Corporate Renewal Solutions

Strategy Workshops

Corporate Renewal Solutions

January 2007

Sustaining and restoring corporate value
CRS Strategic Planning Workshops:

• Workshop objectives
  • Types of workshops offered
  • Workshop logic
  • Typical workshop programme
  • About us
Our strategic planning workshops have 3 main objectives

1. Strategic clarity
   - The articulated and clearly understood concept of the desired future state
   - Mission
   - Core purpose
   - Core values
   - Positioning for competitive advantage
   - Customer value proposition

2. Leadership alignment
   - Insight
   - Build mutual trust and respect
   - Differentiation, common understanding and shared views
   - Agreement
   - Get to know each other better

3. Strategy translated into operational terms
   - Increased commitment and accountability
   - Renewed energy, excitement, rigour, discipline, and urgency
   - Shared views of the present and the future

Leadership formulates strategy
Leadership drives and implement strategy

Our workshops are geared to serve as the first step towards effective strategy implementation.

© 2007 Corporate Renewal Solutions

The Kaplan & Norton Balanced Scorecard

Strategic goals
Measures
Initiatives

© 2007 Corporate Renewal Solutions
CRS Strategic Planning Workshops:

- Workshop objectives
- Types of workshops offered
- Workshop logic
- Typical workshop programme
- About us
Based on client needs, we offer 3 types of strategic planning workshops

<table>
<thead>
<tr>
<th>Workshop type</th>
<th>Nature</th>
<th>Duration</th>
<th>Advantages</th>
<th>Disadvantages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cold facilitation</td>
<td>• Purely process-driven • Recommended only for clients with which CRS has an ongoing relationship and of which CRS has a thorough understanding, or strategically sophisticated clients, or client-prescribed set format • Facilitator not expected to add value other than pure facilitation</td>
<td>• Workshop: 1 – 2 days • Workshop summary and recommendations (optional): 1 day</td>
<td>• Least expensive</td>
<td>• Facilitator not familiar with client’s situation • Facilitator not adding value other than pure facilitation</td>
</tr>
<tr>
<td>Informed facilitation</td>
<td>• Client furnishes facilitator with CRS client strategic information pack beforehand</td>
<td>• Preparation: 1 – 2 days • Workshop: 1 – 2 days • Workshop summary and recommendations: 1 - 2 days</td>
<td>• Better workshop structuring in line with strategic needs</td>
<td>• Facilitator’s content value-add limited to interpreting what client provides</td>
</tr>
<tr>
<td>Workshop as part of strategy work</td>
<td>• Facilitator assesses client’s strategic situation beforehand by means of focus interviews and desk research • Facilitator acts as formal strategic advisor</td>
<td>• Preparation: 3 - 5 days • Workshop: 1 – 2 days • Strategy report: 2 - 3 days</td>
<td>• Most effective option • Full set of strategic planning toolkits can be applied • Best for subsequent strategy implementation</td>
<td>• Most expensive option</td>
</tr>
</tbody>
</table>

Out strategic planning workshop rates are based on number of days spent, and number of delegates attending. Discuss your specific requirements with us to enable us to quote.
**WORKSHOP TYPES OFFERED**

### Client/CRS inputs and CRS deliverables depend on the type of workshop selected

<table>
<thead>
<tr>
<th>Workshop type</th>
<th>Prior client inputs</th>
<th>Client preparation</th>
<th>CRS Workshop material</th>
<th>CRS deliverables</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Client strategic information pack</td>
<td>Past strategic planning documents</td>
<td>Preparation pack</td>
<td>Study material pack</td>
</tr>
<tr>
<td>Cold facilitation</td>
<td>✗</td>
<td>?</td>
<td>?</td>
<td>?</td>
</tr>
<tr>
<td>Informed facilitation</td>
<td>?</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Workshop as part of strategy work</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

**Client information pack:**
- Provided by client to CRS prior to the workshop
- Based on CRS information requirements
- Consists of basic strategic and marketing information requests to pre-populate strategic planning models

**Client preparation pack:**
- Provided by CRS to client prior to the workshop
- Topics for pre-preparation

**Client study material pack:**
- Provided by CRS to client prior to the workshop
- Typically relevant Harvard Business Review articles
- Visioning principles
- Balanced Scorecard and strategy map principles

**Workshop handout pack:**
- Handed out at workshop
- Workshop agenda and objectives
- Content material and strategy principles
- Pre-populated models as inputs for discussion
CRS Strategic Planning Workshops:

- Workshop objectives
- Types of workshops offered
- Workshop logic
- Typical workshop programme
- About us
**WORKSHOP LOGIC**

*Where and what does the business wish to be, and how will it compete?*

<table>
<thead>
<tr>
<th>Vision</th>
<th>Mission</th>
<th>Competitive Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Envisioned future</td>
<td>Business Domain Product/market</td>
<td>Competitive Advantage</td>
</tr>
<tr>
<td>Core purpose</td>
<td>Vertical integration/ value chain activity</td>
<td>Cost leadership</td>
</tr>
<tr>
<td>Core values</td>
<td>Technology employed</td>
<td>Differentiation</td>
</tr>
<tr>
<td>Present</td>
<td>Markets/Customer</td>
<td></td>
</tr>
<tr>
<td>Bold Hairy Audacious Goal</td>
<td>Strategic Positioning</td>
<td></td>
</tr>
<tr>
<td>Vivid description</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Where to be</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market assessment</td>
<td>Customer Value Proposition</td>
<td></td>
</tr>
<tr>
<td>Internal assessment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strategy</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Where and what does the business wish to be, and how will it compete?</td>
<td>Underpinned by robust leadership, an appropriate organisational structure and support systems of information, planning, control and reward.</td>
<td></td>
</tr>
</tbody>
</table>

© 2007 Corporate Renewal Solutions
A well conceived vision includes a core ideology and an envisioned future

Articulating a Vision:

- **Envisioned future**
  - BHAG – Bold Hairy Audacious Goal
  - Vivid description

- **Core ideology**
  - Core values
  - Core purpose

- **Vision**
  - Present
  - Core purpose
  - Core values
  - Bold Hairy Audacious Goal
  - Vivid description
  - Provide control by guiding behaviour
  - Articulates the reason for being of an organisation

Bron: J Collins and J Porras - HBR Sep-Oct 1996
WORKSHOP LOGIC

The mission is made explicit by means of market segmentation and targeting

Example: Market Segmentation and Targeting

<table>
<thead>
<tr>
<th>Competitive position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pursue and invest</td>
</tr>
<tr>
<td>Hold</td>
</tr>
<tr>
<td>Avoid/harvest/divest/reassess in future</td>
</tr>
</tbody>
</table>

Market attractiveness

- High
- Medium
- Low

Inbound tourist market
Emerging black middle class market
US export market
European export markets
Other export markets
Traditional SA domestic market excluding tourists & emerging black middle class market
Inbound tourist market
Emerging black middle class market
US export market
European export markets
Other export markets
Traditional SA domestic market excluding tourists & emerging black middle class market
A positioning strategy for competitive advantage informs the customer value proposition

Example: Positioning

Overall cost leadership (compete on price)

- Losing
- Stuck
- Winning
**Customer Value Propositions**

<table>
<thead>
<tr>
<th>Customer value attributes</th>
<th>Customer value propositions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Operational excellence</td>
</tr>
<tr>
<td>Differentiator</td>
<td>Price</td>
</tr>
</tbody>
</table>

---

**WORKSHOP LOGIC**

_In line with the latest developments in strategic planning, we workshop the client’s customer value proposition as input to the Customer Perspective of the Balanced Scorecard_
How will the business get there?

Strategy:

1. Where we are:
   - Industry drivers
   - Internal assessment
   - SWOT
   - Segmentation and targeting

2. How we will get there:
   - Future translated into objectives
   - Vision
   - Mission
   - Competitive strategy
   - Customer value proposition
   - Business model
   - Value chain
   - Structure

3. Where and what we wish to be, and how we will compete:
   - Internal assessment and learning & growth
   - Objectives translated into financial, customer, internal, and learning & growth
   - Objectives translated into measures and initiatives
   - Objectives translated into strategies, measures, and initiatives
   - Objectives translated into measures and initiatives
   - Accountabilities
   - Balanced Scorecard
To enable implementation, the workshop translates strategy into operational terms using the Balanced Scorecard

Strategy Operationalised:

- **Vision**: Where the business will be
- **Mission**: What the business will be
- **Competitive strategy**: How the business will compete

**Strategy**
- What strategy must achieve
- How success in achieving the strategy will be measured and tracked
- The required performance level to be achieved over time
- Key action programs required to achieve objectives and targets

**Objectives**
- **Measures**
- **Targets**
- **Initiatives**

© 2007 Corporate Renewal Solutions

Cascaded from business level down to all organisational units
Lastly, objectives, measures, target and accountability are captured for each BSC perspective of each department

**Example: Financial Perspective:**

<table>
<thead>
<tr>
<th>Goal</th>
<th>Objective</th>
<th>Measure</th>
<th>Target</th>
<th>Review frequency</th>
<th>Accountability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grow the market</td>
<td>Increase revenue</td>
<td>Turnover</td>
<td>R’m</td>
<td>Monthly</td>
<td>Marketing Director</td>
</tr>
<tr>
<td>Ensure effective and efficient use of resources</td>
<td>Adhere to cost budget</td>
<td>Cost</td>
<td>R’m</td>
<td>Monthly</td>
<td>CEO</td>
</tr>
<tr>
<td>Ensure effective and efficient use of resources</td>
<td>Efficient utilisation of resources</td>
<td>RONA</td>
<td>%</td>
<td>Monthly</td>
<td>Financial Director</td>
</tr>
</tbody>
</table>

To see how the workshop is executed in practice, see the next section for a typical workshop programme.
CRS Strategic Planning Workshops:

- Workshop objectives
- Types of workshops offered
- Workshop logic
- Typical workshop programme
- About us
# Strategic planning workshop agenda – Day 1

<table>
<thead>
<tr>
<th>Agenda items</th>
<th>Time</th>
<th>Facilitator</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Setting the scene</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Arrival, refreshments</td>
<td>07h30 - 08h00</td>
<td>Director</td>
</tr>
<tr>
<td>Opening &amp; introductions</td>
<td>08h00 - 08h15</td>
<td></td>
</tr>
<tr>
<td>Workshop objectives &amp; agenda review</td>
<td>08h15 - 08h30</td>
<td>Facilitator</td>
</tr>
<tr>
<td>Expectations exchange &amp; ground rules</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>2. Where we are</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PESTLE industry drivers ¹) and competitive forces ²)</td>
<td>08h30 - 09h30</td>
<td>Breakout groups</td>
</tr>
<tr>
<td>Threats and opportunities</td>
<td>09h30 - 10h00</td>
<td></td>
</tr>
<tr>
<td>Tea break</td>
<td>09h30 - 10h00</td>
<td>All</td>
</tr>
<tr>
<td>Strengths and weaknesses</td>
<td>10h00 - 11h00</td>
<td>Facilitator</td>
</tr>
<tr>
<td>Segmentation and targeting</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

¹) PESTLE: political, economic, social, technological, legal & environmental industry divers
²) Competitive forces: competitor, client & supplier analysis; threat of new entry and substitution
### Strategic planning workshop agenda – Day 1 (continued)

<table>
<thead>
<tr>
<th>Agenda items</th>
<th>Facilitator</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>3. Where we wish to go</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Vision – BHAG, core purpose, core values</td>
<td>Facilitator</td>
<td>11h00 - 13h00</td>
</tr>
<tr>
<td>• Mission</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lunch</td>
<td>All</td>
<td>13h00 - 14h00</td>
</tr>
<tr>
<td>• Competitive strategy – positioning and customer value proposition</td>
<td>Facilitator</td>
<td>14h00 - 15h30</td>
</tr>
<tr>
<td>Tea break</td>
<td>All</td>
<td>15h30 - 16h00</td>
</tr>
<tr>
<td><strong>4. How we will get there</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Balanced Scorecard and strategy map overview</td>
<td>Facilitator</td>
<td>16h00 - 17h00</td>
</tr>
</tbody>
</table>

**End of day one**
<table>
<thead>
<tr>
<th>Agenda items</th>
<th>Facilitator</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recap of Day 1</td>
<td>Facilitator</td>
<td>08h00 - 08h30</td>
</tr>
<tr>
<td>4. How we will get there (continued)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Objectives, measures &amp; strategy maps per department</td>
<td>Breakout groups</td>
<td>08h30 - 10h30</td>
</tr>
<tr>
<td>Tea break</td>
<td>All</td>
<td>10h30 - 11h00</td>
</tr>
<tr>
<td>• Report-back per breakout group</td>
<td>Breakout groups</td>
<td>11h00 - 12h00</td>
</tr>
<tr>
<td>• Targets &amp; accountabilities per department</td>
<td>Breakout groups</td>
<td>12h00 - 13h00</td>
</tr>
<tr>
<td>Lunch</td>
<td>All</td>
<td>13h00 - 14h00</td>
</tr>
<tr>
<td>• Report-back per breakout group (cont.)</td>
<td>Breakout groups</td>
<td>14h00 - 15h00</td>
</tr>
<tr>
<td>Tea break</td>
<td>All</td>
<td>15h00 - 15h30</td>
</tr>
<tr>
<td>• Implementation aspects</td>
<td>Facilitator</td>
<td>15h30 - 16h30</td>
</tr>
<tr>
<td>5. Wrap-up</td>
<td>Facilitator</td>
<td>16h30 - 17h00</td>
</tr>
</tbody>
</table>
CRS Strategic Planning Workshops:

- Workshop objectives
- Types of workshops offered
- Workshop logic
- Typical workshop programme
- About us
ABOUT CORPORATE RENEWAL SOLUTIONS

CRS strategic planning workshops in action

Since 1999
As part of strategy work in large-scale business transformation and turnaround projects

Standalone strategic planning workshops

Since 1999
As part of strategy work in large-scale business transformation and turnaround projects

Standalone strategic planning workshops
ABOUT CORPORATE RENEWAL SOLUTIONS

CRS Strategic planning workshops in action (continued)
Contact us for your strategic planning workshop needs

Corporate Renewal Solutions is a black economic empowered management consulting firm specialising in strategy, and strategy-driven business transformation / turnaround of underperforming and distressed businesses

Your facilitator: Jan van der Walt

Industry activities:
- Strategy consulting
- Guest lecturer in strategy
- Regular presenter at conferences
- Regular publisher of articles
- Chief Operating Officer of the Turnaround Management Association – Southern Africa

Qualifications:
- MBA (Stanford University) where he studied with a Fulbright Scholarship and specialised in strategy
- Hons. B.Sc, in Operations Research (UNISA)
- B.Sc. (Eng) Industrial (University of Pretoria)

Cell phone: 082 853 1414
Land line: 011 477 4414
Fax: 086 510 6184
Business transformation and management consulting web site: www.corprenewal.co.za
Turnaround web site: www.turnaround-sa.com
Email: corp@corporate-renewal.co.za