



# The Two Page Strategic Plan

With a two page strategic plan you can literally “get everyone on the same page.” It’s a unifying document that clearly and simply informs your people about:

- Who we are
- Where we are going
- How we plan to get there

This is how your strategic plan will be organized if you follow our method:

# 1. Vision Section

## CORE VALUES

Core Values are the behaviours that define your culture. Core Values are clear statements of how you expect every person in your organization to act, regardless of their role. Core Values provide a moral compass for your people. They can help your people to decide on the right course of action, regardless of the challenges they face.

## BHAG

A BHAG or "Big Hairy Audacious Goal" is a term coined by business author Jim Collins. Before we start the process of strategic planning, we need a goal. A meaningful and compelling goal. A vision for the future that ideally inspires everyone in the organization. A BHAG does not necessarily mean your organization needs to be as big as possible, it's about building a "great" organization, however you define greatness.

## CORE PURPOSE

You need to give your people a compelling reason to work for you, beyond simply earning money. A Core Purpose gives meaning to the work that you do. Your Core Purpose is not "what" you do. It is not "how" you do it either. Your Core Purpose is "**why**" you do what you do. Your Core Purpose transcends whatever your current product or service offerings may be, and speaks to your organization's passion. It speaks to the difference your organization wants to make to the lives of the people it touches.

# 2. Strategy Section

## TARGET MARKET CUSTOMER, INCLUDING GEOGRAPHIC FOCUS

Effective companies focus their marketing efforts to appeal to and serve a specific target market customer. Your target market is the centre of your marketing "bull's eye". It's the sweet spot that you aim for with your product & service design and marketing communications. It does not necessarily mean that you will **only** sell to these people or that they will even make up the majority of your sales volume. You may choose to sell to anyone if they want to give you money and it makes sense to sell to them, but your business strategy and marketing endeavours will be much more effective if you focus on a clearly defined target audience.

## VALUE DISCIPLINE

Value Discipline is the way that you deliver value to your target customer. It's also the skeleton of your strategy. You choose a Value Discipline based on who your ideal target

customer is and what your ideal target customer values most. There are 3 generic strategies (Value Disciplines). They are: Customer Intimacy, Product Leadership and Operational Excellence. Do you know what game you are playing? Are you playing to win?

## **CORE VS. NON-CORE ACTIVITIES**

Strategy requires making wise choices about what you need to start doing, keep doing, and most importantly what you need to stop doing, or not get into at all. You need to choose what Products / Services / Activities are Core, and which are Non-Core when it comes to implementing your Value Discipline.

## **STRATEGIC POSITION**

Strategic Position is the concept you want your customers to think of when they hear your brand name – a piece of mental real estate that you can "own" in the mind of your target customer. Your Strategic Position is "a statement of who you are".

## **KEY BENEFITS**

Functional benefits describe what your product or service does for your customers. These are your offering's attributes, or "the job to be done."

Economic benefits describe what your product or service means to your customers in terms of time or money. Economic benefits appeal to your customer's head, his or her rational part.

Emotional benefits describe the way your product or service makes the customer feel. Emotional benefits appeal to your customer's heart, which is why they are the most powerful benefits.

## **BRAND PROMISE**

Brand Promise is the blunt, overt, compelling offer you're going to put in front of your target market customers. It is derived from, and supported by, your three Key Benefits. Your Brand Promise tells your target customer what they can expect to receive from your brand.

## **INDUSTRY ANALYSIS & 3 TO 5 YEAR STRATEGIC MOVES**

Professor Michael Porter's 5 Competitive Forces analysis (Competitors, New Entrants, Substitutes, Suppliers, Customers), and PEST analysis (Political, Economic, Social, Technological) will help you to analyze the key issues impacting your industry. You will identify the major "Opportunities" and "Threats" facing your business as well as potential strategic moves you could take to address these issues.

We can't do everything though. We need to prioritize and focus our efforts. We need to choose the top 3 big strategic moves you will make within the next 3 to 5 years to position your organization for future industry success. You can start working on these

major initiatives now, but they are very large in scope and will probably take several years to fully implement.

## **3. Execution Section**

### **SWOT ANALYSIS**

SWOT is an acronym for Strengths, Weaknesses, Opportunities, Threats. SWOT is an assessment of your current reality. Strengths and Weaknesses are internal – things unique to your organization. Opportunities and Threats are external – things in your marketplace you could take action on. SWOT should be updated every quarter to ensure what you have stated is an accurate reflection of your current operating environment. The pace of change is increasing, and you need to keep ahead of it. Your updated SWOT (“reality assessment”) provides the context from which you will then choose the most important Strategic Projects to work on.

### **CURRENT STRATEGIC PROJECTS**

Strategic Projects are the top 3 Projects your organization will allocate people, time and resources to implementing in the coming period quarter. These Projects are strategic in nature, because they are aligned to your 3 to 5 Year Strategic Moves and address one or more issues contained in your SWOT analysis.

### **NUMERICAL TARGETS**

Numerical Targets are milestones that are aligned to your 3 to 5 Year Strategic Moves. They measure the successful execution of your strategy. They can also measure your progress toward your BHAG. Ideally, you want to choose numbers that everyone in the company understands and could physically count if they chose to.

### **METRICS (KEY PERFORMANCE INDICATORS)**

Metrics are what you use to measure the performance of every functional area of your organization; the things you do every day to create leads, make sales, provide your products and services, keep your customers happy, grow cash and make profits. We call this stuff “Business As Usual”.

Once you determine the Metrics for every functional area, you should be able to distil a smaller subset of Metrics that you deem to be “critical success factors” - the most important drivers of your current operating model. These “organization-wide” Metrics are what you make visible on your organization’s Strategic Plan.

# **Our Two Page Strategic Plan**

## **1. Vision Section**

**OUR CORE VALUES**

**OUR BHAG**

**OUR CORE PURPOSE**

## **2. Strategy Sections**

**OUR TARGET MARKET CUSTOMER, INCLUDING GEOGRAPHIC FOCUS**

**OUR VALUE DISCIPLINE**

**OUR CORE ACTIVITIES**

**OUR STRATEGIC POSITION**

**OUR KEY BENEFITS**

**OUR BRAND PROMISE**

**OUR INDUSTRY ANALYSIS & 3 TO 5 YEAR STRATEGIC MOVES**

### **3. Execution Sections**

**OUR SWOT ANALYSIS**

**OUR CURRENT STRATEGIC PROJECTS**

**OUR NUMERICAL TARGETS**

**OUR METRICS (KEY PERFORMANCE INDICATORS)**