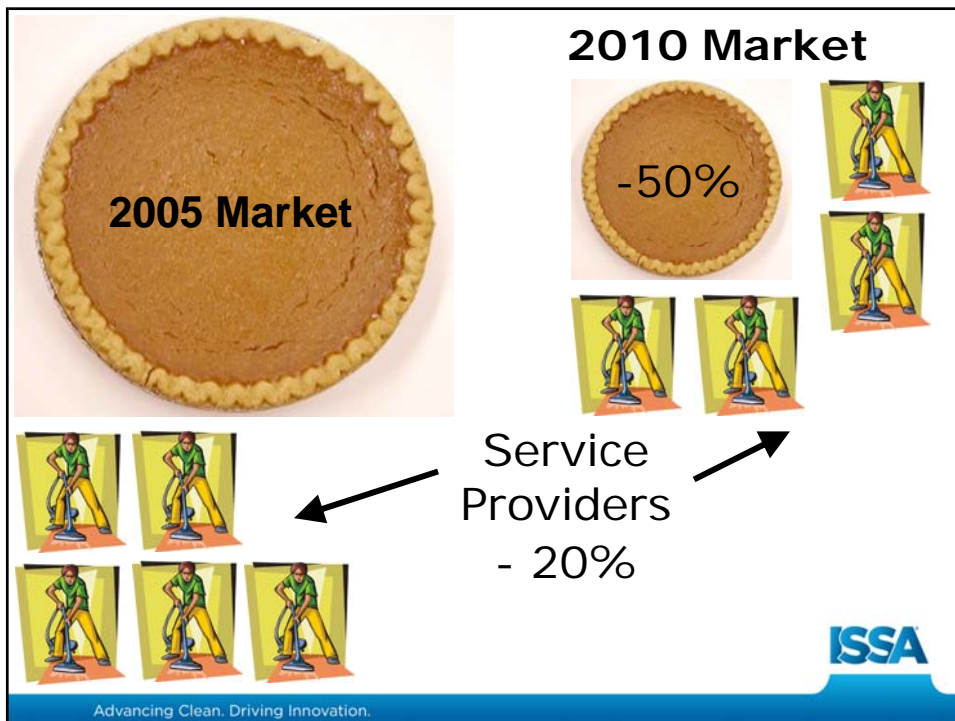




Defend Your Castle, Grow Your Kingdom: How to Forge and Wield the Sword of Strategy

Dana Telford
Family Business Consulting Group



Advancing Clean. Driving Innovation.



Communication strategy ...



ISSA

Advancing Clean. Driving Innovation.

What is a Strategy?

“The creation of a unique and valuable position, involving a different set of activities.”

Michael Porter

ISSA

Advancing Clean. Driving Innovation.

DTB

- “Do Things Better”
- Benchmarking
- Destructive competition
- Based on opportunity
- Short term

Strategy

- Unique, distinct
- Strength based
- Defensible
- Customer driven
- Long-term



Advancing Clean. Driving Innovation.



**Castles were
the centers of
commerce in
the Middle
Ages**



Advancing Clean. Driving Innovation.

Evolution of the Castle

- Wood, then stone
- Build on or around water
- Higher ground is easier to defend
- Dig a moat, up to 30 feet deep
- Concentric walls, increasing in height toward the keep



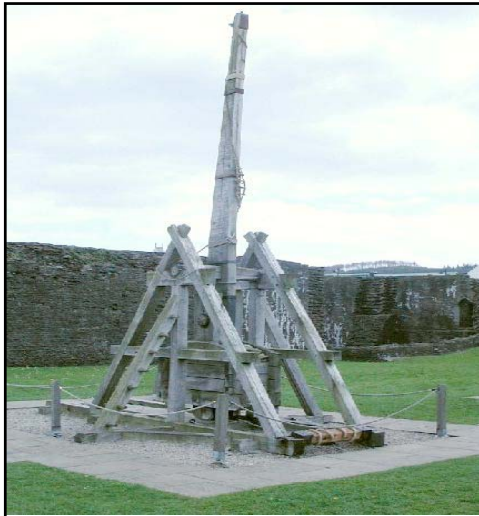
Advancing Clean. Driving Innovation.

Evolution of the Castle

- Portcullis to stop, drop on invaders
- Barbican (death trap) to keep enemies under watchful eye
- Murder holes for dropping stones, hot sand, boiling water, tar
- Customized loopholes for vertical and cross bows



Advancing Clean. Driving Innovation.



NOW THEY'RE
THROWING FLAMING
STONES!

Benchmarking will
never provide
anything more than a
short term advantage

ISSA

Advancing Clean. Driving Innovation.

Step 1: Pick your team

- Watch and listen to determine best
- 5 - 7 heads are better than one
- Variety of perspectives, skill sets
- Trust and track record of teamwork is vital
- Proven leaders from home and abroad
- Must be willing to admit he/she is wrong

ISSA

Advancing Clean. Driving Innovation.

Step 2: Check you out

The team must find the right answers about internal activities inside the Castle – aka navel gazing:

- In what areas are we most unique, distinct?
- Where do we achieve the greatest ROIC? (Prove it – do the analysis)
- What areas of our business cause us the least amount of problems?
- The most problems?



Advancing Clean. Driving Innovation.

Great process, great result

- Divide your business into the four primary elements of any business: creating, producing, selling and delivering value
- Interview customers, salespeople, customer service leaders
- Idea - interview customer who most recently referred you to another customer
- Ask them to grade you in each area A - F
- Build a Strength Profile



Advancing Clean. Driving Innovation.



Advancing Clean. Driving Innovation.

Step 3: Check them out

Look outside the walls with the team

- Is there a storm on the way? (Recession)
- Are there greener, defensible pastures? (Lines)
- How do our customers use what we sell?
- Which can we serve best (based on Strength)?
- How can we get them to buy and buy again?
- How can we help them reach their goals?



Advancing Clean. Driving Innovation.

Interviewing customers

- Target your best current and past
- Reward them for their time (golf, food, \$\$)
- Ask them for complete honesty
- Provide questions/ agenda in advance
- Listen, take notes, listen, thank them
- Let them know the outcome of your process



Advancing Clean. Driving Innovation.

Step 4: Capture it

- Bring the Knights and Ladies to the table
- Answer these questions in 30 words or less
- 1. What are our 3 greatest strengths?
- 2. What customer will benefit most from them?
- 3. How will we deliver this value to them?
- 4. What metrics will we use to measure our success?



Advancing Clean. Driving Innovation.

Step 5: Communicate it

- Jan Carlzon, SAS CEO in early 1980's
- Simple, consistent, memorable
- Repetitio est mater studiorum (Repetition is the mother of all learning)
- "a good leader spends more time communicating than doing anything else"
- The Little Red Book (cartoon pictures)
- To employees and customers - your two greatest assets



Advancing Clean. Driving Innovation.

Successful Strategies

- IKEA - low cost, do it yourself
- Enterprise - car in the shop, I pay
- Southwest Airlines - road warrior



Advancing Clean. Driving Innovation.

Scandinavian Air Service

- New CEO, troubled times (1980's)
- First losses in 17 years
- Followed a Strategic Planning process
- New target - frequent business traveler
- Scrutinized each expense against target ("does this aid/hinder?")

ISSA

Advancing Clean. Driving Innovation.

Jan Carlzon and his Little Red Book



SAS
made \$71
million
when
industry
lost \$1.7
billion

ISSA

Advancing Clean. Driving Innovation.

Contact Information

Dana Telford
The Family Business Consulting Group

email – telford@efamilybusiness.com
website - www.efamilybusiness.com



Advancing Clean. Driving Innovation.