



# STRATEGIC PLANNING: FROM SCRAP HEAD TO MOON SHOT

*By: Anna Mulock Houwer & Jean-Michel Moslonka*

## Summary

Is Strategic Planning dead and buried? After carefully considering the question we answer negatively and provide ten golden rules for agile strategic planning in the digital age based on our practice as strategy advisers and consultants.

## The story

Some recent thinking suggests that in our volatile, fast-moving reality, strategic planning is less needed than before and maybe even destined for a scrap heap. A somewhat fatalistic view on planning postulates that it is crack cocaine, with a 5 year stratplan being nothing more than a dangerous delusion. We plan, while the world keeps moving, rendering our planning futile, the thinking goes.

Some companies became so radical that they either give up on a stratplan altogether or write it and subsequently ignore it. This pertains to large corporates and startups alike. With the ubiquitous concept of a Pivot firmly entrenched, 180 degree strategy turns no longer surprise us. While pivoting is perceived as a desirable business attribute of innovative, agile companies, pivoting and long term stratplanning don't seem like a natural match.

Our disruptive reality seems to overtake best laid plans before the ink dries up. One wonders how the stratplans of the TV and entertainment industry endured the onslaught of Netflix. Or what exactly is inside the stratplans of bricks and mortar retailers while Amazon is 'on fire'. While the days of static, formalistic, old school powerpoint decks, hibernating in office drawers, are over, is strategic planning really over?

While no future scenario can be locked in a neat blueprint of a singular, fixed plan, senior executives responsible for strategic planning need to PLAN nevertheless. And maybe more so, and more skillfully so than ever before, precisely because the world is in an intense flux. Many of us still fall back on the 'old tricks', attempting to overmanage the future and bring back the much desired certainty. But this is not the way. We need an agile approach to planning which will yield a guidance, option-based document rather than a fixed scenario. We need a living plan to guide us to True North not an engineering drawing to help us build a building.

We (both Jean-Michel and Anna) facilitate the stratplan process, train strategic marketing teams, and help write stratplans, growth plans and launch plans for bluechip clients particularly in the Pharmaceutical and Industrial / B2B industry sectors. Based on our work experience and structured interviews with several clients, here are 10 \*hypotheses\* on what works today.

We invite you to contribute, critique and help turn them into 10 GOLDEN RULES for agile stratplanning in 2018:

**1. Shorten the planning horizon and/or build in feedback loops within your long term plan.**

Remember those 'fixed' ten year stratplans? Oh horror! Forget them. 3 to 5 years might be the new long term. In any case, build in formal, qualitative 'feedback and adjustment moments' within a 3-5 year stratplan. While a longer term plan is ticking in the background those shorter cycles will allow your plan to be fully alive from one review to the next.

**2. Educate and involve the organization.** A successful stratplan is a mix of a top down and a bottom up approach with all relevant stakeholders included and involved throughout the

process. Technology can be leveraged to organize networks sharing market and brand centric information. You will typically work with two structures: a Stratplanning Team who is directly involved in the plan design and an Extended Team involved in insights gathering and implementation monitoring for specific plan sections. People involved in kick-starting & facilitating these activities should be adequately trained on how to work with virtual communities, how to facilitate stratplan workshops and how to lead by influence in matrix organizations.

**3. Include key Geographies** (Countries, Clusters, Hubs, Regions,...) in the plan design from the start and regularly throughout the process. Have you ever seen global strategies or great global launch plans executed 'above target' in real life? A major problem with strategic planning is that its execution is like getting a great airline deal just before Christmas - a true hit or miss. Involving key people in your key Geographies - these 5 countries representing 80% of your turnover - from the start will give them ownership of the resulting plan, improve the plan's quality and facilitate effective execution.

**4. Keep your strategic planning document top of mind.** You want your plan to be the compass and the guiding light for all. Therefore let \*all\* your teams consult it regularly: at least quarterly, and ideally monthly. Set an agenda point in each team's meeting for review and progress tracking. Qualitative review of what's working/not working, post mortems and candid assessments are a must for every team involved in the execution.

**5. Embed execution in the strategy.** 'Vision without execution is hallucination' said Edison. It is ALL about ruthless execution in the end. Thus, for each Strategic Pillar/Bucket/Scenario create a crystal clear set of initiatives to be achieved. A typical global strategic plan for a business unit or a large brand franchise in a multinational company will include 4-6 strategic pillars, and 10-20 key global initiatives. Drill each of those down to the level of measurable actions and KPIs. Track KPI's in a strategy follow-up dashboard and address deviations from the target immediately. N.B! Avoid 'feel good'/'vanity KPIs', e.g. if you are still tracking 'customer satisfaction' do add NPS to your set of indicators.

**6. Start Your Impossible.** Have you seen the Toyota Super Bowl ad? Include at least one reasonably crazy outlier scenario in your planning. Aiming at your 'impossible' may deliver miracles. The SpaceX "Falcon Heavy" rocket climbed into space with less fuss, requiring fewer resources and faster than NASA ever would. And two of its boosters landed back on earth in a stunning image of tech-driven emotion we have not seen in years.

**7. Allow for flexibility in your tactical deployment and budget allocation.** The use of digital tools allows us to have more ROI-stic activities and much faster feedback loops than ever before. Let's take an example: if you run a TV campaign or a PR campaign, your web and social media analytics will instantly show the market reaction. If your campaign failed to generate enough awareness and engagement, you will know immediately. Make sure that your activities and

budget planning are not too rigid. Allow for agile funds and focus shifts during the year. And if you do not have an integrated dashboard including those engagement metrics you should consider building one.

**8. Improve your competitive analysis (drastically).** Often this is the 'weakest link' in stratplans we get to see - a pure template filling exercise mentioning the usual suspects and failing to discern what is *\*really\** going on. The danger today is that your stratplan can be taken apart by digitally enabled newcomers as much as the established players. So spend time understanding the entire ecosystem. Who is capturing value? In what place along the chain? What are you doing that is new, better or different? What will prevent you from becoming a 'dumb pipe' with others stealing your value over the next 3-5 years?.

**9. Have fun.** Go offsite and breathe for better creativity. Stratplanning does not have to be boring. And often, it is not! Having a 'story' for your stratplan is a major contributor to making it fun. When people understand/feel the story it is easier for them to: 1. Think, 2. Implement. 3. Adapt. Banishing empty, generic language and keeping things simple further contribute to your plan becoming *\*real\** and authentic.

**10. This is your rule.** Share some of your stratplan alchemy! Do you have a secret formula? A magic ingredient? How do YOU make your stratplan work? Please comment.

## Conclusion

What do we gain by implementing the above 10 point checklist? In a nutshell: a more realistic, agile, robust plan rather than a passive set of ppt templates. A plan that your team actually wants to execute. A plan that fits and lives in our fast changing reality. A plan that hopefully delivers the business results you set out to achieve.

## About the Authors

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Anna Mulock Houwer has a strong track record in creating marketing strategies that drive sales, share and value. Her particular interest is in orchestrating a growth shift for Pharma, Consumer Health and Medical Devices clients. She is the founder of Ideatree and Paratus

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