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Recommended Reading:

Seven Strategy Questions

By Robert Simons

At Albu Consulting we believe that strategy is a continuous process and therefore needs to be managed liked other key elements of your business to be successful. Harvard Business School professor Robert Simons the author of "Seven Strategy Questions" is of the same opinion. He has put together a guide for you and your team on how to continually test your strategy to identify confusion and inefficiency in your business, and weakness in your strategy and its execution.

The author sites a warning from Peter Drucker, "The most serious mistakes are not being made as a result of the wrong answers. The truly dangerous thing is asking the wrong questions." Relying on the authors 25 years of research in determining the drivers of successful strategy execution in a variety of companies and industries, you avoid the pitfall of asking the wrong questions.

Simons presents the seven key questions you and your team must regularly explore together. The questions may seem simple, but the choices they represent may not be:

- 1. Who is your primary customer?** It determines how to allocate resources. Maximize resources to your primary customer and minimize the resources devoted to everything else.
- 2. How do your core values prioritize shareholders, employees, and customers?** There is no right or wrong choice. Each choice is based on a different theory of value creation. But making one and communicating it effectively is essential.
- 3. What critical performance variables are you tracking?** Effective managers monitor only a small number of performance variables, specifically those that could cause their strategy to fail.
- 4. What strategic boundaries have you set?** Be specific with employees on what not to do to ensure your strategy and business won't go off course.
- 5. How are you generating creative tension?** To spur innovation, motivate your employees to think and act like winning competitors (e.g. assign stretch goals).
- 6. How committed should your employees be to helping each other?** Although you want your employees to achieve their personal best, they must also work together toward shared goals.
- 7. What strategic uncertainties keep you awake at night?** To adapt successfully, you must constantly monitor the uncertainties that could prove false assumptions underlying your current strategy.



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"Albu Consulting's skilled, hands-on approach worked well to draw out and engage both family and non-family alike. Their follow through was complete, and not overbearing, allowing us to work and develop at our own speed. We are happy to have their assistance and would strongly recommend Albu Consulting."

By engaging in ongoing, face-to-face debate with your senior team about emerging data, unspoken assumptions, difficult choices, and ultimately action plans, you and your team will be better able to give clear, consistent answers to the seven questions, and be confident your strategy is on track.

The recession may have required you to revise your strategy and the current prolonged recovery will be no less turbulent. Actively managing your strategy and testing it as recommended by professor Simons will improve your company's chances of winning in today marketplace.

We would like to hear from you to learn how you are actively managing your strategy and testing its relevance regularly and consistently. Please contact us at info@albuconsulting.com.

AlbuInfo

Albu Consulting is a strategy consulting firm with a focus on establishing strategy management as a core organizational competency. We work closely with Owners/CEOs of middle market companies building greater value by developing robust strategies and strong implementation capabilities.

Our mission is to help our clients achieve the results they want by:

- Accelerating top line growth by focusing resources on high value-added initiatives.
- Improving profitability by optimizing the value chain.
- Building an organizational climate that fosters innovation and collaboration.
- Establishing execution management as a competency to capture the strategy's full value.

Learn more about Albu Consulting on our website at www.albuconsulting.com.

Please contact us directly for a confidential discussion about the challenges you face, or if you know of someone that might benefit from our services, we would welcome the referral.

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“Albu Consulting has vast industry and academic knowledge coupled with their real world experience. They provided W. F. Young with a framework for creating a positive and profitable corporate direction. They did this in a manner that has minimized the guess work and builds upon intelligent selections. The end result is a well thought through strategic plan destination of choice, not chance.”
