

Sales and Service Excellence

Volume 12 Number 4

The Magazine of Team Leadership

April 2012

MARKETING/STRATEGY

Marketing Strategy

Blind spots, bias, and bravado.



by Doug Williamson

AS LEADERS TRY TO COPE with the demands of a changing environment, they're often frustrated by the inadequacy of their strategy. They sense that their strategy seems to *fall short* of what is necessary to meet the challenges.

There is a lot of bad strategy. Many leaders operate with a *primitive understanding* of what *strategy* is, what it means, and what it can achieve. They often confuse *bold ambition* with *good strategy*. They make great pronouncements to the market, their customers and employees about how they will be the biggest *this* or greatest *that*, but *pronouncements* are not *strategy*.

It's time to make different choices. The demise of *charisma* and *bravado* provides the fuel for energizing strategy. In its place, is the rise of *candor*, *coherence* and *courage*, combined with a *conviction* to overcome blind spots and biases.

Hallmarks of bad strategy include: abundant *fluff*, *exaggeration* and *hyperbole*; failure to address core challenges or wicked problems; mistaking cascading goals and detailed objectives for strategy; and setting weak objectives that do not change the basic condition.

Encourage Strategic Honesty

Developing coherent, game changing strategic plans, and setting a clear, bold, long-term direction, have long been considered the highest priority and responsibility of senior executives. In the current economic conundrum, *two questions come to mind*: 1) How effective is the strategic planning process? and 2) What gets in the way of improving the process and outcome?



Few organizations would receive *Top Grade* for their strategy, but why can't the rest achieve that same dominating *credibility*? Most strategies may be *good enough to get by*, but they are not *good enough to differentiate*, to set the pace and to dominate the space. In fact, they're not *strategies* at all, but *tactical goals*, clustered together under *strategy*.

Serious *strategy setting* is about clearly identifying the *wicked problems* your

company needs to address to gain a competitive advantage, and declaring intent to tackle them in a focused way.

By its nature, a strategy setting discussion is an argument, a point of view. It should, in fact, attract criticism and maybe even ridicule. It should destroy old ideas, paradigms and beliefs. To build a great strategy, there has to be vibrant debate. If the objective is to craft superior strategy, then there is a desperate need for greater honesty in the discussions surrounding it.

Strategy is serious business. It deserves *total candor*. Candor must be encouraged, developed, modeled, supported and rewarded. Sadly, that is rare. Bad strategy has something to do with dishonesty about the strategic challenges—a conflict-avoidance tendency, a belief in pumping up assets and good news, rather than admitting liabilities and sharing the bad news. This reveals itself as a failure to state the worst fears, admit the underlying challenge and ask people to rally around solving it. Too often, the tendency is to strive for a vanilla-coated form of consensus that may feel good, but does not produce superior results or competitive advantage. No matter how painful the *worst truth* is, it's better than the *best lie*.

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Identifying Pivot Points

Military and political history is full of examples in which a leader (*often against all odds*) uses a set of bold strategies to outmaneuver the opposition. Victory is won because at a particular moment the leader made a critical decision that, in retrospect, became the evident and eventual pivot point. The deciding action shifted the momentum and ensured the victory. So it is with business strategy.

These pivot points are not accidental or random decisions—they're deliberate, defining moments of unique and disproportionate advantage. They arise when a decision is made to *focus efforts* on a single *outcome or bet*. This focus provides the leverage necessary to tip the scales. Having a singular focus enables you to take advantage of the pivot points. When you try to mitigate all risks associated with the big decision, you never make the commitment necessary to take full advantage. Rather than aggressively exploiting opportunity, you hedge your bets. You search for a full understanding and perfect balancing of all variables, before acting. This isn't how the best firms manage to dominate their space or change history.

Strategy should be a clear, crisp, deliberate choice and receive disproportionate attention, focus, effort and resources. The entire enterprise must focus on a particular course of action, the foundation of which lies at the farthest reaches of our understanding.

There is a huge difference between *strategy* and the *goals, objectives* and *tactics* we see in most *strategic plans*. We are easily seduced into calling something a *strategy* when it is not. *Strategy* should be about *problem solving*—identifying the most thorny, *wicked* problem and deciding to apply maximum attention and effort to it. It requires the courage to acknowledge the problem and then to make it the center of everything that is done.

First, a proactive, candour-seeking leader must help others admit or acknowledge the problem. Often, this never occurs, because leaders and followers are afraid to dig out the weak points and put them on the table.

Second, a courageous leader must have the necessary, sometimes painful, exploratory discussions to find the deeply hidden *secret*, rather than hope the problem *will just go away*.

Third, the bold leader must have ruthless focus to take advantage of the pivot point once discovered—then devote *everything* to resolving it quickly. The best strategic discussions address how best to get *unstuck*.

Opportunity Sensing

There is a unique aroma that comes with *sensing opportunity*—part adrenaline, part fear, and part excitement. In business, these



moments are rare. The *strategic challenge* is to channel the adrenaline on a common cause that replicates the emotion of anticipation. Since these *unique opportunities* tend to present themselves at inconvenient moments, it's easy to *take a pass*. Good strategy never allows that to happen!

Opportunity sensing is about taking advantage of the anomalies, about staking a claim on an unknown piece of land, knowing that it just feels right. Leaders who get comfortable with this line of thinking can take advantage of opportunities presented by the disequilibrium of today.

Five Steps to Take

The greater the uncertainty and instability in the market, the less willing leaders are to stare down *devils*, to deal with the things holding them back and to tackle *issues that make a difference*. **Strategy is about developing a radically new point of view**—a new way of looking at the world and defining *success*. Opportunity arises as views shift, affording chances to *destabilize* and *disorient* the competition. Take **five pointers** to develop *strategy*:

- **Dig much deeper.** To get straight answers to the *wicked problems*, you need to *dig deep* to find them. Select the right people to help you think, probe and discover and provide them with the *air cover* they need and deserve.
- **Ask tougher questions.** Mining for the hidden issues, dilemmas,

and incongruities requires asking more penetrating questions that explore the unknown territories—and then following this line of thought.

- **Call it out.** Organizations tend to take on the characteristics of their leader. To shift the way *strategy* is conceived, the leader must model new behaviours. This means making a visible commitment to calling out the superficial arguments and ending timid, evasive responses to the tougher questions. Raise the bar. Increase the standards. Demand better.

- **Ensure ample air cover.** We can be easily distracted. Soon, we have a complex maze of conflicting, opinions, priorities and messages. *Eliminate the excuses* people use to divert their energy and attention. Sharpen the messaging. Simplify the strategy.

- **Go big or go home.** Business is about balancing risk with *market need* and *opportunity*. In recessions, many leaders try to lessen the risk by reducing their field of vision. They justify a *hunker-down strategy* by promoting it as *the safest thing to do*. But strategy is an offensive weapon. So, get out of the bunker and get back in the game. SSE

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ACTION: Take these five strategic steps.

Volume 12 Issue 4

Sales & Service Excellence is published monthly by Executive Excellence Publishing, LLC (dba Leadership Excellence), 1806 North 1120 West, Provo, UT 84604.

Editorial Purpose:

Our mission is to promote personal and professional development based on constructive values, sound ethics, and timeless principles.

Basic Annual Rate:

\$59 (12 issues)
\$119 two years (24 issues).

Article Reprints:

For reprints of 100 or more, please contact the editorial department at 1-801-375-4060 or email CustomerService@LeaderExcel.com.
Permission PDF: US \$100

Submissions and Correspondence:

Please send any correspondence, articles, letters to the editor, and requests to reprint, republish, or excerpt articles to Editorial Department, Sales & Service Excellence, 1806 North 1120 West, Provo, UT 84604 or email Editorial@LeaderExcel.com.

Customer Service/Circulation:

For customer service, or information on products and services call 1-877-250-1983 or email: CustomerService@LeaderExcel.com.

Internet Address: www.LeaderExcel.com

Marketing Offices:

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