

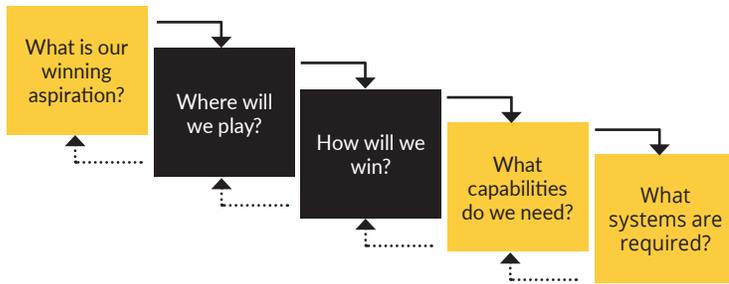


Strategy Design

Playing to Win

Strategy means different things to different people. Some define strategy as a vision, some as a plan. Others define it as optimizing the status quo, or perhaps following best practices. Still others deny that strategy is possible, especially in times of great and rapid change.

We subscribe to the approach devised and taught to founder Matthew E. May by his esteemed colleague and mentor Roger Martin, coauthor of bestselling book *Playing to Win* and one of the foremost business strategists on the planet: “*Strategy is an integrated cascade of choices that uniquely positions a player in its market to create sustainable advantage and superior value relative to the competition.*”



Making and acting on choices produces winners. Why? Because clear, tough choices force your hand, confine you to a path, but free you to focus on what matters most: *winning*.

Great firms don't choose to simply play. They choose to win. At the center of Roger Martin's strategy definition lie two key choices: *where to play* and *how to win*. These two tightly bound choices form the very core of any winning strategy, and are the two most critical questions in strategy formulation.

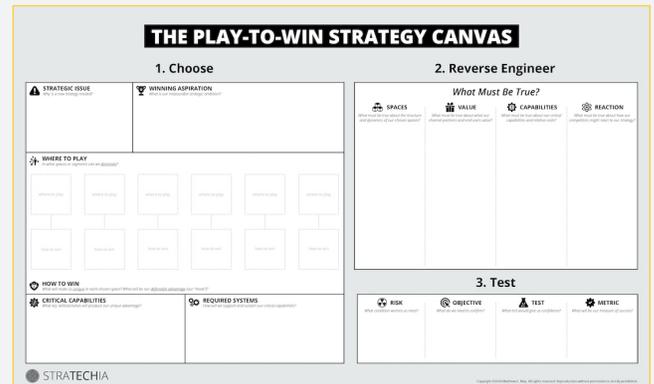
Which is why they form the heart of our approach to helping clients craft winning strategies.

STRATEGY SESSIONS

The Playing-to-Win process of strategy formulation begins with gaining clarity on a specific strategic issue. A multitude of possibilities is generated, which are then clustered and culled to a few high-potential possibilities, each of which is then explored through the integrated choice cascade.

Once a strategy is developed, it is reverse-engineered to answer a single question enabling the team to identify the most critical risk: *What must be true?* The outcome is a portfolio of hypotheses which, when tested, ultimately yields a winning strategy.

Best suited for 1-day sessions or 2-day summits, the process utilizes our proprietary Play-to-Win Canvas, a large wall map developed in collaboration with Roger Martin that not only helps guide strategic thinking in a visual way but also provides a tangible artifact of the team's work product.



If desired, Stratechia will assist in the testing of each new strategy, which must be conducted before full deployment.

SAMPLE STRATEGY CLIENTS





Strategy Alignment Objectives & Key Results

It's easy to be tempted by a new strategy into diving immediately into projects and workstreams. The danger of doing so is that the original strategic focus becomes quickly diluted. This leaves leaders scratching their heads wondering what went wrong.

The answer is that in their well-meaning enthusiasm, they left out a basic yet critical step: setting goals that provide measurable milestones and deliver concrete results that enable them to know whether and to what degree their strategy is on course and working. These goals should cascade in the same way as the strategies they support.

Enter the concept of objectives and key results, aka **OKRs**.

"The OKR framework cultivates the madness, the chemistry contained inside it. It gives us an environment for risk, trust, where failing is not a fireable offense. And when you have that sort of structure and environment, and the right people, magic is around the corner."

Bono, U2

Now a well-known and widely adopted framework for driving progress, OKRs work quite simply: Objectives are directional statements of intent, and generally qualitative in nature. Ideally they are short, inspirational, engaging, while representing a true challenge to the team

Each objective is further defined by three to five key results, which are specific and quantifiable, and thus measurable. Higher-level OKRs form the basis for bidirectional development of lower-level OKRs. OKRs can be tied to annual goals, but are best set, tracked, and reviewed quarterly.

Used correctly, OKRs can produce remarkable transformation that indeed seems like magic. Which is why we use them exclusively for strategy alignment and deployment.

THE OKR PROCESS

Conceptually, OKRs sit between cascading strategies and workstreams/projects.

The desired outcomes of creating OKRs are threefold: transparency, alignment, and companywide engagement in collaboratively deploying strategy.

For maximum effectiveness, OKRs must be accessible and allow for input and interpretation from all parts of the organization, including lower levels and outer edges.

OKR workshops are a fast and effective means to develop OKRs one level at a time. Designed to be completed in a 1/2-day session, our OKR sessions center on our proprietary Quarterly OKR Canvas, which enables small cross-functional teams to quickly and efficiently develop their objectives and key results, while simultaneously promoting transparency, engagement, and collaboration.

Outcomes of OKR sessions are shared, adjusted based on feedback, and fed into an easy-to-use system to track and communicate visual progress toward completion.

QUARTERLY OBJECTIVES & KEY RESULTS CANVAS

| STRATEGIC INITIATIVE |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Objective
Key Results |
| Objective
Key Results |
| Objective
Key Results |
| Objective
Key Results |

SAMPLE ALIGNMENT CLIENTS

