

Jim's Profit Accelerator 83: Inside-Out Strategy

Strategy is supposedly carved by leaders on a retreat, usually two days of mostly getting better acquainted. One of the many reasons that this is often inadequate for business growth is that it encourages thinking—yes, thinking, or being in your head. The problem is that the business is in the world, not in your head. What about this approach instead?

Step 1: Make Your Session Short and Tactical, Not Strategic

Accept the reality that most “strategy” sessions are tactical, with a veneer of “strategy” to feed leadership guilt. Strategy is mostly about major customer types and roads to them. It has little to do with execution, the biggest single source of growth for most firms. Tactics are about where to focus in the coming quarter and year. They force the often painful look at shortfalls that can actually become success stories:

- What customers will pay for that we’re currently denying them.
- Where our best competitors beat us
- Where waste is eating us from the inside

Step 2: Spend Most of Your Time on How Things Actually Work Right Now

Start with the parts of your business that combine profit and customer satisfaction, and drive to grow them. Harvest the latest HR fad, and build on strengths instead of shoring up weakness. It’s faster, easier, and usually delivers better ROI.

Step 3: Pick a Few Obvious Payoff Items, and Focus on How to Get Them Done

Smart people, like most folks, avoid pain if possible. The disadvantage of being smart is the creative flood of great-sounding ideas that are just out of reach. They combine the seduction of brilliant activity with the promise of great things to come. Look at last year’s most fascinating concept: How well did you execute?



SPEED BUMP: The shorter a strategy planning session is, the more likely it will matter.

One of my clients is riding a growth wave that was nowhere to be found in the annual strategic plan. Struggling to expand existing capacity, their plan included first-time geographic expansion, forcing every leader to expand her thinking about how to accomplish growth and support current operations. When an unsolicited opportunity arose, the leaders were in a mode of “open to growth” and adapted the outside idea to their technology quickly.

SPEED BUMP: Strategy is *what*, not *how*.

Strategy is a picture of the business in two or three years—of what it is like, what it does, who it serves, and so forth. It is not a roadmap for reaching that picture. Most “strategy retreats” confuse what and how, watering down both.

If you are growing roses, you seldom pull them up and replant them in search of better flowers. Instead, you choose the plants carefully and cultivate them intentionally with the expectation that success will take several years. You pull them up, as my mother did, only when it’s clear that they won’t thrive where you’ve planted them.

SPEED BUMP: Grow strategy like roses: give it two or three years to thrive or die.

ACCELERANT: Are you willing to split off strategy to give your tactics room to thrive?

For more information on how you can accelerate revenues and profits in your business, please call or email me.

For more information, visit www.grewco.com.

Jim Grew is an expert in CEO-level strategy and executive leadership whose clients refer to him as the Business Defogger

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