

Course Preview of the May-June 2024 Edition

This text is related to the slide deck that was used in the Course Preview event for APAC Asia-Pacific region, on April 10, 2024. The numbers of the sections below correspond to the slide numbers.

You can download the slide deck from:

<https://explaining-strategy.com/downloads/APAC-Course-Preview.pdf>

The event was recorded. If you registered for the event, you can view the recording at:

APAC: <https://www.linkedin.com/events/7178268565425295360/>

EMEA: <https://www.linkedin.com/events/7178270588115816448/>

AMERICAS: <https://www.linkedin.com/events/7178272470125142016/>

1. Introduction

Good morning, or good afternoon!

Welcome to the live Preview of the Explaining Strategy course, the second edition, that is scheduled between 15th of May and 19th of June.

I would like to thank you all for joining me on this course preview. I hope that this will be useful to you, for deciding to enroll in the course, or to find out more about it.

Unfortunately, this event is broadcasted to the LinkedIn Event that you have joined, therefore it is only half interactive. This means that you can use the event chat window to ask any questions that you may have. We will also have a few minutes at the end to answer any questions that I haven't answered in real time.

2. The Course Framework

This is not a theoretical, motivational, general, or introductory course to Strategy Management. The Explaining Strategy course is practice-focused. It is about the Strategy cycle processes, and about the precise step-by-step methodology to perform these processes.

The diagram that you see on screen illustrates an integrative framework called the Strategy Clockwork. It is a framework that connects the dots of the most relevant concepts, theories, and best practices of Strategy Management.

It is composed primarily of two inter-related cycles that feed into each other: the Strategy Formulation cycle and the Strategy Execution cycle. The former is enabled by a number of Prerequisite Processes: The Strategy Experimentation processes and the Scenario Planning.

Although the Strategy Formulation cycle is mostly about what we call Business Strategy, or Competitive Strategy, the first stage is including a number of elements of what we call Corporate Strategy, allowing us to have an integrated approach to the Strategy of a company that has multiple business lines.

Without counting the enabling Prerequisite Processes, the Strategy Clockwork has 10 process stages. 5 for the Strategy Formulation cycle and 5 for the Strategy Execution cycle. The Strategy Execution cycle is based significantly on the Kaplan-Norton Execution Premium Process, also known as XPP.

This represents the backbone of our course's Curricula. We will see in a few minutes how we have split these stages between the four Course sessions, one per week, scheduled every Tuesday. But I have said that this is a practice-focused course. That's why each Course Session is accompanied by a Practice Session, scheduled in the same week, on Thursday.

3. The Matrices

This second diagram is about the components of the Strategy Models that we will develop during the Practice Sessions, using a real Case Study.

We are developing two models: a Strategy Model and a Strategic Plan model, where the latter is built by using the Best Practices of the Kaplan-Norton Execution Premium Process.

The numbered yellow frames in the diagram are the 15 matrices that connect the model components illustrated. Therefore, these are inter-connected components that are part of a logical, precise workflow, with inputs, decision logic, and outputs.

That is why this is not a general, motivational, theoretical, or simplistic course about Strategy. This is a technical, detailed, methodological course that you can apply in practice in your own company, or in your customers' company the next day after the course is over.

4. The Course Modules

The course spans six weeks, with a total of 10 sessions. Each session has 3 hours, with a 15-minutes break mid-session.

We begin with a Kick-off Session in the first week, on Wednesday, and we finish with a Wrap-up Session, in the last week, also on Wednesday. During the weeks 2-5, we have two sessions each week, one Course session, on Tuesday, and one Practice session, on Thursday. The Course & Practice sessions follow the Strategy cycle diagram that I have described.

The Strategy Experimentation and the first part of the Strategy Formulation cycle are discussed and practiced during the first week. During the second week, we discuss and practice the second part of the Strategy Formulation cycle.

During the 3rd week, we discuss and practice the first part of the Strategy Execution cycle, which is the Strategic PLanning, organizationally aligned and operational planning integrated.

In the 4th week, we discuss and practice the reminder of the Strategy EXecution cycle, which is Strategic Plan's execution and the Strategy Adaptation.

Let's go quickly through each module of our Curricula, in order to better understand what we will discuss and practice in each of them.

5. Module 1

In this course module we discuss about the two Strategy Experimentation pre-requisite process, the Product Experiments, which is based on the Design Thinking workflow, and the Strategic Choices Experimentation.

We also clarify the role of the Drivers of the Future, practicing on the analysis of the Trends, Weak Signals, and key Uncertainties. We also calculate the Strategic Horizon for exploiting the Current Competitive Advantage and for bringing to commercial maturity our Next Competitive Advantage.

We assess the Existing Strategic Positioning and, given the Trends and Weak Signals, we identify the Paramount Challenges for surmounting which we define our Value Propositions, for both Competitive Advantages.

By using a Reference Cognitive Model of Strategic Choices types (the Penta Model), we define the new Strategic Positioning and the intended Strategic Choices Mix.

6. Drivers of the Future

This is the Trends, Weak Signals, and Key Uncertainties diagram that we use to assess the Drivers of the Future that are relevant for our business.

We use the Trends and the Weak Signals with evolutive potential for identifying the Paramount Challenges we will be confronting, given our current Strategic Positioning.

By using the Key Uncertainties, we identify the two dimensions of our 2x2 Strategic Scenarios matrix. We then validate that the new Strategic Positioning is compatible with each of the 4 scenarios.

7. Strategic Positioning

We assess or develop a Strategic Positioning by identifying Strategic Choices along the two dimensions of the Strategy, sometimes referred to as the product-market fit.

To do this, we employ a paired Reference Cognitive Model that is called Penta Model.

8. Penta Model Alpha

The Market dimension of the Strategy is about the Problems to Solve, defined around targeted customer Jobs-to-Be-Done.

The Penta Model Alpha has 5 positioning directions, each with two Strategic Choices types, therefore 10 Strategic Choices types, marked A1, A2, ... E1, E2.

9. Penta Model Beta

The Product dimension of the Strategy is about the Solutions to Deliver, aiming to solve the targeted customer Jobs-to-Be-Done.

The Penta Model Beta has also 5 positioning directions, each with two Strategic Choices types, therefore 10 Strategic Choices types, marked F1, F2, ... J1, J2.

10. Module Practice

During the Practice Session we use the PESTEL and Porter5Forces categorization frameworks to assess the Trends, Weak Signals, and Key Uncertainties that define the future that is relevant to our industry/arena and to our business.

We estimate our Strategic Horizon, based on the anticipated industry Inflection Points and other relevant parameters. Then, using the top-2 Key Uncertainties, we define four Strategic Scenarios.

We assess our current Strategic Positioning and confronting it with the Trends and the fast-evolving Weak Signals, we identify the Paramount Challenges.

To overcome these challenges, we define the Value Propositions that should allow us to exploit our Current Competitive Advantage and explore our Next Competitive Advantage, bringing it to maturity by the end of the Strategic Horizon.

To define our Value Propositions in a more comprehensive manner, we use the Reference Cognitive Model (the Penta Model), to define the next Strategic Positioning Mix with a set of Strategic Choices on both dimensions of the Strategy.

11. Module 2

In this course module we discuss about what must happen for turning the choices that position our Strategy into reality.

By looking at the Essential Factors of our Value Propositions, as well as at the Tradeoff Factors involved. We must define our Activity System for each of them. The next step is to define the structured Capabilities System required by the defined Activity Systems.

Then, by comparing the Existing Capabilities with the Required ones, we identify the Strategic Gaps that we must close through Strategy Execution.

Since our Strategy is multi-annual and the Strategic Plans (and the Strategy Execution cycles) are usually 1-year long, we must breakdown the closing of the Strategic Gaps on a schedule of consecutive yearly cycles.

Finally, we must assess the feasibility of our Strategy (can we implement it, with the relevant constraints considered?) as well as the viability (and financial sustainability) of the resulting Business Model(s).

12. Module Practice

During the Practice Session we define the matrix of Strategic Choices x Activity System(s), as well as the Activity System(s) x Capabilities matrix.

Finally, we build the Capability Gaps matrix and break it down for closing the gaps within the yearly cycles of our Strategic Horizon.

After passing the Validation Gateway, we are ready to enter the Strategic Planning for the first year of Strategy Execution.

13. Module 3

In this course module we discuss about how should we organize Strategy's implementation during the next yearly Strategy Execution cycle. More specifically, about the Strategic Plan, organizationally aligned and integrated with operational planning.

This module is based significantly on the Best Practices of the Kaplan-Norton Execution Premium Process (XPP).

The first thing we do is to aggregate the Strategic Gaps into Strategic Objectives. The main reason is that we cannot work with several dozens of Strategic Gaps. That's the typical number of such gaps, even after breaking down their closing over multiple execution cycles.

Then, we define the cause-effect relationships between the Strategic Objectives, to better understand the interdependencies between their accomplishment. That is the Strategy Map, in visual representation.

After that, we define the Strategic Initiatives (projects) that we must perform for achieving the Strategic Objectives. To control this, we also define a performance scorecard with Lead KPIs (output) and Lag KPIs (outcomes), as well as the relevant Risk Events for each objectives, their KPIs and the associated Risk Mitigation Initiatives.

The Organizational Alignment is bringing the Strategy implementation down to the individual level, where the Strategic Plan is effectively executed, via the business unit or department level. With the Horizontal Alignment considered, based on the process relationships between internal suppliers and internal customers.

Finally, the integration with the Budget, with the Operational Plans (Production, Sales, Marketing), and with the Readiness Plans (HR, IT, Admin) anticipates to the Operations layer the changes expected to result from Strategic Plan's execution.

The Strategic Gaps that regard Capabilities that existed before, but must be reconfigured, enhanced, or developed, are handed over to the Continuous Improvement program, setting its priorities in line with the Strategy.

14. Module Practice

The Practice Session gives us the opportunity to see how the Kaplan-Norton XPP tools, matrices, and Best Practices are applied for our Case Study, resulting in a comprehensively defined Strategic Plan.

We develop the Strategy Map, the portfolio of Strategic Initiatives, the KPIs, as well as the Risk Events and their KRIs. Finally, we practice the Vertical and Horizontal Alignment, then set up the Communication Plan.

15. Module 5

In this course module we discuss about how should we perform Strategic Plan's execution and Strategy's Adaptation.

We look into the management of the assumptions and hypotheses that we have employed in building Strategy's models. We clarify how the invalid hypotheses related to our Strategic Initiatives should result in Corrective Actions, at monthly Strategy Review meetings.

We discuss how the Early Warning System that monitors external-related hypotheses should trigger alarms when any of them turn out to be invalid.

Finally, we look into the root-cause analysis that should indicate the cause of the negative results appearing in the performance Scorecards, as invalid hypotheses employed for building our Strategy models, but unrelated to external factors or to Strategic Initiatives.

Changing the respective models accordingly allows us to adapt our Strategy and Strategic Plan.

16. The Sessions Calendar

The course spans six weeks, with two sessions per week, the Course Session on Tuesday and the Practice Session on Thursday, except for the first and last week, when we have the Kick-off and Wrap-up sessions scheduled on Wednesday. Each session takes three hours, with a 15 min. break in the middle.

17. The Cohorts Sessions Time

The timing of the sessions was set to allow the attending during usual business hours. The three sessions in each day are 6h apart:

APAC: 5am UTC

EMEA: 11am UTC

AMERICAS: 5pm UTC

For those who wish to attend the sessions outside business hours, it might be possible to join a different cohort, in order to achieve that.

18. The Course Website

You can find the course website at <https://explaining-strategy.com>

The website includes an Overview, feedback from the first edition (Jan-Feb 2024), the detailed Curricula, the Enrollment details, and the Certification section.

19. Certification

The authenticity of the certificates issued to course attendants can be verified online in this section.

Starting from this edition, this section will become the entry point into the online Certification Exam that will allow course participants to optionally become Certified Strategy Management Experts.

The Explaining Strategy course complies with the CPD (Continuing Professional Development) guidelines and is delivered by a CPD Approved Provider.

20. Enrollment

For enrolling in a course cohort, you must select your country in the left side of the Enrollment section.

Starting from this course edition, we have adopted the Fair Pricing Policy that makes enrollment more affordable to people living in most countries worldwide.

After selecting your country, the Enrollment Fee value for your country will be displayed, and you will be provided with a specific discount code.

The Early Bird period (20% discount) ends on April 20. The same discount is provided to group enrollments.

21. Onboarding Registration

Once you click the globe symbol for your chosen cohort, you will reach the Registration page on the Disco.co, the eLearning Platform that we use for this course.

When going through the registration and enrollment steps, you will be prompted for a discount code, which will bring the standard Enrollment Fee (\$1,350) down to that specific for your country. Use the discount code that was displayed on the course website, when you have selected your country.

If you have any questions related to the course structure or content, or related to the enrollment process, please do not hesitate to contact me:

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Thank you!



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