

Growth Management Consulting Ltd

www.growthmanagement.co.nz

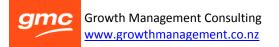
Communicating Your Strategy

6 statements – diagrams that inspire and motivate, communicating your business growth strategy rather than boring your team and gathering dust.

> Version 1.0 September 2010

www.inspireddecisions.com blog: www.succinct.co.nz

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1. Introduction

You have created the master business strategy – so now how do you communicate it with your staff and other stakeholders?

High growth companies must constantly change and adapt to both market and internal forces. As such they should perform regular 6 monthly strategic reviews, with the possibility of completely trashing their current business strategy and plan.

Traditional business plans are great for risk mitigation, proving investment cases and the like, typically they end up being 60 - 100 page novels that sit on the shelf and gather dust.

This document has been developed to give businesses 6 key outcomes to achieve from any strategy review – which they can communicate with their staff.

The purpose is communication of the outcome rather than justification for its existence.

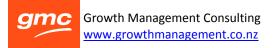
It uses bullet lists and diagrams to create communicable messages that all your stake holders – can absorb and more importantly execute on.

The format is designed to act as a guide to inspire and motivate your staff, giving them a clear direction and guidance to allow them to make smart decisions on the fly, utilising their individuality and intelligence to achieve a common team goal. Cutting to the chase, allowing staff to get on and just do it NOW, hence the label the Now Strategy.

The six components-messages:

- 1. Value Proposition Statement Mantra Statement
 - Success in the language of the customer
 - A customer story which encapsulates your value proposition
- 2. Goal Statement for your business (success for the business)
- 3. The Business Model Diagram how your business operates in one page
- 4. Milestone Diagram one page business plan
 - Key milestones outcomes that create success
- 5. Brand Culture statements value list
- 6. Your Unique Selling Proposition (USP) Statement
 - barrier to competitors
 - competitor strategy

This document has been prepared for Growth Management Consulting Ltd strategy days. Contact Mark Robotham – <u>mark@growthmanagement.co.nz</u> +64 21 61 8850 More reading at <u>www.nowstrategy.com</u>



2. Value Proposition Statement – Mantra (1 short statement)

No Value Proposition= No Business

Too many businesses focus on their craft or technology rather than what's in it for their customers:

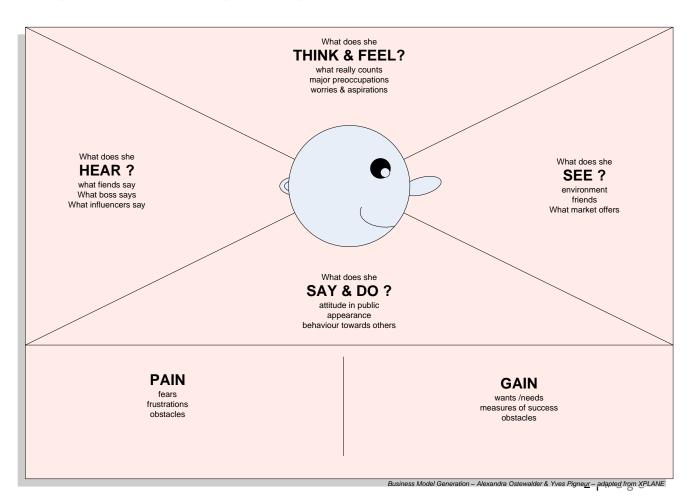
What is your "we make the car go faster" statement, that is relevant to your customers?

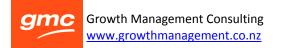
The Value Proposition for your customers must be the core message and purpose that drives your business. All product development must be focused around achieving this goal for your clients.

Powerful value propositions are:

- Short (power or impact of the statement is inversely proportional to its length)
- Include a measure of success from customers view point
- Do not describe your craft or technology
- Quantify success must be significant = >30%
- Contrast: before after or with without

Optional customer empathy map





Customer Story

Document in <u>one paragraph</u> a customer story:

- Contrast life before after
- Quantify gain
- Be specific name organisation
- Ensure there are more of them

Great quote from Steve Bayliss (Air New Zealand)

• 'Genuine innovation solves a customer problem more delightfully and accessibly than existing alternatives. And as importantly, innovation isn't a novelty, nor a response to neither a competitor move, nor a line extension the core brand has no right to make'.

More notes:

http://succinctstories.wordpress.com/2010/09/14/no-value-proposition-%e2%80%93-no-business/

3. Business Goal Statement (1 short statement)

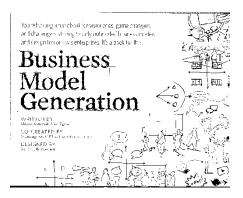
What is your business goal, as business owners what does success look like?



4. Business Model (1 Diagram)

Create a business model canvas – diagram based on "the Business Model Generation" by *Alexandra Osterwalder and Yves Pigneur.*

- Key partners
- Key activities
- Key resources
- Value proposition
- Channel -client relations
- Customer segments
- Cost structures
- Revenue streams



Note: I would recommend every business <u>purchase</u> a copy of this book - currently US\$ 23.07 from Amazon. Also available from <u>www.fishpond.co.nz</u>

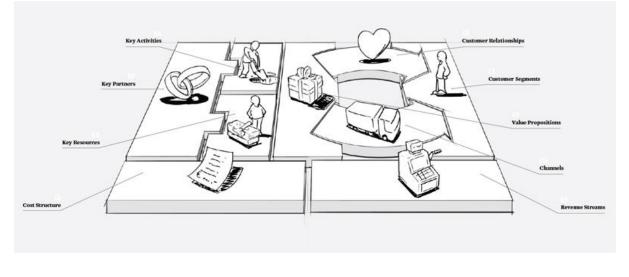
It includes great brainstorming ideas and business models such as:

- Unbundling business models
- The long tail
- Multi sided platforms
- FREE the as business model
- Open business models

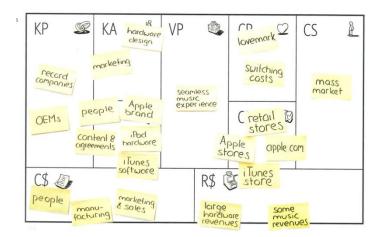
More background:

http://succinctstories.wordpress.com/2010/07/29/documenting-and-developing-business-models/

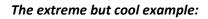
Base frame work:

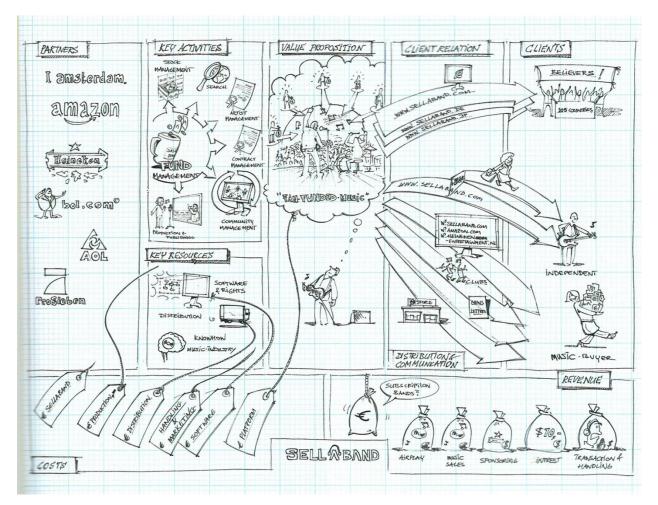


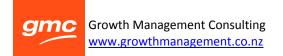




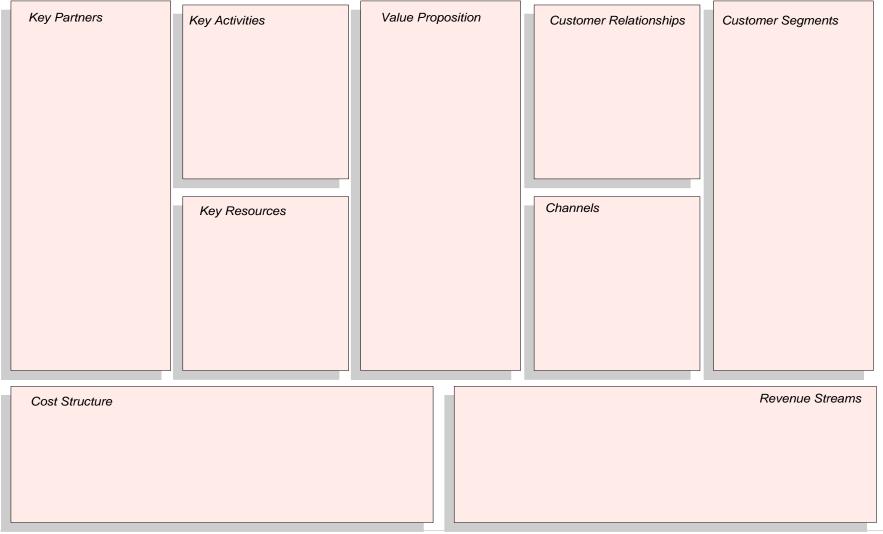
Apple iPod example







Blank Canvas





5. Milestone Chart (1 Diagram) - One Page Business Plan

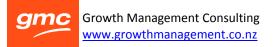
Create a milestone chart – select only major significant outcomes from your detailed planning – thinking.

Note:

- Show historic, current and future outcomes.
- Ensure you cover the complete spectrum of the types of milestones.
- Use the balanced score card set (Finance, Customer, Process, and People) as the minimum sections.
- Limit the number of milestones to a maximum of 10 per year one per category if you have a small team.

		009 2010	2011	2012	2013
	Develop - Launch		Istainability	Global Exp	Dansion
Markets	NZ	Australia		XX	
Sales Marketing	First 10 - Tier1 Paying Customers	30 NZ Clients Sub cam paign	Sign up 10 Aus Clients 7 Sub Aus campaign	Research next market	
Product	Launch Web Site		Launch Australia Site		
Finance	\$1M rev	Cashflow +VE all Escalator	Get Investor Ca	REAL shflow +VE	
Team	3 + 2 Founders		Salary for Founders	expand Team	
Operations	Office	Lease	up grade infrastructure		
Risk	Need early adopters C	Australian Competitor com e to NZ	↓ Fund Aus Expansion		

CoyX Business Plan - Overview



6. Brand and Culture Statement (Bulleted List)

Create a list of values – statements that describe the culture you have, want, desire.

Remember: hire and fire by it - make darn sure you (management) are living by it.

More:

Winning cultures - Don't blame the staff - Who is running the show

http://succinctstories.wordpress.com/2010/06/26/winning-culture%e2%80%99s-don%e2%80%99t-blame-the-staff-%e2%80%93-whos-running-the-show/

Branded Culture – Burn the rule book

http://succinctstories.wordpress.com/2010/09/17/branded-culture-%e2%80%93-burn-the-rule-book-morgo-diary-note-2/

Value List Examples

The Trade Me Manifesto -Follow the links to <u>Rowan</u> <u>Simpson's blog</u> for more detail #1: Create great websites and people will tell their friends #2: Be like electricity #3: Let the server run the business #4: Empathise #5: Make people feel safe #6: Talk straight #7: Hire people smarter than you #8: Be informal but serious #9: Measure everything #10: Just try stuff	Atlassian's Values - <u>more on Atlassian</u> Purpose: Create useful products people lust after Values: #1 Open company, no bullshit #2 Build with heart and balance #3 Don't fuck the customer #4 Play as a team #5 Be the change you seek
 Air New Zealand on customer service: Welcome as a friend Be Yourself Can Do Share your New Zealand 	



7. Unique Selling Proposition (USP) Statement

Differentiate

Too many companies just sell the competition. What is it that you have got that makes you different in the market place?

Tell us in a less than 6 bullet points.

Competitive Strategy

Given you are really good at what you do what are you going to do when the competitors come to eat your lunch?



8. Other Useful Stuff





9. Acknowledgements

GMC is an idea conduit – sourcing and sharing pragmatic business tools and techniques to help business owners achieve success with less stress and failure.

This document was inspired by the following key influencers:

- Alexandra Osterwalder and Yves Pigneur. "Business Model Generation" http://www.businessmodelgeneration.com/
- Rod Drury Milestone Map
- WhatConsumesMe.com
- Neuromarketing <u>www.salesbrain.net</u>

Growth Management Consulting Ltd (GMC) – Mark Robotham

Great leaders need confidants and coaches that understand high growth businesses and can help them make inspired decisions. Our two areas of expertise: creating succinct stories and business guidance for outstanding growth.

- Advisory Group Services
- Establishment of company governance
- Strategy development
- Facilitation

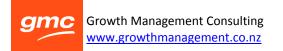
Our USP is Mark's ability to see what others can't see, and his inspirational manner, helping business owners focus and inspire themselves and their staff to succeed. He has hands on experience in high growth businesses from technology, marketing and management perspective.

Products – methodologies of GMC include:

- www.inspireddecisions.com
- www.succinctstories.com

www.growthmanagement.co.nz

Marks blog is <u>www.succcinct.co.nz</u>



10. Strategy Day Resources:

Recommended supplies for GMC – Strategy Days

Description	Office Max code	Quantity	Approx cost
3M Post-it Super Sticky Recycled Easel	<u>2172631</u>	Quantity 2 – 3	Approx cost
Pads Plain		2-5	\$80
Post it note flip chart paper is expensive but it works well – and avoids blue tack or tape that never sticks!			
3M Post-It 2028-G Designer Notes Pad Memo Cube Green	2370654	3	\$13
any normal sized post-it notes 76mm x 76mm			
Assorted White Board Pens			
Optional Pre Reading: for participants	purchase a copy of		US\$23
	this book - currently		Amazon
"the Business Model Generation" by	in stock at amazon.		
Alexandra Osterwalder and Yves Pigneur.			NZ\$59
	Also available from		Fishpond
be for the generation as a rate pare compared and the tage of the state and the state of the sta	www.fishpond.co.nz		