

Strategic Planning

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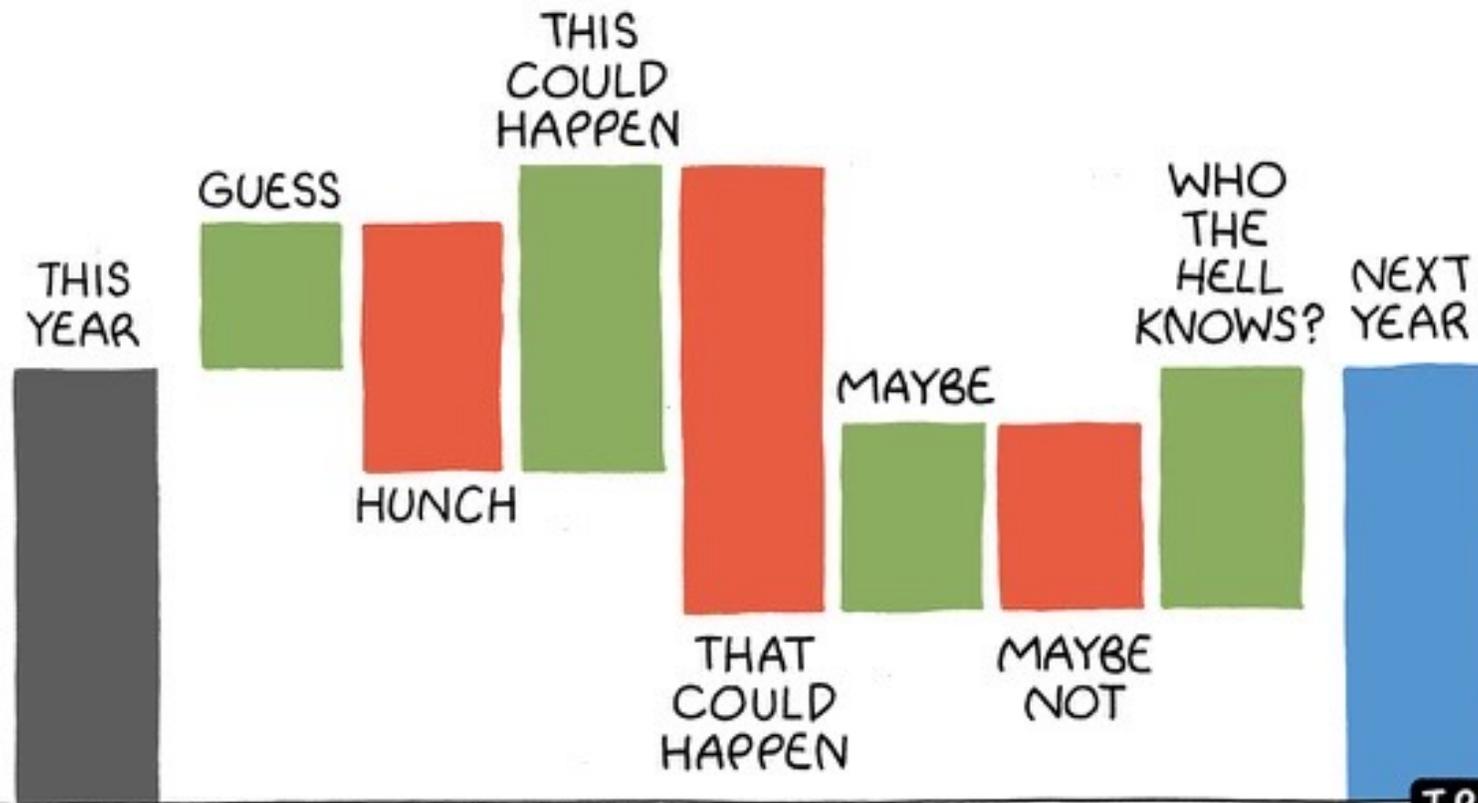


“The difficulty lies not so much in developing new ideas as in escaping from old ones”

– John Maynard Keynes



STRATEGIC PLANNING



TOM
FISH
BURNE



Hope is not a strategy.
- Vince Lombardi

What is Strategic Planning?

Topics:

- Terminology
- Elements of a Strategic Plan
- Defining Business Strategy
- What exactly is a “Business Model”?
- Strategy vs. Tactics



**Sapara Lodge
Amazon Jungle**

**Safe, comfortable, relaxing, eco-lodge
with all of the modern amenities**



Safe, comfortable, relaxing, eco-
lodge with all of the modern amenities

Sapara lodge

“Strategic planning is...

an organization's process of defining its strategy, or direction, and making decisions on allocating its resources to pursue this strategy.”





Mission: We strive to offer our customers the lowest possible prices, the best available selection, and the utmost convenience.

Vision: To be Earth's most customer-centric company, where customers can find and discover anything they might want to buy online.



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

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



Mission: To organize the world's information and make it universally accessible and useful

Vision: To provide access to the world's information in one click.



Mission: Dedication to the highest quality of customer service delivered with a sense of warmth, friendliness, individual pride, and company spirit.

Vision: To become the world's most loved, most flown, and most profitable airline.





STRATEGY

Definition of Strategy

- **A business strategy is a deliberate plan that helps a business to achieve a long-term vision and mission.**
- A business strategy, in most cases, doesn't follow a linear path, and execution will help shape it along the way.

Examples of Business Strategies

Cross-sell more products

➤ **Chick-fil-A**

Superior customer service

➤ **Nordstrom**

Technologically advanced

➤ **Tesla**

Excel at customer retention

➤ **Starbucks**

Be the low-cost provider

➤ **Walmart**



Business Model Definition

A business model describes the rationale of how an organization

creates, delivers, and captures

_____ ?



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VALUE

Business Model Definition

In its simplest form, a business model can be broken down into three parts:



Everything it takes to make something: design, raw materials, manufacturing, labor, and so on.



Everything it takes to sell that thing: marketing, distribution, delivering a service, and processing the sale.



How and what the customer pays: pricing strategy, payment methods, payment timing, and so on.

Examples of Business Models

Subscription

Freemium

**Social
enterprise
business model**

Franchise

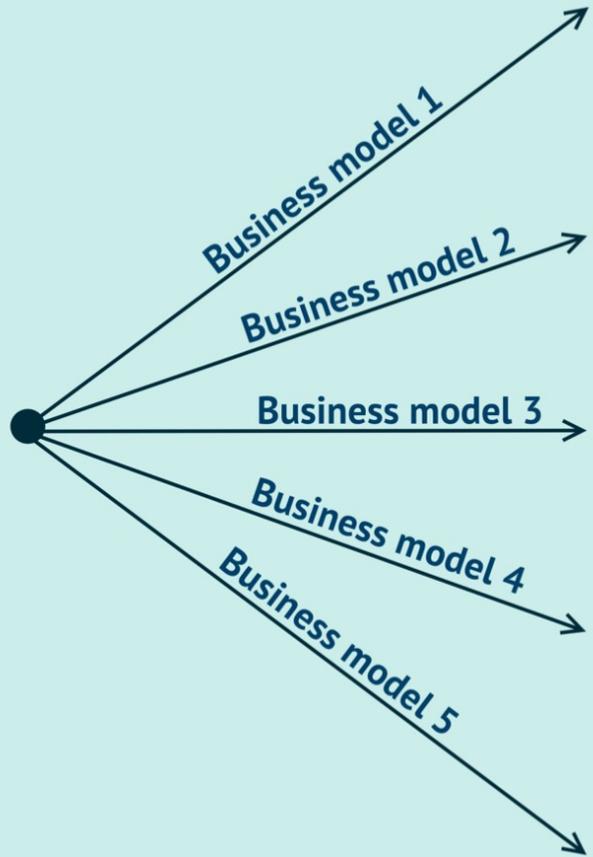
**Multi-sided
platform**

Private Label





Business Strategy



Real-world



messy



unpredictable



noisy



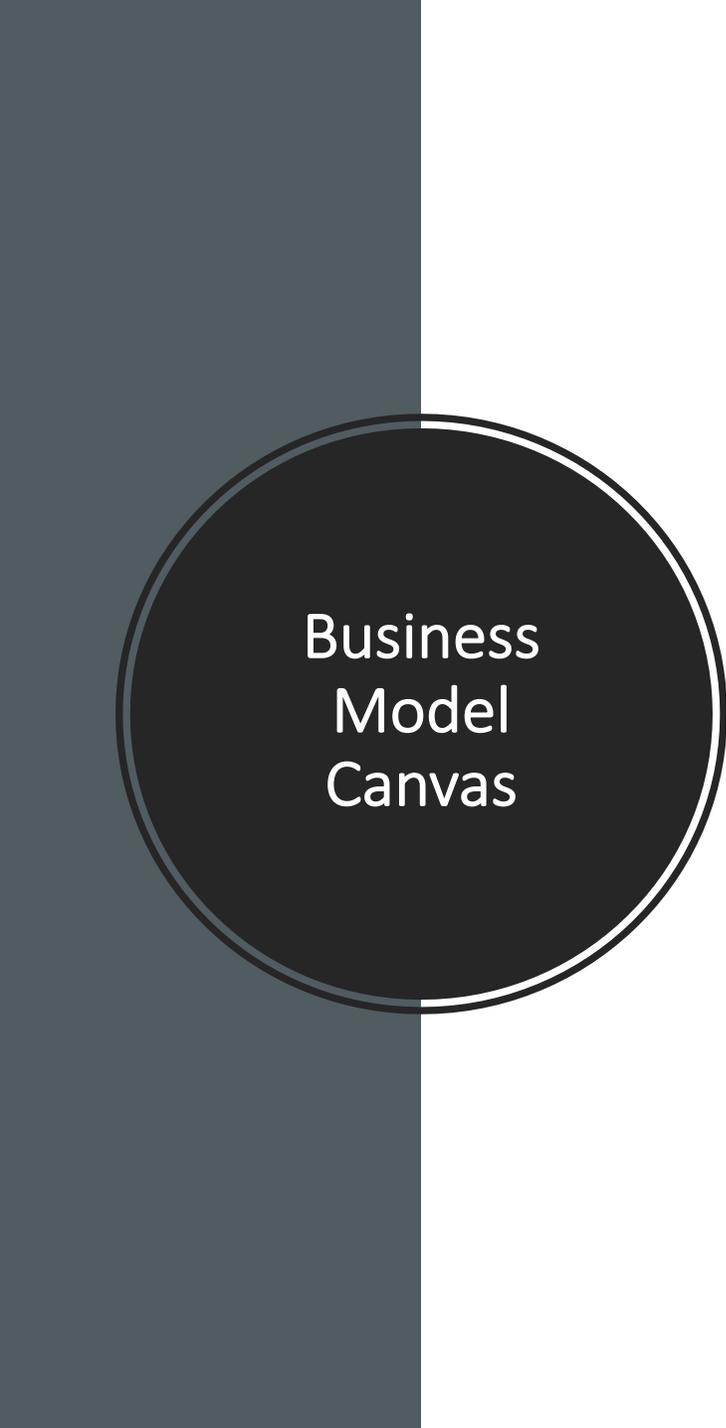
ambiguous

Desired Long-term Objective And Strategic Positioning



Business Model Market fit





Business Model Canvas

- **The Business Model Canvas** allows you to describe any business model based on nine fundamental building blocks. It's a practical business tool to design, test, implement, and manage business models over their lifecycle.
- **Covers the four main areas of a business:**
 - Customers
 - Offer
 - Infrastructure
 - Financial viability
- **Customer-centric**

Exercise



Do your best to fill in the worksheet individually – 2 min



In groups, use the information you read and learned from the case study. Use post-its to capture ideas. – 7 min



Outline a rudimentary Brown Family Farm Mission, Vision, Objectives, Strategy – 2 min

Learning Objectives

- Let go of “how it’s always been done”
- Understand the fundamentals of Strategic Planning and why it is important
- Clear up terminology – Vision, Mission, Objectives, Strategy, Business Model, Actions
- A Business Plan tells how these components will work together. It should start with a Business Strategy (which defines your customers and value proposition) and shows how to invest in Business Structure and Business Systems to, ultimately, deliver against that strategy to make money.
- Strategic plans are living documents – not a one-time thing

