

## 10 Tips to strategy: Make your OGSM work

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January is a great time to look forward. Strategy sessions, annual operating plans—planning the business is in our corporate DNA. All of us have done them and sometimes, they've actually achieved what we wanted them to achieve. As business leaders, our hope is that our strategy plans are internally focused, bound and placed on a shelf. We want them to be living documents. We want them to impact our decisions. We want them to guide our direction.

Too many times, strategy sessions (we like to refer to them as OGSM sessions) lead to political positioning and massive utilization of resources and, for many people, frustration. Facilitating successful strategy sessions is a fundamental part of our practice and we've learned that following the tips below will not only alleviate some of the frustration but also produce a clean, collaborative and comprehensive strategy plan.

### 1. Don't inhale your own fumes.

Get outside perspective from your customers and marketplace. Do a *Voice of the Customer* (VOC) analysis. Track market trends. Observe competitive behavior. Don't limit your listening to the inside noise. Complete an outside-in assessment.

### 2. Figure out exactly where you're going.

Understand your targeted destination point for 36 months down the road. How do you get there? What capabilities do you need to build? What is required to win in the marketplace? What values are important to focus on? What do products and services need to deliver? What quality standards are required? What kind of organization do I need? Answers to these questions help you build the roadmap.

### 3. Where are you?

Take an honest view of your organization's current capabilities based on the outside-in assessment. Don't trip up on sacred cows, sunk costs, egos and history—all easier said than done. Without this candid, aggressively honest assessment of where you are, it will be difficult to make the changes required to get to your destination point.

### 4. Work backwards.

Build the roadmap for the next 36 months to guide you from where you are to where you want to be. Now that you know where you are and where you're going—use gap analysis to determine the best route between the two. What capabilities do you need to build or buy to get where you want to be? Eat the elephant bite by bite.

### 5. How do you pay for it?

Figure out the financial requirements, the mathematical stair steps between where you are and where you need to be. Include the investment required to upgrade existing or bring new capabilities online—which may include any combination of manufacturing, supply chain, products, services, people, marketing and technology expenditures. Communicate top and bottom line expectations at a level of granularity that makes it believable.

### 6. Mind the gaps.

You've figured out the plan in the roadmap and mathematical stair steps. Now it's time to get the work done. Put strategies and initiatives in place that close the capability gaps.

**7. Prioritize until it hurts.**

Prioritize the work needed to deliver the plan. Base your prioritization decisions on five criteria—return on investment, ease of implementation, customer value, competitive leverage and payback period. Sequence the work to ensure everything is ready on time. Continue to revisit.

**8. Resource the priorities.**

Make sure your resource allocation takes into consideration the priorities and the available resources. Look for natural bottlenecks. Divvy up tasks and talent, careful not to overuse any one person or resource. Consider outsourcing or re-prioritizing some work to a third party, if necessary.

**9. Scorecard and track progress.**

Clarify what is important to measure. Keep in mind that fewer measures are better than many. Data should be easy to gather. Track the performance. Don't over-react to the data. Be mindful that it takes more than one period to produce a trend.

**10. Revise. Revisit.**

Refresh your plan every six months based on results. You should be able to react to changes in the marketplaces and adjust your strategy.