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'Tactics without strategy is the noise before defeat.'

Sun Tsu, Art of War



When we started out advising companies, we met the CEO of a growing company, who was trying to put in place a strategy to drive his company forward. By nature an enthusiastic, energetic individual, he brought all his daunting force and thoroughness to the task, first acquiring top business and strategy books, then devising numerous business plans, then getting the consultants in.

But things weren't going as he hoped. The task of strategy creation wasn't responding to his energy and commitment the way other areas of his life did. The books were piling up on his desk; discarded business plans overflowed on the office floor; the suit-clad consultants spoke soothingly in incomprehensible jargon. Every time he thought he had a good strategy in place, he'd start to explain it to his team, only to have their puzzled questions pick it apart. Sessions with the board became fraught, as he sensed their lack of confidence and unspoken disappointment.

He felt adrift – was it his fault or was something more fundamental to blame? His team avoided reading his business plans the way kids avoid homework. The sheer weight of his books and plans was crushing him. Worst of all, the company wasn't growing, because he'd no idea what direction he was taking it in.

Finally, like water coming to boiling point, or the Hulk tearing out of his shirt, he'd had enough. Being a man of action, he put a clear line through this hapless, confused, humiliating period of his life. He took down all his strategy books and all his business plans, made a bonfire in his back garden, and ceremoniously *burnt them*.

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This made a huge impression on us. We realised that brevity is not just the soul of wit, but the soul of strategy.

In today's hectic, multi-tasking business climate, no-one has time to read through weighty strategy tomes, no-one has time to devise long, complicated business plans, no-one has time to take their busy team through complex jargon and labyrinthine arguments, or their impatient board through vague proposals for immeasurable growth.

What you have in your hands is, of course, a strategy book and, yes, it's 125 pages, but we promise that you will come away from reading this with a targeted strategy **on one page** which will help you grow your business.

In our experience – and in the experience of the fed-up CEO who burnt his books – strategies fail because they're too complicated, too disjointed or because they're never implemented.

Some companies fail at the outset and never begin to get strategy underway; others fail at the half-way mark because they can't see where all this is going, and others fail at the last hurdle because they have their strategy down on paper but they never implement it.

So our pledge is that this book will show you how to devise a clear strategy to grow your business; get your team aligned around it; and execute it.

Mindful of that stressed-out CEO, we focus throughout on being pragmatic, clear, user-friendly, and inclusive. This is a book for the whole team, not just for the CEO. Because the team works through this strategy together, they are less likely to pick it apart. We break strategy down into five handy components, or tools, which are integrated on one PowerPoint.

Why a strategy?

But first, the crucial question – why create a strategy?

Strategy creation requires time and effort from the whole team. Why bother? Why not just continue focusing on the tasks in hand, which are certainly demanding enough?

But think about what you're up against: it's a buyer's market. You face trenchant competition and the pool of customers isn't that large. Shareholders want growth. Resources are limited and cash flow is tight – especially, let's face it, in the current economic climate. Your team make a lot of demands, and don't seem to share the same priorities.

How are you going to get through this without a strategy? In today's competitive climate, growing a company is a bit like waging a war, which is why we've called our one-page strategy plan, the Battlecard. Like a general, you have to fully understand what your competitors are doing and what your customers want. You have to keep your own troops armed, fed and disciplined, and of course you have to pay close attention to external conditions.

No-one goes to war without a carefully worked-out strategy, and you shouldn't either. Strategy is particularly important for growing companies because they're sniping and trying to gain ground from the bigger, more established companies. Where large companies can afford to batten down the hatches, growing companies have to think in terms of guerrilla warfare.

You don't have to be an expert on growing companies to know that they are fraught with risk. Even so, our research for this book led to hair-raising findings. Many growing companies have good financial, legal, production and sales processes but non-existent, or weak strategy creation processes. This has resulted in an epidemic of weak strategies, which are preventing growth.

What about your company? Are you suffering growing pains? If so, you have probably



blamed the sales team or the product – or both. But is something else at fault?

A huge number of companies start out well – they have an interesting product, which finds buyers, and an enthusiastic team. But then they hit a glass ceiling. Their management teams can't understand why – they have good people, all the market data, and internal processes, like accounting and quality, are in place. Yet, instead of growing they're still bumping their noses off the ceiling.

When you look at how such companies operate, you realise that they respond to situations in an ad hoc way; they tend to say yes to every opportunity because they're scared to turn down revenue; as a result they spread themselves thin, and start carrying out tasks that they're not particularly qualified to do and not particularly interested in. They devalue their reputation and inhibit growth, and all because they've never put in place a coherent, logical, unifying strategy.

Nothing prevents growth more than a weak strategy, nothing drives growth faster than a superior one. If you're heading in the wrong direction, then going faster or working harder only makes things worse. Companies that develop winning strategies understand their customers more profoundly than their competitors understand themselves. They anticipate their competitors' moves. They articulate an inspirational vision, which is clearly understood by even the most junior member of the team.

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The five battlecard questions

Our strategy approach is based entirely on growing companies. Through working with over 250 growing companies in the US and Europe, we have identified the factors which accelerate and inhibit growth. Our insights are based on the workshops we have conducted over the years, and on validation from world class CEOs and members of the venture community, who helped us refine our approach.

Our aim throughout has been to keep strategy creation simple and strong. Of course it also needs to be comprehensive. Because strategy can be daunting, it's advisable to break it down, just as large-scale wars are broken down into battles and skirmishes.

So what are the 'battles' in business strategy? We work with diverse companies, from different sectors, but insofar as they all need to grow in a competitive environment, they all face similar challenges. In our experience, all companies, regardless of sector, have to deal with the following five areas:

- Company vision (including mindset);
- Customers;
- Value (not just the value of product/service, but also of staff, sales partners etc);

- Competition;
- The Channels used to get products to market (a much wider choice since the arrival of the internet).

These five areas are the battlegrounds where companies wage war, and we've used them to craft the five questions on which our approach is centred:

- **What** do you want to be famous for?
- **Who** are your selected customers?
- **Where** is your measurable value?
- **Why** should customers choose you rather than your competitors?
- **How** will you get your product to market?

We believe that at the root of weak strategies is a failure to address these five questions. This results in confused product development teams, disillusioned sales people and limited revenue growth.

None of these questions exists in isolation. All are strongly linked, to the extent that the answer to one question strongly determines the answer to another. Without being clear on what you want to be famous for, how can you be clear on the value you offer? Your customers choose you over the competition because of the value you deliver and because the route you take to market suits them. If you modify that value, or change the route, you'll have to consider changing customers, or incentivising existing ones to accept your new direction.

Successful companies can answer these questions. They're on-message. All of the areas of their business are working together in a **virtuous circle**, which is a concept we explore in Chapter 6, **Executing the Business Battlecard**. The teams of unsuccessful companies, faced with these questions, retreat in disarray. They're in a vicious circle.

Try the following experiment: get your team together and ask them to answer the five questions.

If all their answers are exactly the same, then congratulations, your team is aligned. But we seldom come across a company where everyone had the same answers from the outset! More likely is that you get radically different answers – Marketing might see value in promotions, Engineering in the product features, Finance may want to improve margin, while the CEO dreams of accelerated growth.

Misalignment won't help you beat the competition. It's like being the coach of a rowing team, which doesn't synchronise their strokes – team performance is under par and you don't win as often as you should.



Think about the cost and impact of this alignment problem. Clearly your team is not as productive as they should be. Your sales people may not be calling on the right customers. Your marketing team may not be clear on your message. Product teams may not be delivering in a way that helps beat the competition. Your company's performance starts looking like the slower moving tankers that are your bigger competitors.

THE SOLUTION - The Business Battlecard™

Unlike the command and control structure of yesterday, where the leadership team decided on strategy, today's knowledge worker is at the coalface. She is closer to customers and closer to the latest ideas. As part of the small team of a growing company, she is very likely multi-tasking – trying to achieve sales targets one day, measuring value the next. In short, she is now creating, rather than following, strategy.

Creating strategy is – or should be! – fun, and it's one of the reasons why talented people choose to work in growing companies – because they want to make a difference, and to feel that they are responsible for the company's direction, not just following orders.

But they also want to see fast results and to feel that they're moving forward in a targeted way. If there's a sense of drift, they'll go back to following orders. They want a strategy that's clear, simple, comprehensive, and that enables them to react quickly to new opportunities and new difficulties; a strategy which they understand completely, because they helped create it.

Distilled on to one PowerPoint, the **Business Battlecard** is designed to drive growth through the glass ceiling. It makes strategy creation a continuous process owned not just by top management, but by the whole company. By its title, it signals that growing companies are fighting a 'war' on several fronts: the battle against competitors, the battle for customers' minds, the battle for investors' wallets, the battle for employees' hearts.

You and your team craft the **Battlecard** through the exercises, interactive workshops and graphical tools laid out in this book. This approach facilitates discussion, keeps focus on the Five Questions, and injects fun into the process. Strategy creation is a time for your team to put aside immediate concerns and focus on the bigger picture – what kind of company do you want to build and which direction should it take? Strategy creation shouldn't be like cramming for exams, it should have the excitement and urgency of generals preparing for battle.

The discipline of debating and crafting strategy forces you to select what's really important. Your **Business Battlecard** clarifies what you stand for – and what you don't. It combines high-level strategic principles with our practical experience of advising growing companies. It brings strategy into mainstream management discussions, rather than leaving it for crisis times or annual planning sessions.

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Business Battlecard™

Winning moves for growing companies



1 SHARED VISION



What do you want to be famous for?



2 SWEET SPOT



Who are your selected customers?



5 CHANNELS



How will you get your product to market?

3 MEASURABLE VALUE



Where is your measurable value?

4 BEAT THE COMPETITION



Why should customers choose you rather than your competitors?



On the Battlecard, you'll see five sections, which we call 'tools'. Each tool is differentiated by colour, and is linked to one of our five questions. The pie chart in the centre of the Battlecard emphasizes the interdependence of the tools, and drives home the alignment between the five questions. We call this piechart the **virtuous circle**. The mountain in the top right hand corner symbolizes your goals and aspirations (the summit of your ambitions), which will only be achieved by following a carefully planned ascent, broken down into phases, or basecamps, where you review, recalculate and recalibrate your strategy.

The first five chapters of the book correspond to the five tools, and each tool is introduced and explained in its relevant chapter. In the sixth chapter, we show you how to integrate the five tools on to the **Business Battlecard**, and how to set basecamps.

The five tools on the Business Battlecard, linked to the five questions, are:

- **Commit to a shared vision:** What do you want to be famous for?
- **Select your sweet spot customer:** Who are your selected customers?
- **Create measurable value:** Where is your measurable value?
- **Beat the competition:** Why should customers choose you rather than your competitors?
- **Crack the channel code:** How will you get your product to market?

Chapter 1, **Commit to a shared vision**, creates the framework for your strategy. By asking the question what do you want to be famous for?, it encourages you to think about your values and why you think your company is special. It shows you how to craft a shared vision, through identifying the company mindset and the unique skills which you offer.

Chapter 2, **Select your sweet spot customer**, defines your ideal target customers and those you should avoid. Case studies show how growing companies accelerated their revenues by concentrating their energies on 'ideal profile' prospects, instead of using the 'spray and pray' approach so often adopted.

Chapter 3, **Create measurable value** addresses the question of creating, delivering and measuring value. By carefully examining your customers' key challenges, you will develop new insights into creating value. On the basis that unproven value goes unrewarded, we show you how to measure the value you deliver.

Chapter 4, **Beat the competition** looks at why customers should choose you over competitors. In seeking to deliver superior value, many companies focus only on products or services, but you have the opportunity to differentiate from the moment customers decide they need a new solution, to the time when they decide to dispose of it. Examine all your company activities – including staffing, budgeting and sales partners – and refine them, so that you're delivering superior value at every step of the way.

Chapter 5, **Crack the channel code** looks at the question ‘How will you get your product to market?’ How do your ideal customers like to purchase, and what routes to market are available for your offering? This question, once relatively straightforward, has been revolutionised by the growth of the internet. Channels have become the new drivers of revenue growth. It’s not what you sell but how you sell it.

Finally, Chapter 6, **Execute the Business Battlecard**, looks at integrating the five tools and executing the strategy. It shows how successful companies have all five tools working together in a **virtuous circle**, leading to growth. It also introduces you to the concept of **basecamps**, which are the time your team comes together to review strategy, to recalculate the risks, to check whether you’re on the right path, and to prepare for the next phase of ascent.

Your completed **Business Battlecard** becomes your touchstone, helping to bring clarity, consistency and a common language to your team. It puts you on the path of continually improving and adapting your strategy, so that your team starts to fulfil its ambitions.



Workshopping the Business Battlecard

The Business Battlecard arose from workshops we've held with growing companies, and in our opinion the best way for you to use this book is as a basis for workshops on strategy creation. You can of course just read through, enjoy each chapter, and pick up tips, but to get full value, craft your strategy, and grow your company, it's best to get your team involved and to 'workshop' the book.

Generally speaking, you'll need to host a number of workshops to work through each tool and integrate them on the Battlecard. Get your team together, and provide each member with a copy of the book. Encourage them to read the relevant chapter before the workshop. Each chapter follows a similar structure: first, we outline the concepts involved; second, using case study material, we provide examples to illustrate the concepts. We highlight both well-known examples and examples from our own experience. In some cases we have named the company, whilst in others disguising their identity has allowed us to reveal more of their story. The names of digguised companies are italicised.

The 'cloudy' backdrop which runs throughout the book introduces questions specific to each chapter. Your team members might like to jot down answers to these questions as prep for the workshop.

At the workshop, create a sense of urgency and fun. Workshop discussions can be heated, as each team member tries to impose his or her view. It's important to have a convener – the CEO, or an outside facilitator. Fortunately the tools, which are the core of each workshop, provide a focal point. Completing them helps resolve arguments.

The facilitator will benefit from doing prep in advance of the workshops. He or she should talk to customers, competitors and industry experts to try and get a full picture of what it takes to win in the sector. The secret to workshop success is good preparation.

Blank full page versions of the tools are available at the back of the book and electronic versions are available at www.selectstrategies.com.

Someone once asked the guy sweeping the floor at space agency NASA during the Kennedy era what he was doing. He replied: "I'm helping put a man on the moon." This story may be apocryphal but it illustrates what we're saying here, and one of the reasons why we wrote this book. Strategies work when the message is clear and when the whole team feels ownership of it.

What distinguishes successful companies from the unsuccessful? What binds companies as diverse as Ryanair, Lexus, and Salesforce? It's that everyone working for them is on-message and pulling together, and their vision can be articulated clearly and concisely – not just by the CEO, but by the guy sweeping the floor.

Eventually, by working through the tools presented in this book, that CEO who burnt his books, got his strategy down on one page – his Battlecard. He stuck it on the wall behind his desk. Now, when presented with a new situation – such as a set of potential new customers, or a proposed new product, or a potential new sales partner – he and his team check together, via the Battlecard, that the new situation is on-strategy. If it is, they go with it; if not, they say no. As a result the company is growing in a calm, targeted manner. There is no drift, distraction, or devaluation. They're heading straight for the moon, not disappearing into black holes.

Now read on to find out how to achieve this for your company.