 4 GOAL SETTING METHODS

Objectives and Key Results

- Clearly state your goals.
- Define 2-5 measurable success indicators.
- Plan activities to achieve key results.
- Commit to goals and the process.
- Track progress regularly.
- Reflect on outcomes.
- Align individual OKRs with team and org.
- Set challenging goals that push you beyond your comfort zone.



SMART Goals

- **Specific:** Be specific in your goal definition (who, what, where, why).
- **Measurable:** Make it measurable to track progress and completion.
- **Achievable:** Assess achievability with current resources/skills.
- **Relevant:** Ensure relevance to your values and long-term objectives.
- **Time-bound:** Set a realistic deadline for urgency.
- Regularly evaluate; adjust as needed.
- Celebrate milestones for motivation.



@Justin Mecham

Backward Goal-Setting

- Visualize the end goal in detail.
- Set milestones working backward.
- Identify steps for each milestone.
- Allocate necessary resources.
- Assign timeframes based on the end goal.
- Start with the nearest step.
- Be flexible and adjust when needed.
- Regularly review the plan for alignment.



@Justin Mecham

ABCDE Method

- List tasks you need to do.
- Categorize tasks: A (most important), B (important), C (nice to do), D (delegate), E (eliminate).
- Prioritize tasks within each category.
- Identify barriers to starting on A tasks.
- Focus on 'A' tasks until completed.
- Delegate 'D' tasks to free up time.
- Eliminate 'E' tasks that don't align with your goals.
- Regularly review and adjust categories and priorities.



Follow me for more like this | Justin Mecham | [linkedin.com/in/justinmecham](https://www.linkedin.com/in/justinmecham)



OKRs vs. KPIs

The 7 Differences and When to Use Which

© Jeroen Kraaijenhink

Focuses on measuring & managing **progress**



Focuses on measuring & managing **performance**

Stands for **Objectives** and **Key Results**



Stands for **Key Performance Indicators**

Action-oriented goals and measures



Numbers that measure the **health of a business**

Future-focused, directional



Could be the result or **leading indicator**

More decisive and bold, **moves the needle**



Monitors and provides benchmarks, **urges action**

Set time period, changes from quarterly to yearly



Measured on an **on-going basis,** continues from that.

Specific and unique for each **organizational unit**




Generally applicable across **entire organizations**

Adapted from MTD Training Group

DEVELOPING A STRATEGIC PLAN


1. Define the Vision and Mission

Visioning



- Hold visioning sessions with stakeholders to shape the company's future.
- Use scenario planning to envision potential scenarios.
- Craft an inspiring vision statement for guidance.
- Always hold true to your core values.


Systems Thinking Model



- Identify how different parts of your business interact.
- Analyze feedback loops within your business processes.
- Consider long-term impacts and unintended consequences.


2. Analyze the Current State

SWOT Analysis



- Perform an internal analysis to identify strengths and weaknesses.
- Examine external opportunities and threats affecting the company.
- Utilize this analysis to determine strategic areas of focus.


Pareto Principle (80/20 Rule)



- Identify 20% of factors that contribute to 80% of results.
- Focus plans on these key factors.


3. Set Strategic Objectives

Objectives & Key Results



- Establish clear and challenging objectives for the strategic period.
- Define quantifiable key results for each objective to measure progress.
- Ensure these objectives and results are aligned with the overall vision, mission, and core values.


Opportunity Cost



- Evaluate alternatives for every strategic decision.
- Assess the benefits lost when choosing one option over another.
- Prioritize actions that offer the greatest return.

4. Develop a Tactical Plan


Gantt Charts & Sunk Costs



- Create a detailed project schedule, delineating tasks, dependencies, and timelines. Use the Gantt chart.
- Regularly update and adjust chart.
- Be ready to pivot or drop projects that don't align with objectives.
- Focus on future benefits, not past investments.

5. Implement the Plan

KPIs & Feedback Loops



- Clarify actionable items and next steps.
- Identify key metrics (KPIs) that align with strategic objectives.
- Use KPIs to guide decision-making and adjustments.
- Establish feedback mechanisms.
- Analyze feedback for insights.
- Adapt strategies based on feedback.

6. Review and Adapt

Balanced Scorecard

Financial: ROI, Growth	Customer: NPS, Loyalty
Internal Process: Inventory, Labor	Learning: Culture, E-SAT

- Implement a balanced scorecard to evaluate performance across financial, customer, internal processes, and learning/growth.
- Conduct regular reviews of metrics.
- Make strategic adjustments based on performance insights.
- Embrace challenges and learn from setbacks.
- Foster an environment where feedback is constructive.

Follow me for more like this | Justin Mecham | [linkedin.com/in/justinmecham](https://www.linkedin.com/in/justinmecham)

The 80-20 Rule (aka Pareto Principle)

THE 80/20 RULE

Stop Wasting Time on Trivial Sh!t

Key Point: The Pareto Principle says 80% of outcomes come from 20% of causes. Smart leaders use it to identify and double down on the vital few factors that drive the majority of results. This eliminates wasted effort and boosts productivity.

Pareto Principle

For Individuals



20% of:	=	80% of:	So do this:
Tasks		Outcomes	Prioritize high-impact work
Meetings		Decisions	Decline low-value meetings
Relationships		Opportunities	Nurture key contacts
Knowledge		Performance	Master vital skills
Distractions		Disruptions	Manage time-wasters
Thoughts		Emotions	Reframe negative thinking
Habits		Achievements	Build daily discipline
Foods		Health	Improve key nutrition sources
Investments		Wealth	Focus on high-return assets
Efforts		Output	Delegate less important

For Teams

20% of:	=	80% of:	So do this:
Team members		Innovations	Reward your most creative
Conflicts		Disruptions	Resolve toxic relationships
Norms		Behaviors	Cultivate team culture
Feedback		Performance	Provide regular coaching
Meetings		Alignment	Focus on strategic sessions
Employees		Morale	Recognize inspiring leaders
Lessons		Improvements	Capture key learnings
Reports		Insights	Abolish unuseful reporting
Tasks		Impact	Eliminate trivial work
Training		Capabilities	Invest in vital skills

For Companies

20% of:	=	80% of:	So do this:
Customers		Net income	Prioritize your top clients
Products		Sales	Invest in your bestsellers
Employees		Productivity	Take care of your top talent
Defects		Errors	Fix most common bugs first
Features		Usage	Prioritize core functionality
Marketing		Leads	Double down on proven tactics
Salespeople		Revenue	Train and motivate vital reps
Suppliers		Costs	Negotiate with key vendors
Processes		Bottlenecks	Improve inefficient systems
Risks		Losses	Mitigate biggest threats

If you found this helpful, follow me for more  Eric Partaker 

SETTING PRIORITIES

The Ultimate Cheat Sheet

KEY POINT: Before you start prioritizing, make sure you have **clear goals**. Personal, team, or entire organization — knowing your goals helps you focus on **what truly matters**.

FOR INDIVIDUALS

TIP: List everything you need to do. Get it all out of your head. Organize it in a single place. You're now ready to use methods to sort and prioritize it.

Eisenhower Matrix Method

	Urgent	Non-Urgent
Important	Do Do it right away.	Decide Block time for it.
Unimportant	Delegate Assign it out.	Delete Take it off the list.

Ivy Lee Method

1. List 6 tasks for tomorrow
2. Order them by importance
3. Start your day with task 1; work until it's done
4. Move on to task 2; finish it; then task 3, etc.
5. At day's end, move left-over tasks to next day

FOR TEAMS

TIP: Gather all tasks from your team members into a shared space, like a PM app. Now you're set to use methods to prioritize together. Some options:

MoSCoW Method

Categorize tasks into:

- Must-haves** (Critical for success)
- Should-haves** (Important, not critical)
- Could-haves** (Nice to have)
- Won't-haves** (Not in scope now)

RICE Method

Score tasks w/ formula:

$$\frac{\text{Reach} \times \text{Impact} \times \text{Confidence}}{\text{Effort}}$$

Higher score =
Higher priority

- R** = # people it'll affect
- I** = How much it'll help
- C** = How sure you are
- E** = How hard it'll be

ABCDE Method

Prioritize tasks by consequences

- A:** Highest for today; serious consequences if not done
- B:** Important to do today; only minor consequences
- C:** Nice to get done today; no consequences at all
- D:** Delegate whenever possible; focus on your A's
- E:** Eliminate altogether; stop doing the unimportant

FOR LEADERS

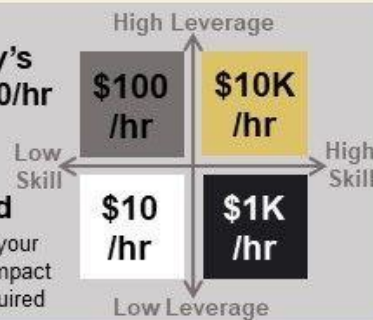
TIP: Collect all key projects, objectives, and KPIs critical to your org. Arrange them in a dashboard. This will help you steer priorities and guide your team.

Warren Buffett's 5/25 Method

1. List your top 25 initiatives
2. Rank them by importance
3. Split the list: Top 5 | Others
4. Do the top 5
5. Avoid the others at all cost
6. When finished w/ 5, start over

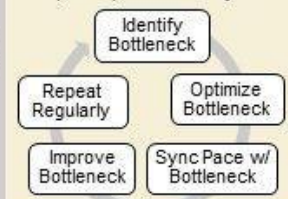
Khe Hy's \$10,000/hr Work Value Method

Prioritize your work by impact & skill required



Goldratt's Theory of Constraints

Fix the slowest part of a system to speed up the whole system.



If you found this helpful, follow me for more | Justin Wright | [linkedin.com/in/jwmba](https://www.linkedin.com/in/jwmba)

Why Do So Many Strategies Fail?


13 signs your strategy is failing



THE MEASURING RESULTS CHEAT SHEET

1. Define the goals

SMART Goals



- Specific:** Clear and precise.
- Measurable:** Quantifiable and trackable.
- Achievable:** Realistic and doable.
- Relevant:** Pertinent and meaningful.
- Time-bound:** Time-limited and defined.

- Define the purpose and scope of your business goals.
- Align your goals with your vision and mission statements.

2. Identify the KPIs


Balanced Scorecard

Financial: Sales Expenses ROI Net income Cash Flow Assets/Liabilities	Customer: CSAT NPS Retention rate Market share Lifetime value Brand Strength
Internal: Processes Quality Metrics Productivity Inventory Suppliers Compliance	Learning: Culture E-SAT Turnover Training Health & Safety Engagement

- Identify KPIs related to the Balanced Scorecard to track progress.
- Choose KPIs that are relevant, actionable and comparable.

3. Collect & analyze data

Data Pyramid



- Data:** Raw facts and figures.
- Information:** Organized and contextual data.
- Knowledge:** Insights from information.
- Wisdom:** Wise application of knowledge.

WOOP Model

Wish: What do I really want?	Outcome: Why do I want this?
Obstacle: What might block me?	Plan: How can I get what I need?

- Collect and analyze data related to your KPIs.
- Use reliable sources and methods to gather data.

4. Evaluate the results

Gap Analysis

Current State

← →

Desired State

Benchmark

- P** Process
- P** Performance
- S** Strategic

- Evaluate your results and compare them with your targets.
- Use benchmarks and best practices to assess your performance.

5. Identify the key factors

5 Whys Method

Define the problem then:

Why is it happening?

Why is that?

Why is that?

Why is that?

Why is that?

Root cause identified

- Identify the factors that contributed to or hindered your results.
- Analyze data to find root causes.
- Generate and prioritize solutions.

6. Implement actions to improve

PDCA Cycle

Plan: Identify Problems	P	Do: Test Solutions	D
Check: Study results	C	Act: Implement Solutions	A

- Implement actions to improve your results or sustain your success.
- Monitor and review your actions regularly.

Follow me for more like this | Justin Mecham | [linkedin.com/in/justinmecham](https://www.linkedin.com/in/justinmecham)

Strategy Execution Mindset

10 guiding principles for effective strategy execution

© Jeroen Kraaijenbrink - The Strategy Handbook, pp.29-34

- Principle 1**
Just Do It
Focus on action rather than on endless deliberation.
- Principle 2**
Perfect is the Enemy of Good
Good is good enough. Don't keep on refining, improving, testing, or analyzing.
- Principle 3**
You Can't Have It Both Ways
Be prepared to make the tough choices. You can't have it all.
- Principle 4**
There Are Many Ways to Skin a Cat
There are many ways to do something and there is not one best way.
- Principle 5**
Find 10,000 Ways That Won't Work
Adopt an experimental mindset and build further on what you have learned.
- Principle 6**
Persist By Pulling Out
Know when to stop something and move on. This is not failure or giving up.
- Principle 7**
Speed Up by Taking It Slow
After having spent much time on analysis, impatience makes people jump to execution.
- Principle 8**
The Power of Simplicity
Strategy is complex. But especially strategy execution need not be complex.
- Principle 9**
We're In This Together
Enforcing a strategy top-down is a recipe for failure. Involve and engage people across the organization.
- Principle 10**
No Place for HiPPOs
Strategy and execution flourish with a modest type of leader.

@jeroenkraaijenbrink

11 Ways to Improve Your Goal Setting

11 WAYS TO IMPROVE YOUR GOAL SETTING

Source: InnerDrive | Infographic design by agrassoblog.org for educational and motivational purposes

Have a Long Term Goal Gives your motivation a boost.			Be Flexible If the situation changes, tweak your goals.
Have a Short Term Goal Helps you maintain focus.			Share your Goal If other people know about them, they may be able to help you.
Make it Challenging but Realistic Aim high so that you really push yourself.			Ensure There is Trust People work harder on achieving a goal if they trust the person who has set them that goal.
What's the Why? Give a reason why your goal is important.			Consider Potential Obstacles This allows you to come up with a plan, ensuring that you are fully prepared.
Make it Specific Specific not vague terms make it easier to monitor progress.			Monitor Progress This helps you stay on the right track and to adjust as needed.
Focus on Skills Focus on developing your skills, not just on the end outcome.			

SWOT Cheat Sheet

Strengths	Weaknesses	Opportunities	Threats
Possibilities: 1. Patents? 2. Strong brand name? 3. Good reputation among customers? 4. Many product lines? 5. Broad market coverage? 6. Manufacturing competence? 7. Good marketing skills? 8. Good materials management systems? 9. R&D skills and leadership? 10. Information system competencies 11. Human resource competencies? 12. Brand name reputation? 13. Portfolio management skills? 14. Cost of differentiation advantage? 15. New-venture management expertise? 16. Appropriate management style? 17. Appropriate organizational structure? 18. Appropriate control systems? 19. Ability to manage strategic change? 20. Well-developed corporate strategy? 21. Good financial management? 22. Able to profit during pandemics?	Possibilities: 1. Obsolete, narrow product lines? 2. Prone to loss during pandemics? 3. Rising manufacturing costs? 4. Decline in R&D innovations? 5. Poor marketing skills? 6. Poor materials management systems? 7. Poor reputation? 8. High cost structure? 9. Loss of customer good will? 10. Inadequate information systems? 11. Inadequate human resources? 12. Lack of access to distribution channels? 13. Lack of access to natural resources? 14. Loss of brand name capital? 15. Lack of patent protection? 16. Growth without direction? 17. Bad portfolio management? 18. Loss of corporate direction? 19. Infighting among divisions? 20. Loss of corporate control? 21. Inappropriate organizational structure and control systems? 22. High conflict and politics? 23. Poor financial management?	Possibilities: 1. Expand core business(es)? 2. Exploit new market segments? 3. Arrival of new technologies? 4. Removal of international trade barriers? 5. Exploit unfulfilled customer need? 6. Widen new market segments? 7. Extend cost or differentiation advantage? 8. Diversify into new growth businesses? 9. Expand into foreign markets? 10. Apply R&D skills in new areas? 11. Enter new related businesses? 12. Vertically integrate forward? 13. Vertically integrate backward? 14. Enlarge corporate portfolio? 15. Overcome barriers to entry? 16. Reduce rivalry among competitors? 17. Make profitable new acquisitions? 18. Apply brand name capital in new areas? 19. Seek fast market growth? 20. Growth during pandemics?	Possibilities: 1. Attacks on core business(es)? 2. Pandemics cause business interruption? 3. Increases in domestic competition? 4. Shift in consumer tastes? 5. Emergence of substitute products? 6. New regulations? 7. Increased trade barriers? 8. Increases in foreign competition? 9. Change in consumer taste? 10. Fall in barriers to entry? 11. Rise in new or substitute products? 12. Increase in industry rivalry? 13. New forms of industry competition? 14. Potential for takeover? 15. Existence for corporate raiders? 16. Increase in regional competition? 17. Changes in demographic factors? 18. Changes in economic factors? 19. Downturn in economy? 20. Rising labour costs? 21. Slower market growth?



DNA Behavior®

To learn more about DNA Behavior International and the solutions we offer, please visit:

www.dnabehavior.com

If you have any questions or would like to discuss with an executive on our team, please email us at:

inquiries@dnabehavior.com

