

# James A Robertson and Associates Effective Strategic Business Solutions



**Strategy  
What is it?  
How to develop actionable plans**

**Live On-line Presentation  
(Webinar)  
15 February 2013**

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The ERP Doctor**

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# Who is James Robertson?



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1. Civil Engineer
  2. Grounding in economics
  3. Military strategic training
  4. Strategic implementation of business computer systems for over thirty years – create sustainable competitive advantage
  5. Consulting and facilitating with regard to strategy and strategic solutions for over twenty years
  6. Engineering approach to strategic analysis and planning
  7. Pioneered methods that work in practice

# Agenda

## Strategy – what is it and how to develop actionable plans

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1. What IS strategy really?
2. Strategy defined in one sentence that everyone understands
3. How to define the strategic environment?
4. How to measure strategic performance
5. Driving strategic performance through to measurable and actionable plans
6. Driving strategic performance through to Key Performance Indicators
7. Summing up

# Agenda

## Strategy – what is it and how to develop actionable plans



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### 1. What IS strategy really?

# What is strategy?



Tactics – Doing things right →



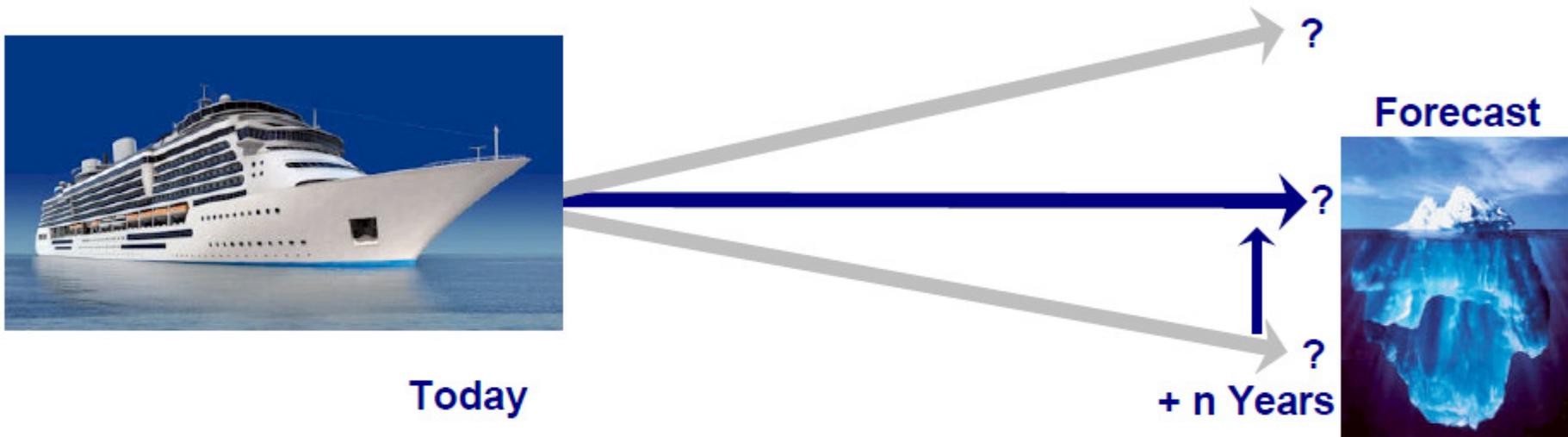
Strategy – Doing the right things →

Professor Malcolm McDonald – <http://www.malcolm-mcdonald.com/>

# The time dependency of strategy



Not a forecast

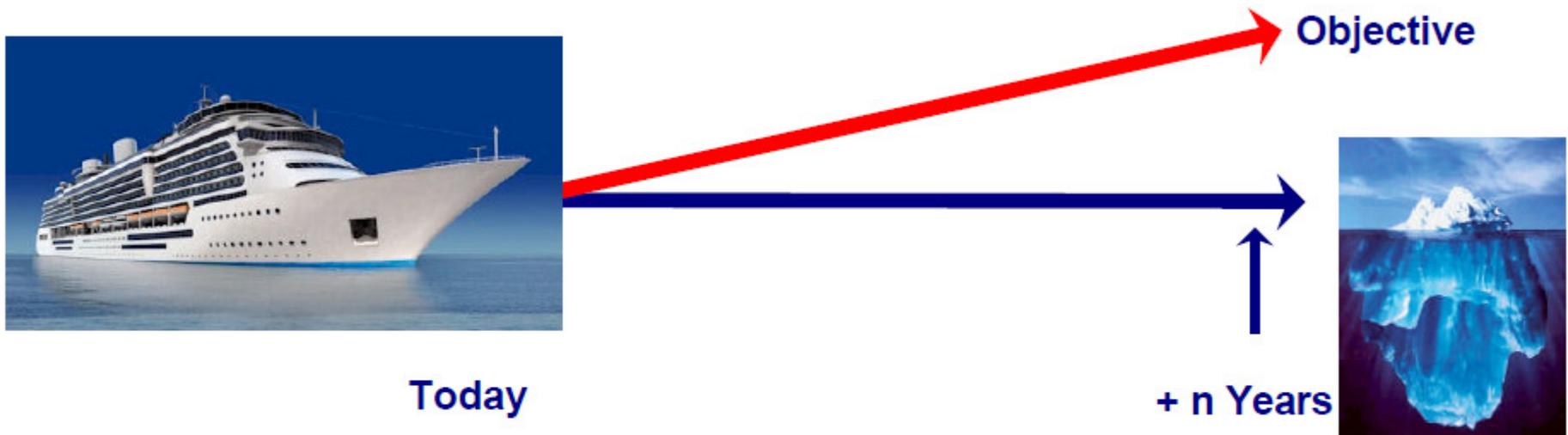


Professor Malcolm McDonald -- <http://www.malcolm-mcdonald.com/>

# The time dependency of strategy



Not an objective



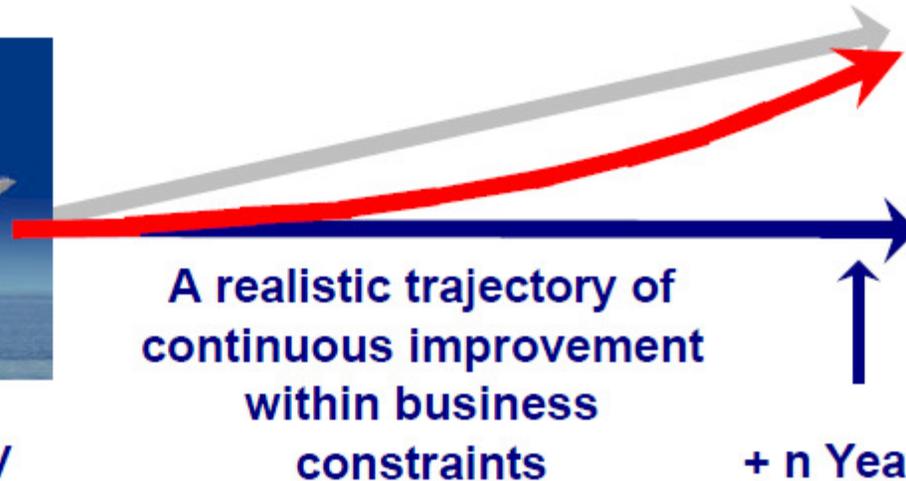
# The time dependency of strategy



Strategic plan -- the path to competitive advantage



Today

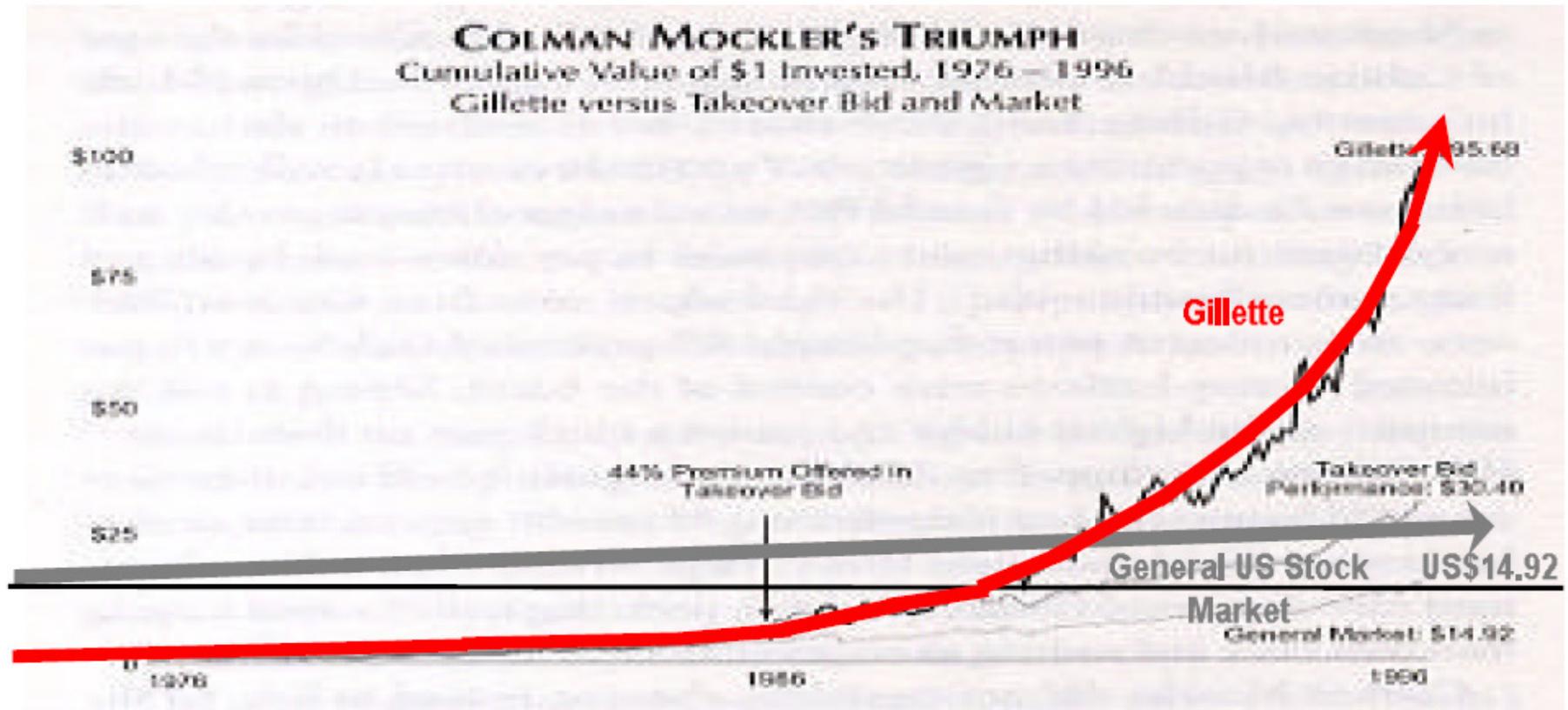


+ n Years



Professor Malcolm McDonald

# The time dependency of strategy from good to GREAT



↑  
1975  
Colman Mockler Appointed  
CEO

↑  
1986  
Hostile takeover thwarted

↑  
1991  
Mockler  
retires

↑  
1996  
End Study

# Some vital considerations in designing and implementing strategic plans

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1. Context to the presentation that follows
2. Vital principles that must be understood in order to develop and implement strategic plans that work
3. Consolidated view based on more than three decades of strategic experience

# An ENGINEERING approach to strategy



**Engineers do NOT design bridges to stand up**



**They design bridges NOT to fall down**



# Some harsh facts



1. Seventy percent of I.T. investments fail TOTALLY
2. "19 out of 20 ERP implementations "do not deliver what was promised"
3. Seventy percent of BPM investments fail
4. **Ninety percent of strategic plans fail**

**How does one prevent failure?  
and thereby achieve SUCCESS?**



# What is NOT an engineering approach?



# Agenda

## Strategy – what is it and how to develop actionable plans

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1. What IS strategy really?
- 2. Strategy defined in one sentence that everyone understands**

# What IS Strategy?



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## **The Essence of WHY the Organization exists and HOW it THRIVES**

1. Virtually NEVER changes
2. Intuited
3. Discovered NOT invented

# Three alternative ERP value scenarios Unlocking the TRUE potential of ERP 100 / 1,000 x the norm ???

This is the ONLY valid scenario but it seldom occurs

Relative **strategic** value measured in terms of business competitiveness, growth and profitability

1. Current industry norm for process based "Best Practice"

~~100~~ 0.01  
0

2. **Strategic** precision configuration with CEO Executive Custody

~~100~~ 1  
0

3. **Strategic** customization With CEO Custody

~~1,000~~ 10  
0

# Case Study: Strategic Engineered Precision Configuration WITH Clever Customization to support the ESSENCE



- Stalled ERP implementation
- CEO bought into “ERP as a strategic resource” based on my approach
- Highly structured strategic Product Class taxonomy
- Clever software to add products and maintain high quality master data
- Projects module
- Brand Management expense taxonomy
- Clever software to create a project for every brand line with these expense heads
- Direct integration with General Ledger
- Comprehensive Brand Project Management and reporting to Principals in Europe
- New account → increased turnover 25% could do something competitors could NOT do

Dramatic improvements in competitiveness, growth and profitability are the ONLY valid arbiters of the success of an ERP implementation or a strategic plan

# Pulse Measurement



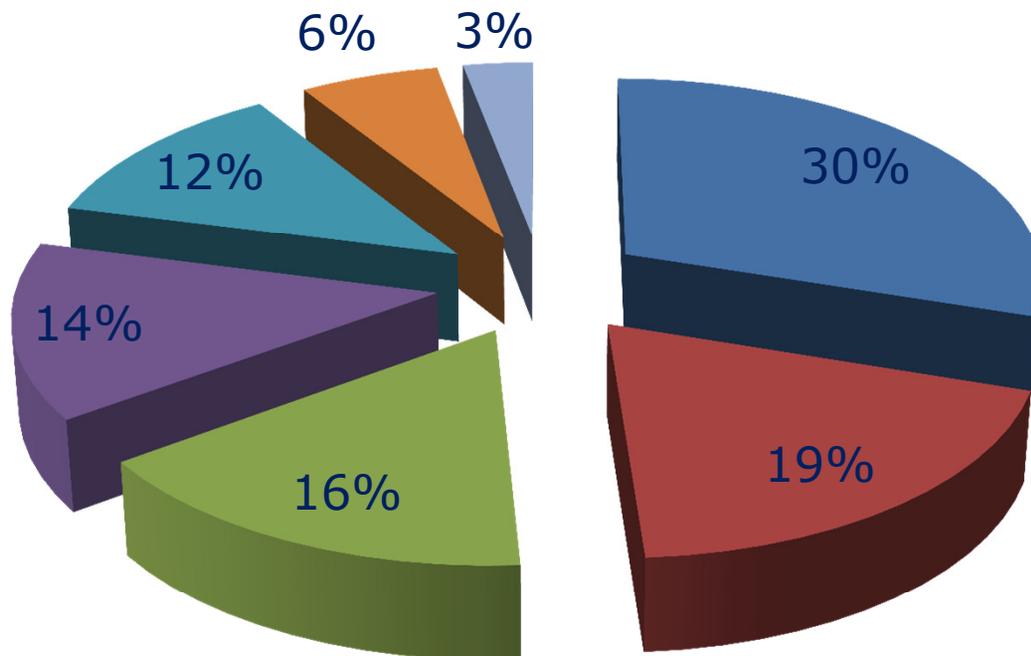
1. Concise diagnostic intervention – 1 to 10 days
2. Starts with strategic executive interviews  
– understand the Essence of the Business and how it Thrives and Critical Concerns
3. Drill down to systems
4. +/- 7 bullet point findings, weighted
5. +/- 7 recommended actions, weighted
6. Findings frequently so obvious and so practical client can continue unaided
7. Strategic advisory and / or project leadership to implement recommendations



# Analysis of consolidated findings

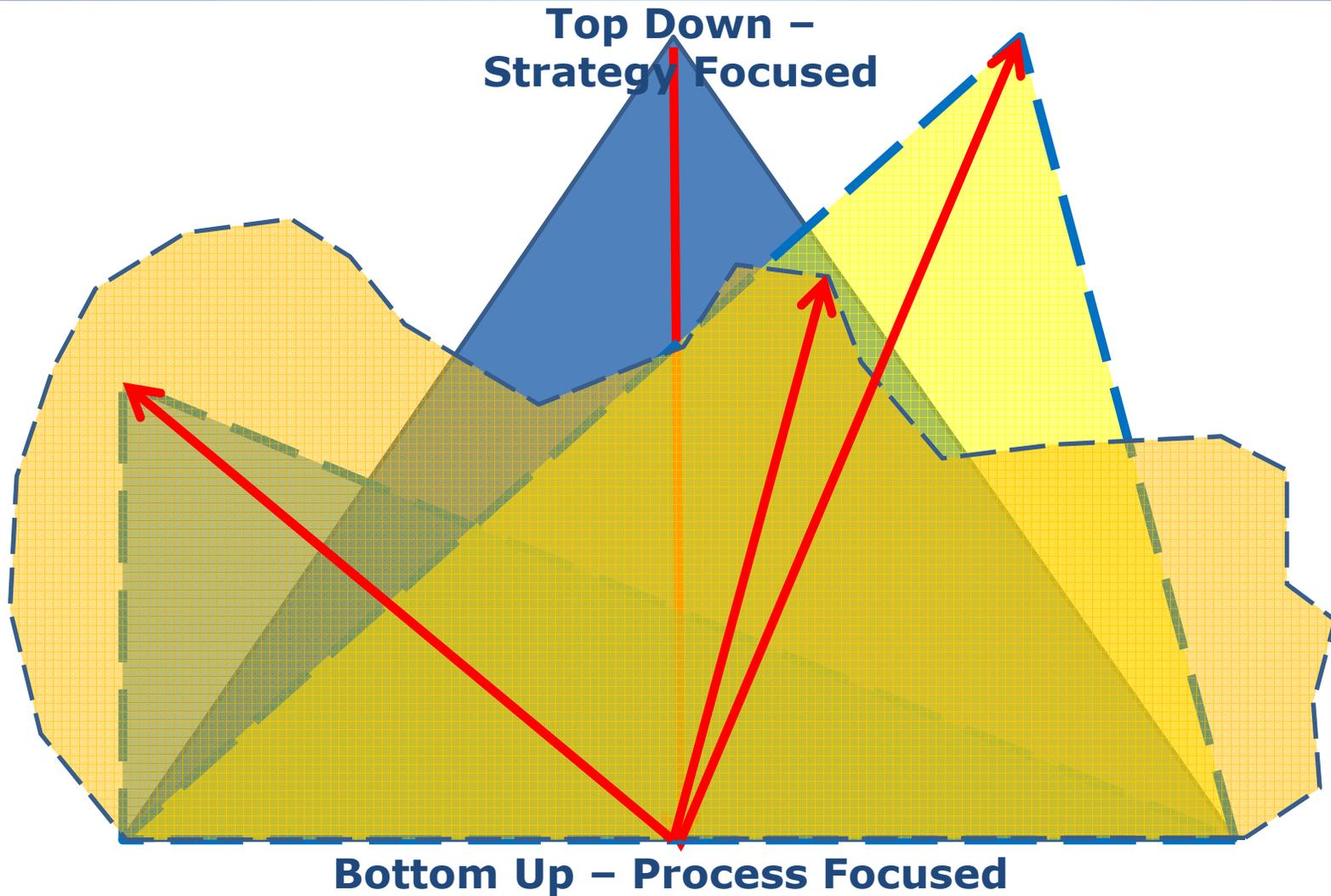


# Factors causing strategy implementation failure



- 1. Mythology, hype & tradition -- 30%
- 2. Lack of executive custody, inappropriate governance and policies -- 19%
- 3. Lack of strategic architecture, alignment, etc -- 16%
- 4. Lack of information and poor documentation -- 14%
- 5. Soft issues and change impacts -- 12%
- 6. Lack of an engineering approach, lack of precision, etc -- 6%
- 7. Technology issues -- 3%

# Top down (CEO led) versus bottom up design



# Process obsession example versus STRATEGIC design



- Big brand ERP, big brand implementer
  - Project stalled and restarted
  - Running for three years and NO DELIVERABLE!!!
  - Thick files of process documentation
  - “Swimlanes”, “User stories”, “Flow charts”
  - You name it they had it
  - Except a deliverable

i.e. Process a complete waste of time and money  
and caused massive delays!

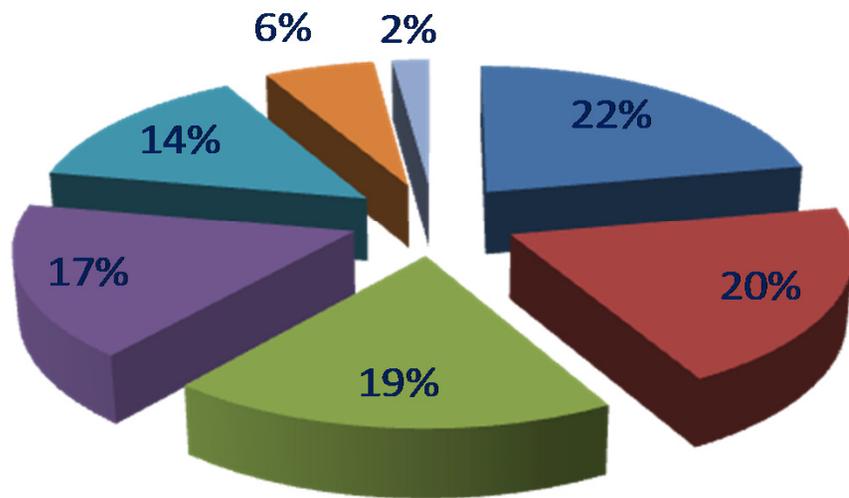
# The brutal truth



- Real processes are much more diverse and more complex than most people realize
  - probably at least seven creditors processes
- Processes are seldom if ever defined in most businesses
- We hack it with the way the people we hire do it
- Process is only relevant IF all the rest of the business is highly optimized
- Process is an **EXECUTIVE** DESIGN OUTPUT NOT an input
- There is NO SUCH THING as the Strategic process

→ Provide quality information on which to base quality decisions – one really good strategic decision could repay the entire investment!  
→ One really BAD decision can destroy the business

# Factors for strategy implementation success



- 1. Executive custody, strategic solution architect, accountability – 22%
- 2. Effective change facilitation -- 20%
- 3. Strategic architecture, alignment, etc -- 19%
- 4. Data engineering and configuration -- 17%  
Information and documentation
- 5. Engineering approach, design against failure, precision, etc -- 14%
- 6. Business integration, training, processes, CBT -- 6%
- 7. Technology -- 2%

## THE CORE OBJECTIVE -- DIFFERENTIATION

Create Competitive Advantage



### THE CHALLENGE FOR BUSINESS

*Getting the right information, to the right people,  
at the right time and in the right place  
in order to make the  
right decision!*

**A major requirement for business  
information systems**



## CRITICAL FOCUS AREAS OF EXECUTIVE CUSTODY



1. Creating and delivering value to customers
2. Differentiating from competitors
3. Motivating and leading personnel
4. Meeting and exceeding owner expectations
5. Building exceptional partnerships with suppliers
6. Integrating and optimizing the business
7. Day to day operational efficiency and effectiveness

Strategic issues  
Engage HERE

5%?



# The engineering approach

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- A. Meticulous design detail**
- B. Meticulous planning detail and costing**
- C. Multi-disciplinary teams and specialists**
- D. High professional standards and legal accountability**
- E. Cross checking and double checking of all important details**
- F. Physical world metaphor and impact analysis**
- G. Engineers know the limitations of their expertise and when to call in specialists**

# Agenda

## Strategy – what is it and how to develop actionable plans

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1. What IS strategy really?
2. Strategy defined in one sentence that everyone understands
- 3. How to define the strategic environment?**

## ESSENTIAL BUSINESS KNOWLEDGE ESSENTIAL COMPONENTS OF STRATEGY



1. Core economic driver
2. Core human resource driver
3. Core market differentiator / value proposition / sales or marketing method
4. Core customer / market / user
5. Core asset / product / natural resource / size / growth
6. Core technology / capability / know-how / distribution
7. Essential reason the organisation exists (generally NOT profit)
8. Core values
9. Other ***Refer ALSO Michel Robert on "Strategic Driving Force"  
<http://www.decisionprocesses.com/>***

# Analysis of the strategic environment



# **BENEFICIAL BUSINESS IMPACT WHAT SHOULD A SOLUTION DELIVER?**

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1. **Start with a concise problem statement**
  - **Required business performance**
  - **REAL problem**
  - **NO PROBLEM, NO PROJECT**
  
2. **Support the business in terms of one or more of:**
  - **increased competitiveness**
  - **increased market share**
  - **increased turnover**
  - **increased profit margins**
  - **increased earnings**
  - **increased shareholder value**

**What are the components of an I.T. solution required to deliver this?**

# Developing a robust strategic design



1. Critical issues analysis -- at ANY level -- what is REALLY important

2. Gap analysis

3. Design / mapping -- how the solution fits together -- weights

4. Governance framework

5. Action plan

6. Project plan

7. Outcome tracking, performance measurement and incentives -- journey management

8. Continuous Improvement



# Determining the **ESSENCE** of the business and how it thrives



1. Experienced strategic facilitator
2. Interview each executive one on one starting with the CEO
3. *“Please will you tell me the essence of your business and how it thrives – what differentiates you from your competition?”*
4. Listen carefully
5. Take lots of notes
6. After completing the interviews synthesize ALL the views to arrive at a **SINGLE SENTENCE** amplified as necessary with further detail
7. If an executive differs with the CEO then, unless the CEO has just arrived, the CEO’s view must prevail, particularly if the CEO is the founder or has been there for many years
8. New executives can be FAR off the mark

# Strategic Snapshots – StratSnap<sup>©</sup>



- 
1. One focus question = one Snapshot
  2. Constantly narrowing focus to the 20% of issues that will deliver 80% of the value
  3. Brainstorm
  4. Synthesize Critical Factors -- seven
  5. Weight – relative importance
  6. Score – performance – historic, current, forecast, objective
  7. Weighted Gap
  8. Feeds StratGap<sup>©</sup> gap analysis method
  9. Feeds Strategic Action Plan
  10. Feeds the Strategic Project Plan
  11. Feeds implementation

# Relative contribution to a successful strategic analysis and design outcome



1. Tool (2%)
2. Facilitator and Facilitation Technique (3%)
3. Method (4%)
4. Focus Question (14%)
5. Delegate Group Representivity (17%)
6. Mandate (20%)
7. Sponsor and leadership (40%)

All are required for a successful outcome but without the last three factors the first four cannot deliver a valuable result

# Examples of Focus Questions → Right thing / Essence orientated questions

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1. Critical Concerns with regard to the strategic direction of YOUR organization
2. Critical Drivers of ...
3. Owner / Shareholder Critical Success Factors – why they have invested
4. Market Attractiveness Factors – the markets we WANT to do business with
5. Customer Critical Success factors – why customers buy from us in preference to our competitors
6. Critical Threats
7. Critical Business Information System (ERP) measurements and services
8. etc

# Brainstorm



1. List all thoughts regarding the focus question
2. No discussion
3. There are no wrong answers
4. All thoughts, no matter how outrageous they may seem
5. Everything that might possibly have a bearing

# Brainstorm

## DETAIL FACTOR BRAINSTORMING

*Client* : FA IT

*Session* : 2 Critical Success Factors for IT Performance

*Focus Question* : What are the factors that will cause us to be really satisfied if fulfilled and really dissatisfied if not fulfilled?

No	Factor	Group
82	Function is to communicate with clients, gives a day	
83	Mail box full cannot answer	
84	Not alot of emails -- 80 it is full	
85	Clean the box first, do not have time	
86	Do not want to clean because lot of things want to keep	
87	Cannot clean now	
88	Out of the country for a week and somebody has sent 5MB and then stuck	
89	Can only keep 2 weeks email	
90	I save mine on my C drive move all emails into	
91	What if your hard disk crashes	
92	unreasonable and impractical limitations	
93	Business unfriendly standards	
94	People start working outside -- then so slo, office to office then so slow got to police	
95	Is that the way you want to work -- it is ahell of schlep	
96	Like to get out of IT is better guidance regarding choice of equipment and life of	
97	Should a computer last me three years, five years, what am i doing to shorten its life	
98	Should we keep on original software	
99	What is our policy of users	
100	Harry uses all the time has to be all the time	
101	Guy in the field only picks up email once every three weeks	
102	What if you have a problem with the equipment and you have to wait for it to be fixed	
103	What if you have a problem with the equipment and you have to wait for it to be fixed	
104	Computer gets slower and slower, drag	
105	Every time you log on to the server Microsoft downloads some gogga machine	
106	Blowing into a balloon	
107	What i think	

Most "Strategic Plans" are merely brainstorm lists

# What ARE “Critical Factors?”



**TO TRAVEL 1,000 KILOMETERS FROM HERE BY MOTOR CAR TO A SPECIFIC DESTINATION YOU NEED:**

1. Car (own, rent, taxi, etc)
2. Driver
3. Petrol / Money for Petrol
4. Car in working order (engine works, tyres, etc)
5. Map or directions to get there
6. Experienced driver, roadworthy car
7. Nice comfortable car, airconditioning, make, etc

**FIVE (5) ARE CRITICAL, TWO ARE NOT!**

# Why SEVEN factors?



1. Close to 80:20 (86:14) but have found that **in practice seven works better than five or six**
2. Presentations - for ease of understanding, between five and ten slices on a pie chart are optimum - average - **7.5**
3. The average person can manage **seven** plus or minus two abstract concepts simultaneously
4. The average person can manage **seven** plus or minus two direct reports

# Weight determination

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1. Refer to the ranking in allocating the weights - if when weighting you revise the ranking that is fine
2. Total of weights for all seven factors must equal 100%
3. Spread weights to reflect relative importance
4. All seven factors are important but some are more important than others

# Critical Factors weighted



## FACTOR WEIGHTING

Client : IT

Session : 2 Critical Success Factors for IT Performance

Focus Question : What are the factors that will cause us to be really satisfied if fulfilled and really dissatisfied if not fulfilled

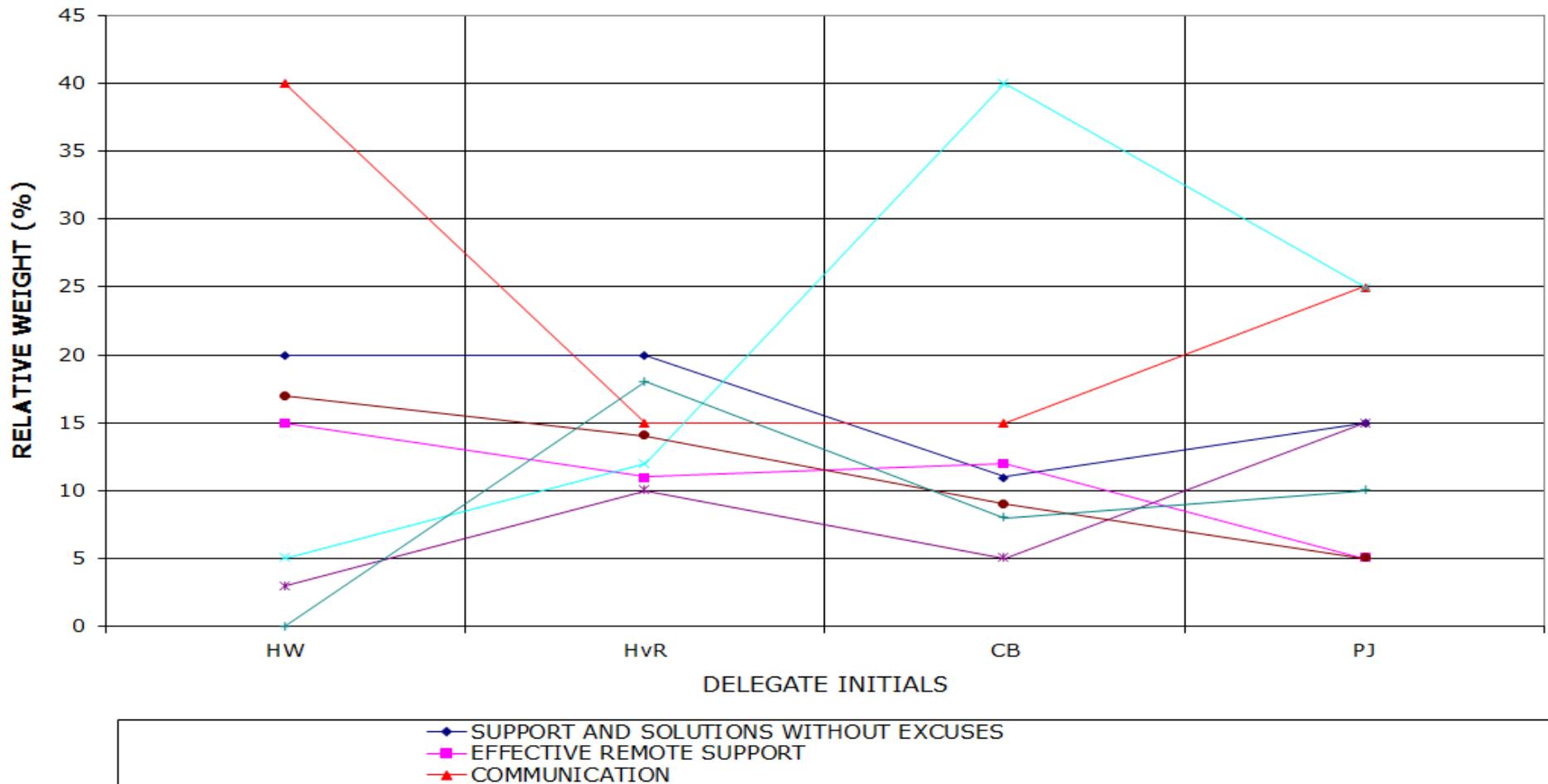


No	Factor	1	2	3	10	WEIGHT					
		HW	HvR	CB	PJ	Avg	Adj*	Max	Min	Std	Range
2.1	SUPPORT AND SOLUTIONS WITHOUT EXCUSES: Support we need -- support WITHOUT EXCUSES -- we want	20	20	11	15	17	17	20	11	4.4	9
2.2	EFFECTIVE REMOTE SUPPORT: Hardware and printer support for remote sites	15	11	12	5	11	11	15	5	4.2	10
2.3	COMMUNICATION: Two way communication -- guys to sites, regional offices,	40	15	15	25	24	24	40	15	11.8	25
2.4	INFRASTRUCTURE PERFORMANCE, RELIABILITY AND CONNECTIVITY:	5	12	40	25	21	21	40	5	15.4	35
2.5	BUSINESS APPROPRIATE ADVICE: Understand things like life of computers, streamlining, support	3	10	5	15	8	8	15	3	5.4	12
2.6	TRAINING: User training. Logs that come in on Movex -- inadequate	17	14	9	5	11	11	17	5	5.3	12
2.7	BUSINESS APPROPRIATE STANDARDS AND POLICIES: Standardization. Password policy, expiry, single passw	0	18	8	10	9	9	18	0	7.4	18
<b>TOTAL</b>		100	100	100	100	100	100	23.6	6.29	7.7	17.3
		0	0	0	0						

# Weights are generally ALL OVER the place



**CRITICAL FACTOR WEIGHTS BY DELEGATE**



# The reality of different perspectives

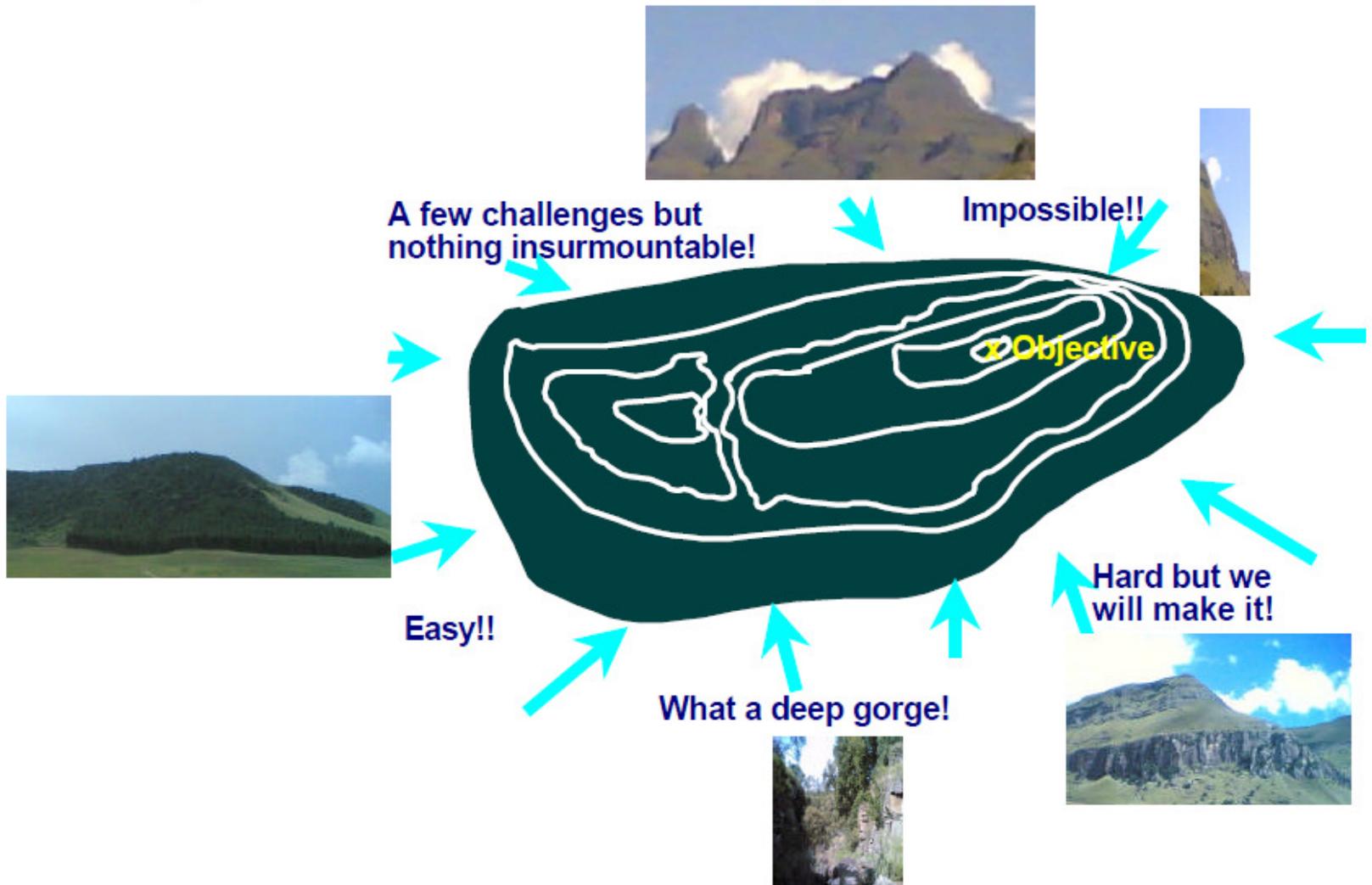


<b>FACTOR WEIGHTING</b>																		
<i>Client</i> : A NOT FOR PROFIT ORGANISATION																		
<i>Session</i> : 3 StratSnap Critical Concerns																		
<i>Focus Question</i> : What are the critical concerns with regard to ...																		
No	Factor	19	20	21	22	23	24	25	26	27	28	29	WEIGHT					
		AP	KR	WB	WN	AH	JK	MSch	RH	SR	VA	BLB	Avg	Max	Min	Std	Range	
3.1	LEADERSHIP: Leadership / management / governance - includes visioning and setting strategic goals	15	30	30	10	18	22	23	11	20	30	20	22	50	5	9.5	45	
3.2	MARKETING AND PUBLIC RELATIONS: Marketing and public relations and customer (graduates) service - in	45	20	14	25	12	23	22	20	30	12	30	19	45	1	8.4	44	
3.3	FINANCIAL MANAGEMENT	12	12	3	5	5	11	5	15	25	8	5	10	25	1	5.9	24	
3.4	ADMINISTRATION AND SYSTEMS: Admin / systems / information management / legal	6	15	7	10	9	9	13	9	5	15	9	11	26	4	5.2	22	
3.5	OPERATIONS / PRODUCTION: everything that is necessary to ensure that courses and events are planned	9	14	6	15	16	5	5	8	1	15	9	9	25	1	5.0	24	
3.6	HUMAN RESOURCES: Human resources management and development includes effective support and developme	5	5	35	20	30	10	20	30	9	10	12	19	40	5	10.0	35	
3.7	LONG TERM PLANNING: Long term (strategic ) planning and plan implementation and monitoring - this is	8	4	5	15	10	20	12	7	10	10	15	10	20	1	5.0	19	
<b>TOTAL</b>		100	100	100	100	100	100	100	100	100	100	100	100	33	2.57	7.0	30.4	
STRATSNAP® Strategic SnapShot Tool		0	0	0	0	0	0	0	0	0	0	0						

# The reality of different perspectives



Everyone sees the problem and the solution differently



# Highlighting priority conflict

## Senior business analyst out of touch with the business



### FACTOR WEIGHTING

Client : Is IT Department

Session : 2 Critical concerns with regard to IT

Focus Question : What are the critical concerns with regard to the IT operations at Pannar as they currently are?

No	Factor	1	2	3	4	5	6	7	8	9	10	11	Avg	Adj*	WEIGHT	
		PL	LH	IW	CE	DN	DH	HJ	LS	RU	YM	HD			Max	Min
2.1	RISK AND DOWNSIDE CONTAINMENT: Risk management, key person risks, loss of data risks are	19	10	11	15	25	10	20	30	20	18	25	18	19	30	10
2.2	HIGH VALUE SUSTAINABLE SYSTEMS: Pannar Seed System unstable, concern regarding ability to support	25	50	20	40	35	30	5	15	20	20	20	25	25	50	5
2.3	ENGAGEMENT: Engagement with the business. Inform business of new	20	6	13	10	8	22	15	12	5	13	15	13	20	22	5
2.4	SUPPLIERS / PARTNERS: Reliability of service providers across the spectrum -- hardware	2	8	15	2	4	0	5	5	5	6	10	6	2	15	0
2.5	STRATEGIC CAPABILITY: Limited strategic capability as a result of excess maintenance	17	4	8	3	11	3	3	8	5	5	5	7	17	17	3
2.6	STAFFING AND SKILLS: Need for skills development -- business, financial, service	14	15	19	25	10	20	40	20	30	16	15	20	14	40	10
2.7	HARD TECHNOLOGY: Ensure stable and reliable connectivity to computer. Reps do most	3	7	14	5	7	15	12	10	15	22	10	11	3	22	3
<b>TOTAL</b>		100	100	100	100	100	100	100	100	100	100	100	100	100	28	5.143
		0	0	0	0	0	0	0	0	0	0	0				

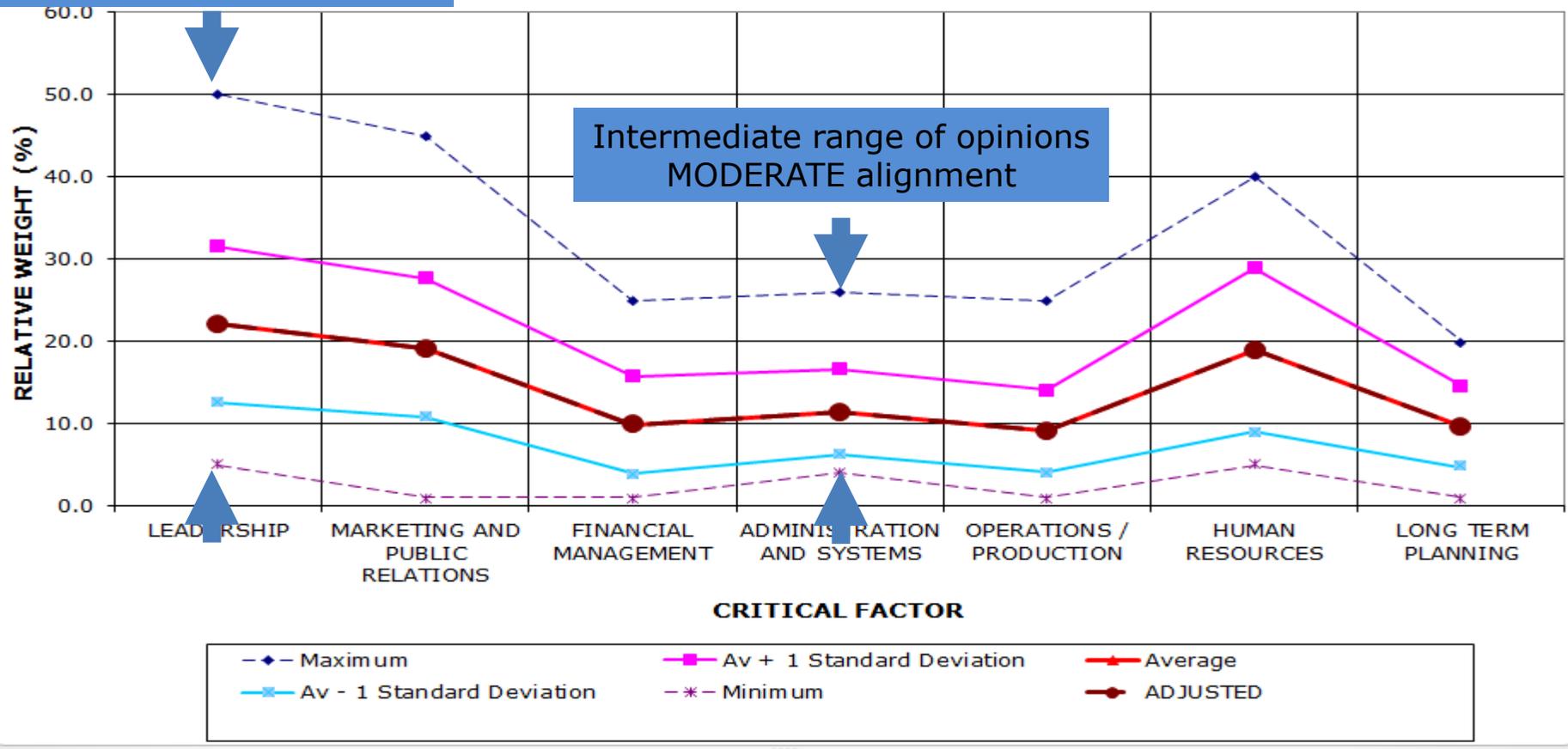
# Summing up the weights -- uncertainty



**DISTRIBUTION OF RELATIVE WEIGHTS FOR CRITICAL FACTORS  
WHAT WE DO**

Very wide range of opinions  
LOW alignment

Intermediate range of opinions  
MODERATE alignment



# Governance Matrix – weighted priorities



INFORMATION TECHNOLOGY FUNCTIONAL KPA'S		PAITECS HOT SPOTS							
		Weight							
STRATEGIC ALIGNMENT	23%	1	3.9%	2.5%	1.6%	2.8%	5.3%	2.8%	4.1%
SERVICE LEVELS	15%	2	2.6%	1.7%	1.1%	1.8%	3.5%	1.8%	2.7%
EXECUTIVE CUSTODY	13%	3	2.2%	1.4%	0.9%	1.6%	3.0%	1.6%	2.3%
FINANCES	9%	4	1.5%	1.0%	0.6%	1.1%	2.1%	1.1%	1.6%
TECHNOLOGY	8%	5	1.4%	0.9%	0.6%	1.0%	1.8%	1.0%	1.4%
STAFF	15%	6	2.6%	1.7%	1.1%	1.8%	3.5%	1.8%	2.7%
PLANNING AND EXECUTION	17%	7	2.9%	1.9%	1.2%	2.0%	3.9%	2.0%	3.1%
Weight	100%		A	B	C	D	E	F	G
	100%		17%	11%	7%	12%	23%	12%	18%
PAITEC's GOALS			PUBLIC PURPOSE	AFRICA-FOCUS	IMPLMNTN NETWKG	TRANSFORMATION	EXCELLENCE	CAPACITY BUILDING	SUSTAINABILITY

# Agenda

## Strategy – what is it and how to develop actionable plans

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1. What IS strategy really?
2. Strategy defined in one sentence that everyone understands
3. How to define the strategic environment?
- 4. How to measure strategic performance**

# Scores and words to scores



**0 = Abysmal - could not be worse anywhere in the world**  
**1 = Extremely weak**  
**2 = Very weak**  
**3 = Weak**  
**4 = Mediocre**  
**5 = Average - could be better / could be worse**  
**6 = Acceptable**  
**7 = Strong**  
**8 = Very strong**  
**9 = Extremely strong**  
**10 = Exceptional - could not be better anywhere in the world**

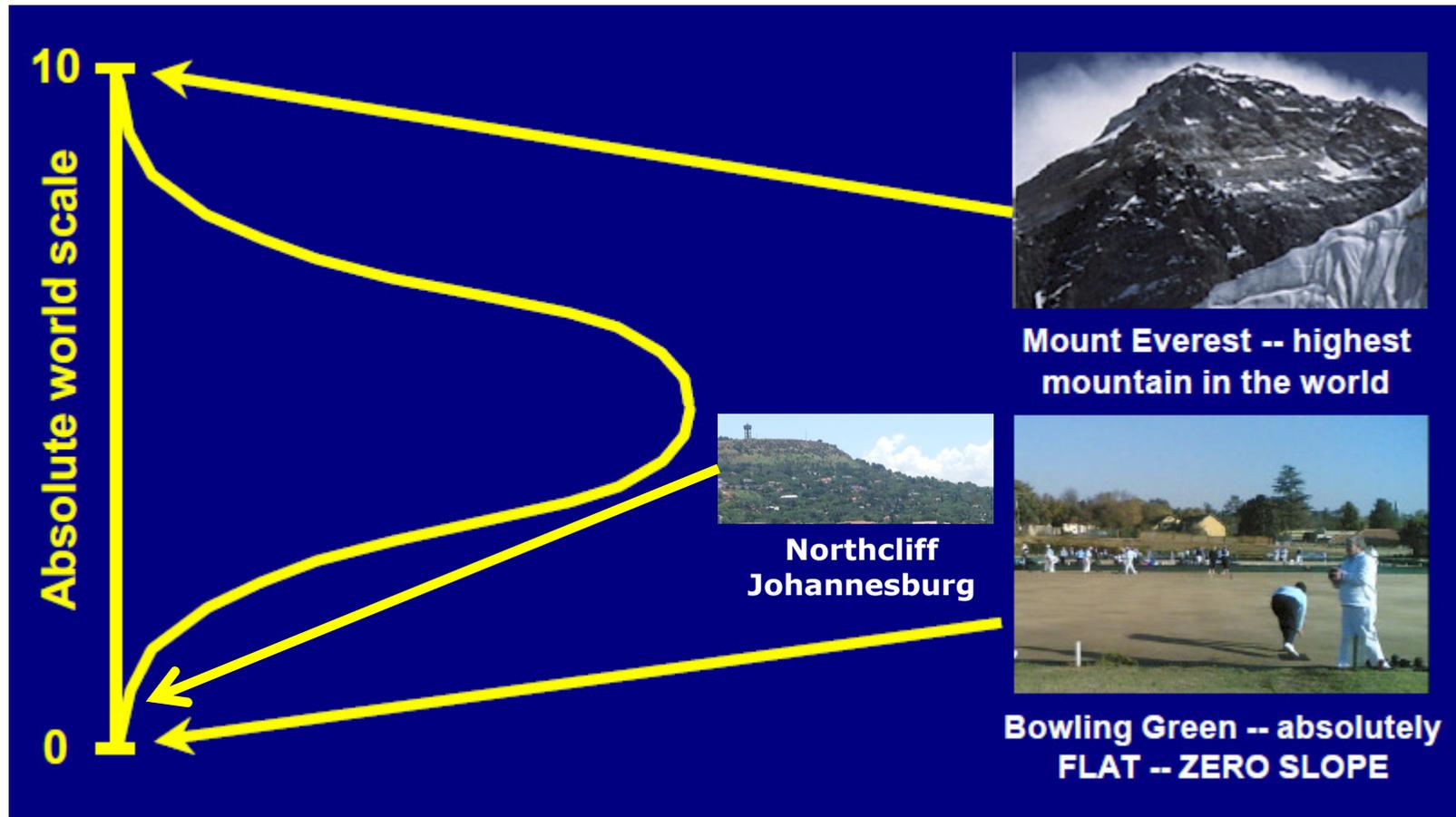
- Eleven (11) point scale gives space for nuances
- Mid point for neutrality
- Zero is important to negate a point if required
- Most people have experience with zero to 10
- Global reference minimizes different perspectives

# Scoring – practical considerations



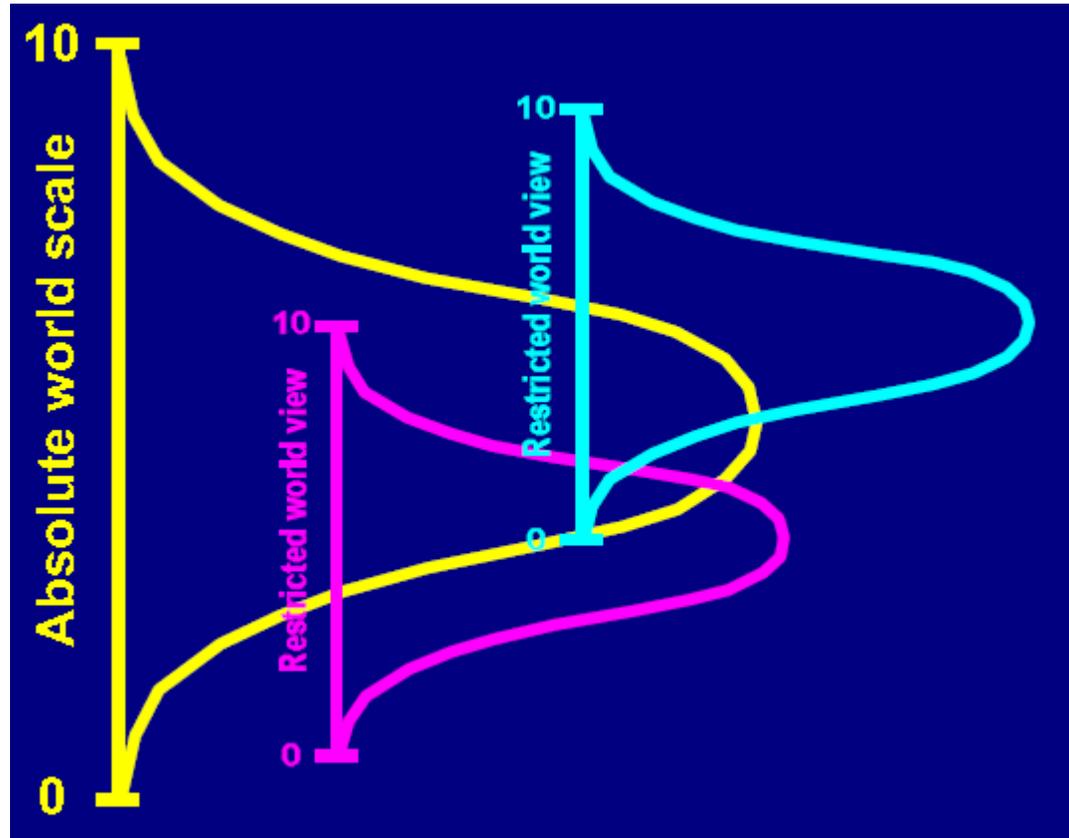
Decimal values (fractions) such as "4.7" can be used if required

# The Mount Everest phenomenon versus YOUR local hill

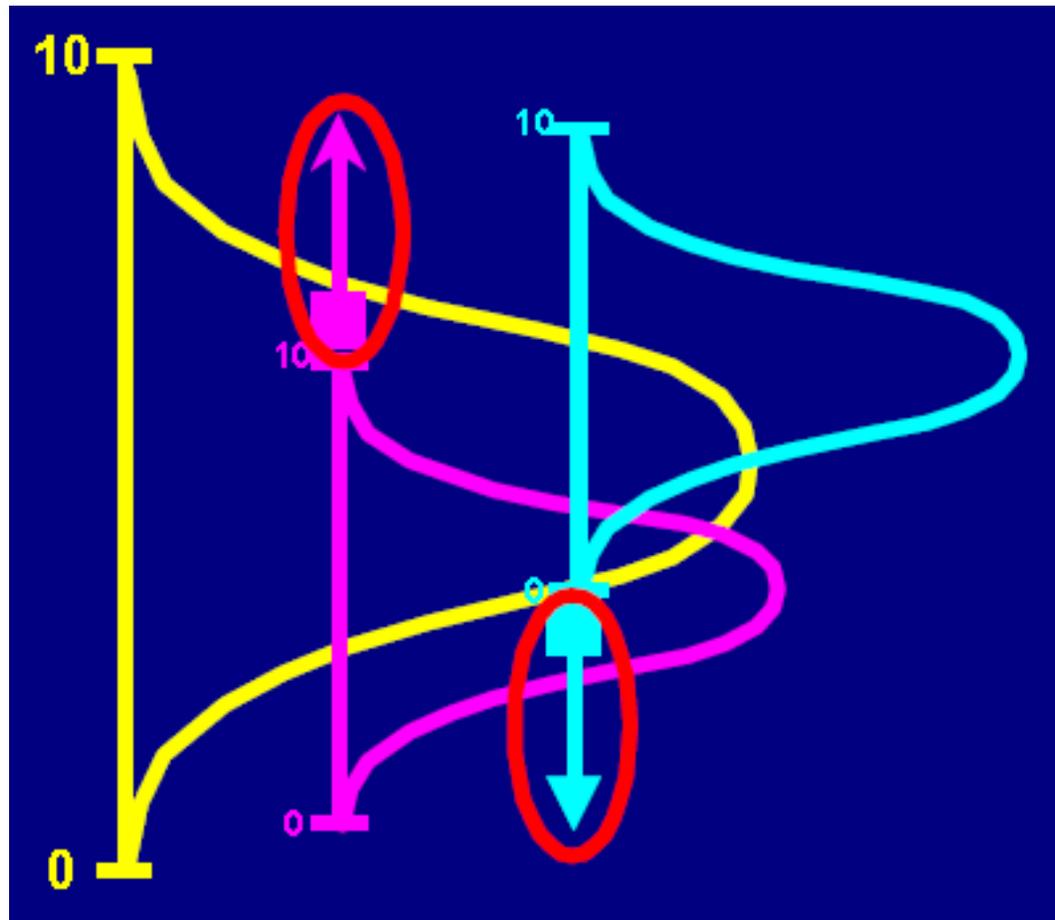


# The challenge of personnel with different experiential backgrounds

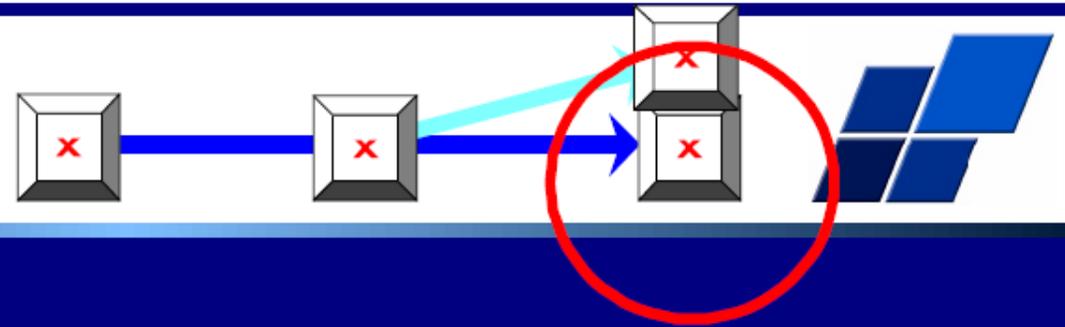
## Confusing factual analysis



# Stretching of worldviews NOT that easy



## FORECAST SCORING :



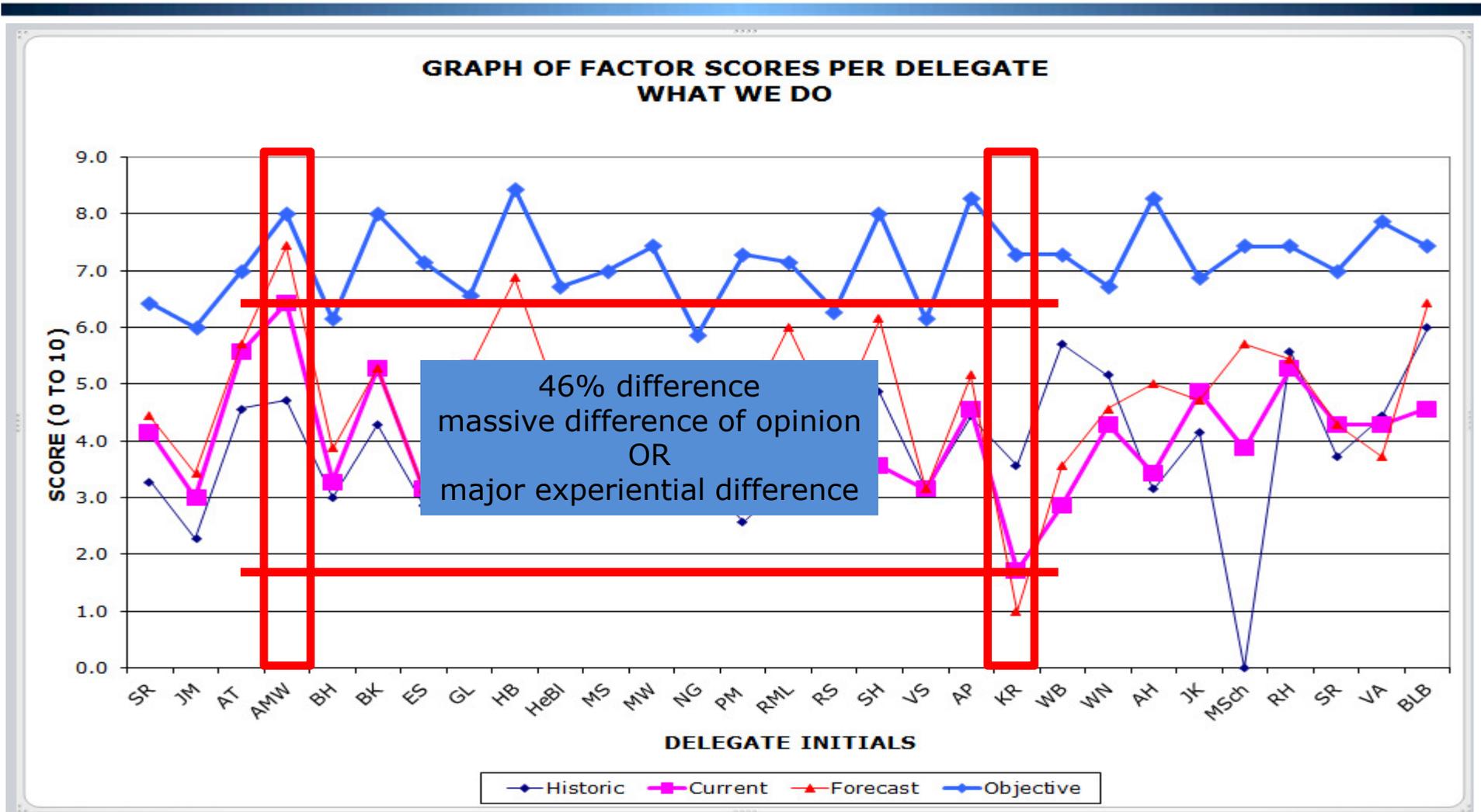
3. **Equal** to CURRENT if you think that there will be **NO** material change in the planning period 
4. **Less** than current if you think that the situation is **deteriorating** with no sign of other actions likely to give rise to improvement 
5. **Greater** than current if you think that the situation is **improving** as a result of other actions 

0 = Could not be worse  
10 = Could not be better

# Score variability

29 delegates is a VERY large group

5 to 10 is optimal – views of the mountain

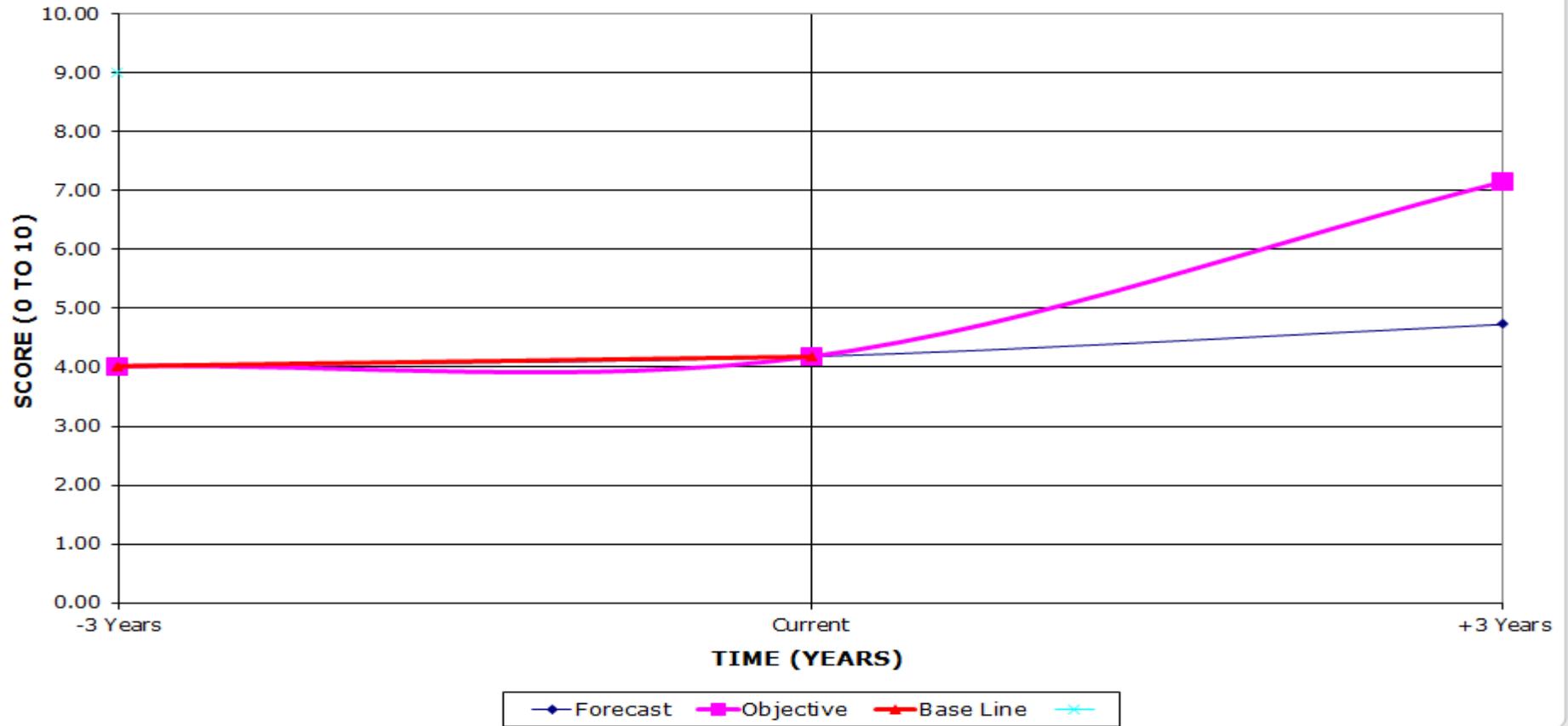


# Typical Strategic Trajectory

## Ho-hum with room for improvement



AVERAGE SCORE TREND - WHAT WE DO

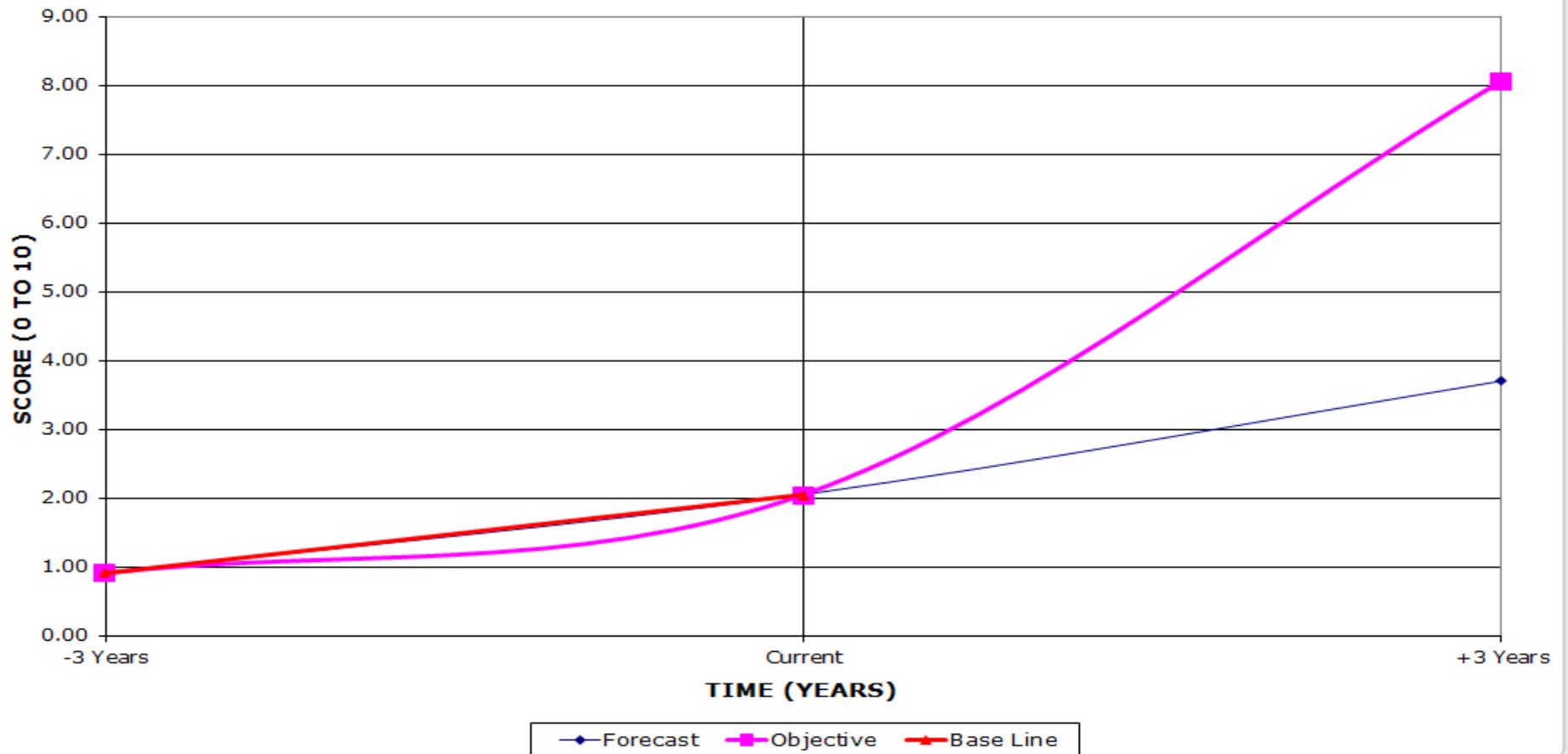


# Strategic trajectory

## Improving off a low base but want much more

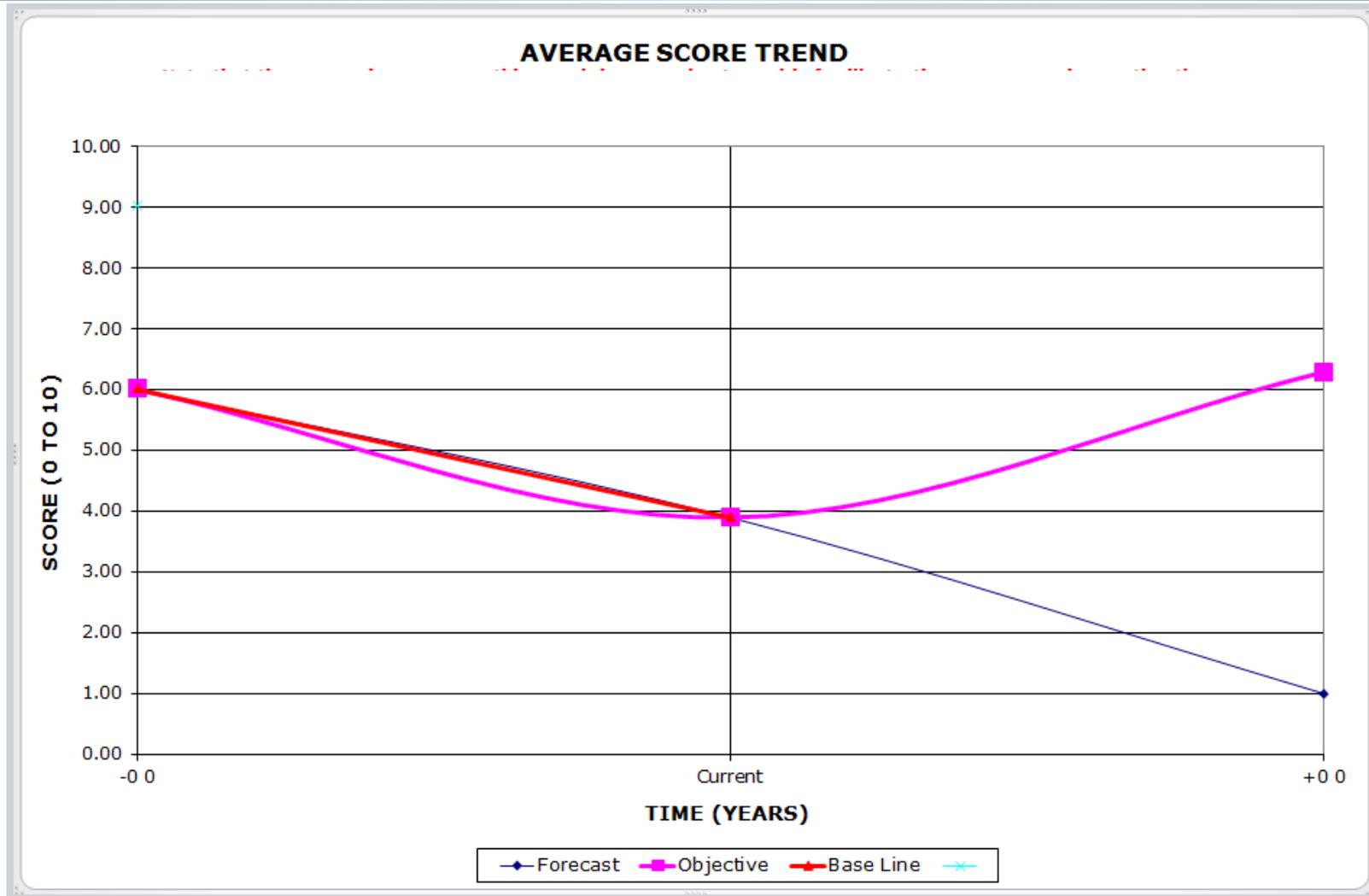


AVERAGE SCORE TREND



# Strategic trajectory

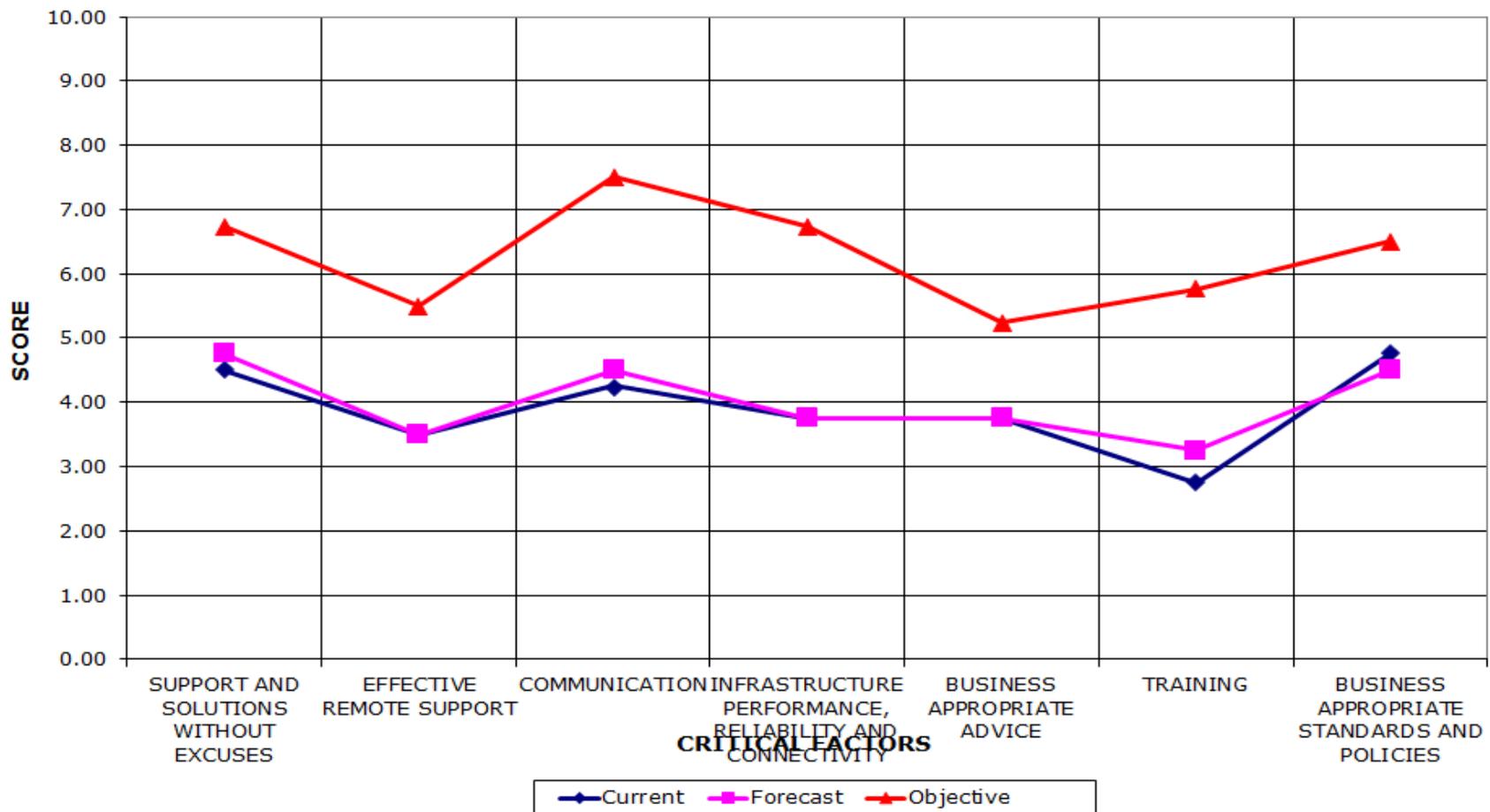
## Something is seriously wrong!



# Unweighted gap Priorities ALL look similar



UNWEIGHTED OBJECTIVE vs CURRENT vs FORECAST SCORE

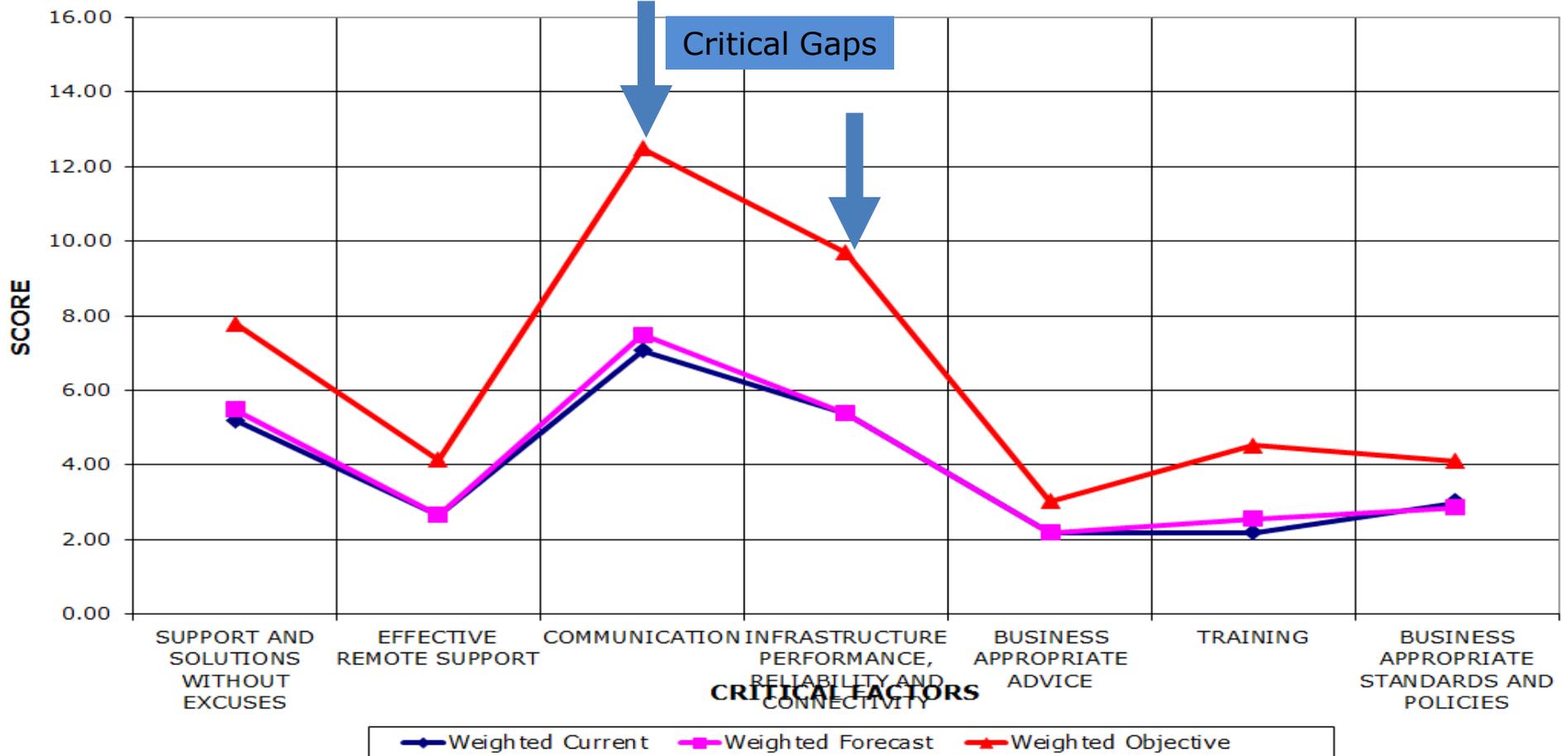


# Weighted gap

## Two factors stand out



**WEIGHTED OBJECTIVE vs CURRENT**



# Agenda

## Strategy – what is it and how to develop actionable plans

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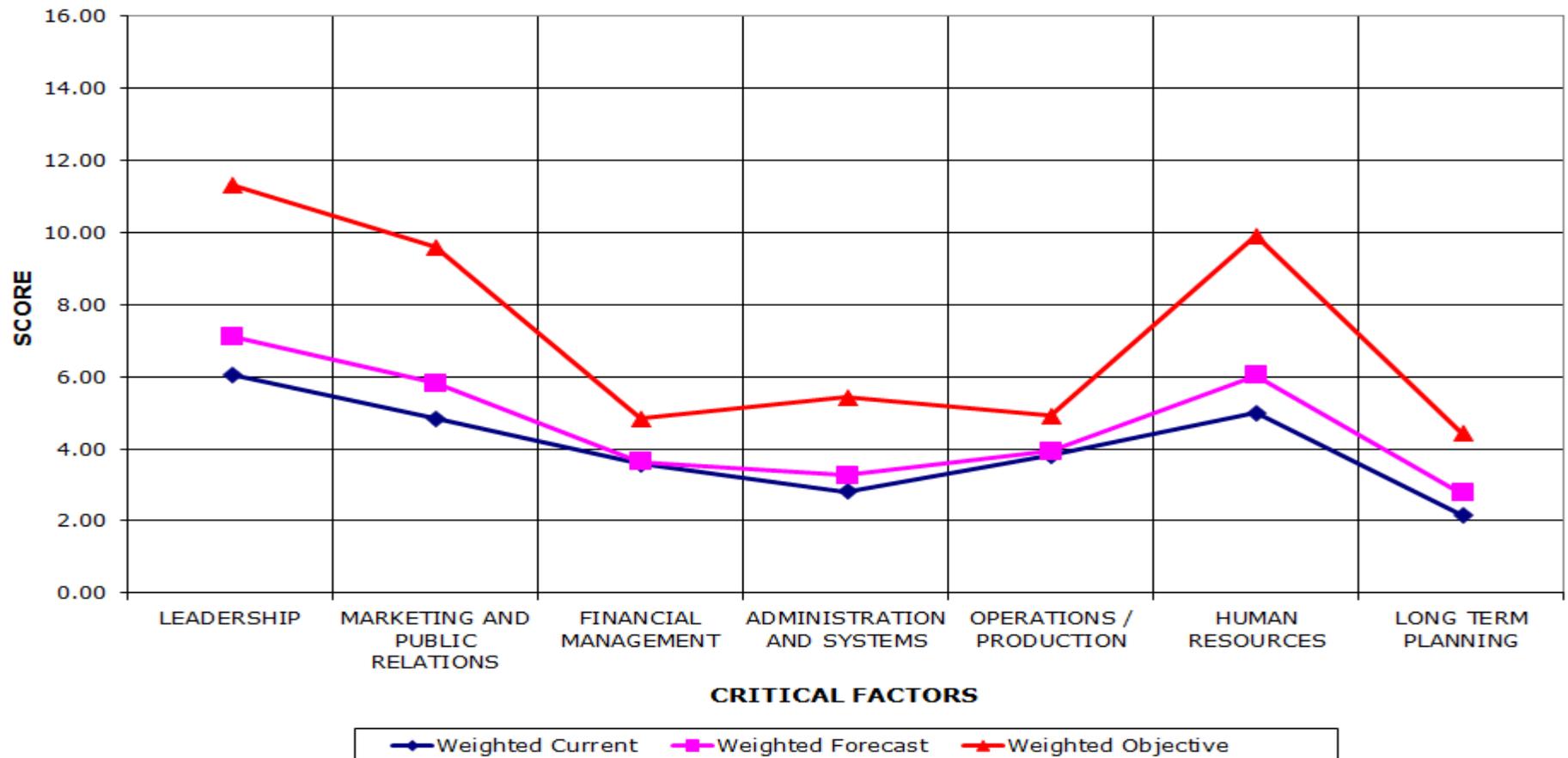


1. What IS strategy really?
2. Strategy defined in one sentence that everyone understands
3. How to define the strategic environment?
4. How to measure strategic performance
- 5. Driving strategic performance through to measurable and actionable plans**

# Weighted gap



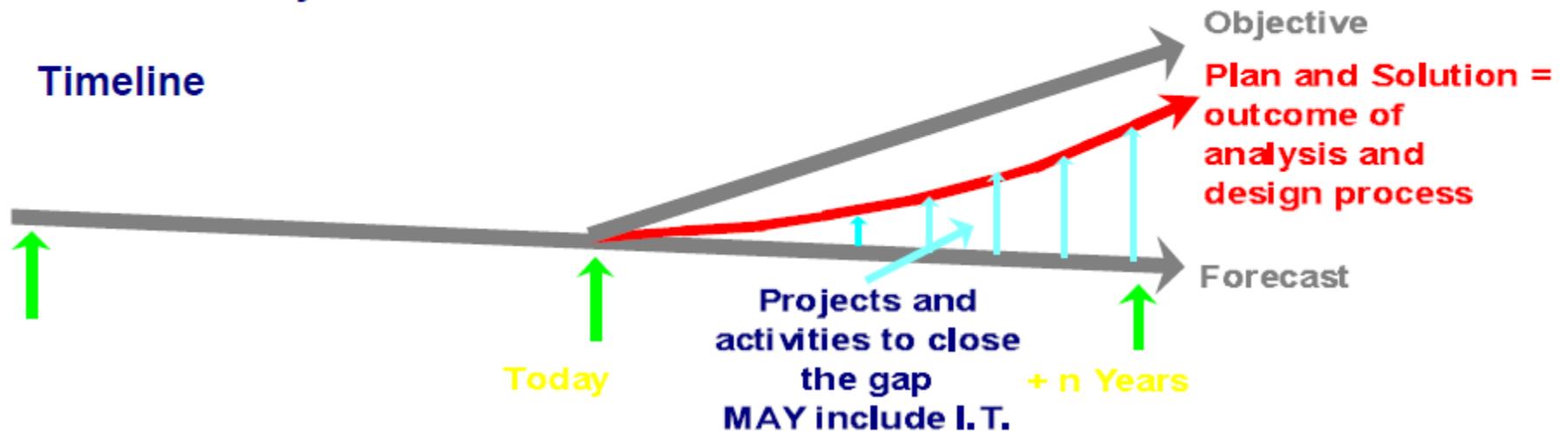
**WEIGHTED OBJECTIVE vs CURRENT -- WHAT WE DO -- ALL DELEGATES**



# Gap analysis



1. What will be done?
2. How well are we doing it already?
3. Accountability
4. Timeline



# Detailed planning



PROJECTS TO CLOSE THE GAP SUMMING UP FOR INPUT TO STRATDESIGN AND STRATACTION														
Client : Session : 3 Critical Success Factors for IT Performance --> Gap Analysis Focus Question : What are the factors that will cause us to be really satisfied if fulfilled and really dissatisfied if NOT fulfilled Scoring Question: How well are we accomplishing these objectives?														
No	SnapShot; Factor; Project	Short Name	Gap Contribution Relative Weight to Close the Gap	How Well We Doing Now? (0 to 10)	Implement- ation Area (1 to 7)	Responsible Functional Area (1 to 7)	Deadline (Month & Year)	Responsible Person (Initials)	Project Time Line					
									Year 1				Year 2	
									Q1 xxx	Q2 xxx	Q3 xxx	Q4 xxx	H1 xxxxxx	H2 xxxxxx
<i>STRATGAP® Strategic Gap Analysis Tool</i>														
<b>3</b>	<b>CRITICAL SUCCESS FACTORS FOR IT PERFORMANCE</b>													
<b>3.1</b>	<b>SUPPORT AND SOLUTIONS WITHOUT EXCUSES:</b>													
<b>3.1.1</b>	AWARENESS OF IT STAFF WRT CUSTOMERS: Improve customer awareness -- client relationship training, refresher, drill in continuously. Workshops and ongoing mentoring in the area of customer service for the team. Constantly review customer satisfaction and raise the bar. Educate and train IT staff to atune them to a high level of awareness of customer satisfaction, service and communication	AWARENESS OF IT STAFF WRT CUSTOMERS	17.8	2.0	0	0	Dec-10	Kay		x xxx xxx xxxxxxx xxxxxx				
<b>3.5.5</b>	Train IT staff to understand the business -- boots in the mud orientation and socialization and alignment -- get the role of IT in support of the business aligned	IT STAFF ORIENTATION	14.0	3.0	0	0	Dec-09	JS / KH		x xxx xxx				
<b>3.1.2</b>	HELP DESK AND RELATED: Improve the help desk processes. Get the help desk system set up and working effectively - enabling us to draw reports and establish -- performance measurements. Proper escalation to a contractor if we are unable to resolve a problem internally. New help desk system -- implemented and run appropriately -- way intended. Appropriate support call prioritization taking account of the nature of the problem (show stopper or not), seniority of person affected and criticality of task affected. Finalize and implement the help desk protocols and processes with required levels of feedback and communication -- includes customer satisfaction ratings. Actively investigate all complains and all sub-optimal response statistics, do root cause analysis and implement findings	HELP DESK AND RELATED	22.3	3.3	3.3.3 -- carry over these items	0	Jan-00	0						

# Gap analysis



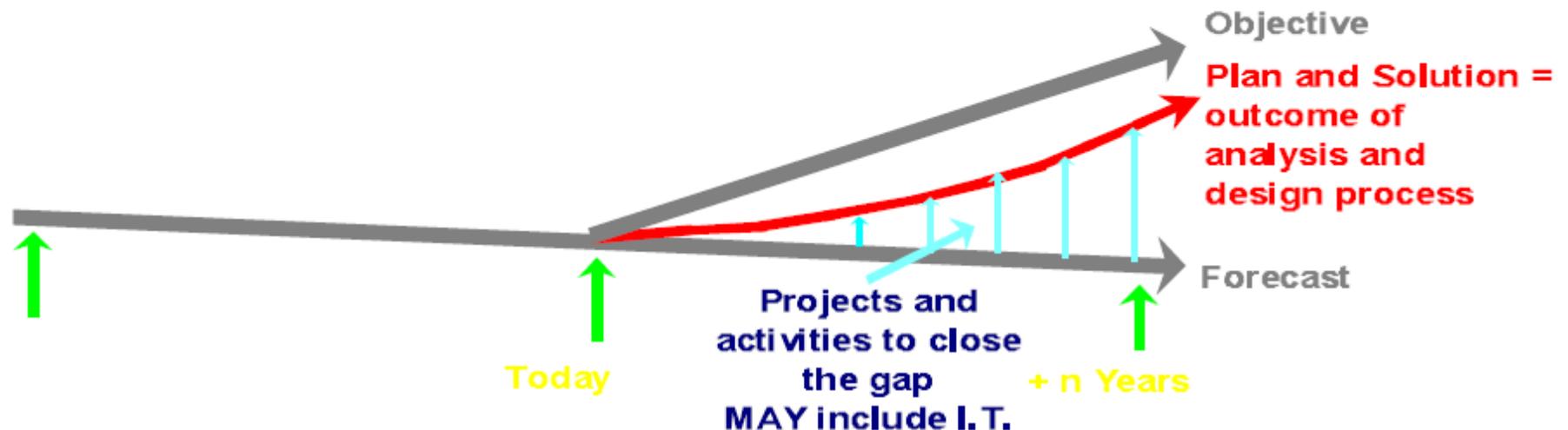
5. Resources (costs and constraints)

6. Risks

7. Customer impact

8. What value and how -- economics

Executive management is often the most serious constraint  
-- ask the RIGHT questions  
-- what is REALLY required?





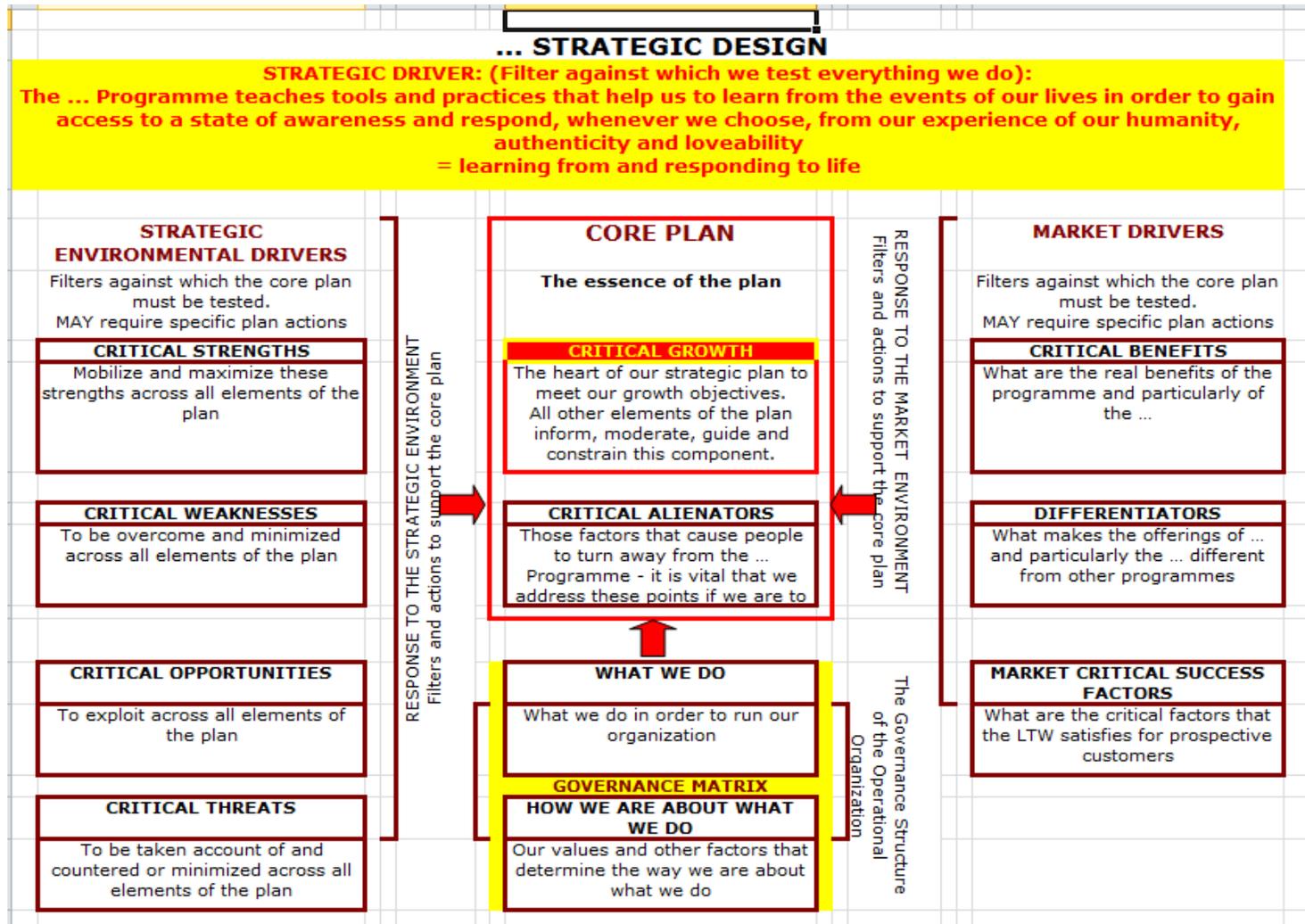
# Executives – the critical constraint



<b>PROJECTS TO CLOSE THE GAP</b> <b>SUMMING UP FOR INPUT TO STRATEGIC DESIGN AND S</b>													
<i>Client</i> <i>Session : 3 Critical Success Factors for IT Performance --&gt; Gap Analysis</i> <i>Focus Question : What are the factors that will cause us to be really satisfied if full</i> <i>Scoring Question: How well are we accomplishing these objectives?</i>													
No	SnapShot; Factor; Project	Resources (Manpower in Man Days)										Financial Resources (M)	
		Executive Mgmt		Senior Mgmt		Management		Staff		Consultants & Contractors		Capital Costs (1.00 = 1 Million)	
		Hi	Lo	Hi	Lo	Hi	Lo	Hi	Lo	Hi	Lo	Hi	Lo
3.7.1	Design and implement policies and procedures. Finalize and enforce policies and procedures. Identify and implement standards. Active directory policy to tie up with policy documents -- eg passwords, etc. Implement SLA's internally and externally. LDAP integration where ever possible. Implement standards documentation. Passwords -- complexity, frequency of change, etc. Email storage and file size. Specification processes and standards -- development. Business requirements analysis process and standards	2.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.7.2	Policies to be reviewed annually when auditors have completed annual audit.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.7.3	Learn more about ITIL and other international standards. Fulfil more of a research role -- what is out there and could benefit the business -- introduce them to it	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.10	0.05	0.00	0.00
3.7.4	Skill up and retain staff. Training on standards	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.7.5	Consultation with the business. Identify and enable the business to do what they need to do. Project determined business requirements	4.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.7.6	Communication. Change control, documents and regular meetings with the business	2.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.7.7	Policies must be readily available to all. Put up all of these procedures, policies and standards on the Intranet where the business can readily get hold of it.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTALS</b>		48.50	21.00	29.50	13.75	9.50	4.25	0.00	0.00	0.10	0.05	5.00	2.50

# Takings thing further – strategic map

## Multiple SnapShots©





# Example of a final plan



## PROJECTS TO CLOSE THE GAP SUMMING UP FOR INPUT TO STRATDESIGN AND STRATACTION

Project Number	Old Ref Number	Short Name	Project Name	SnapShot; Factor; Project	Rel. Weight to Close the Gap	We Doing Now? (0 to 10)		>= 20	>= 14.5
1	3.1.1	AWARENESS OF IT STAFF WRT CUSTOMERS	Helpdesk	AWARENESS OF IT STAFF WRT CUSTOMERS:	17.8	2.0	20.3	20.3	
	3.1.2	HELP DESK AND RELATED		HELP DESK AND RELATED:	22.3	3.3	21.5	21.5	
	3.3.3	HELP DESK		HELP DESK:	16.8	5.0	12.0		
	3.6.6	HELP DESK		New help desk -- make logging of calls much clearer. Implement the knowledge	13.0	3.0	13.0		
2	3.2.1	REMOTE SUPPORT	Remote Site support	Employ remote support resources	27.5	2.5	29.5	29.5	
	3.4.1	REMOTE SITES		CHANGE REMOTE SITE INFRASTRUCTURE:	24.0	4.0	20.6	20.6	
	3.2.3	REMOTE SITES		3.4.1	20.0	4.0	17.1		17.1
3	3.3.6	CUSTOMER COMMUNICATION	Communication	CUSTOMER COMMUNICATION:	14.5	4.0	12.4		
	3.1.5	TWO WAY COMMUNICATION		TWO WAY COMMUNICATION:	17.3	4.0	14.8		14.8
	3.7.6	COMMUNICATION		Communication. Change control, documents and regular meetings with the	17.8	2.0	20.3	20.3	
	3.5.4	COMMUNICATION		We need to communicate exactly what we are going to give them	15.8	4.0	13.5		
	3.3.5	COMMUNICATION PROTOCOLS		COMMUNICATION PROTOCOLS AND STANDARDS:	10.3	0.5	13.9		
	3.3.2	MEETINGS		MEETINGS (INTERNAL AND CUSTOMER):	12.5	2.0	14.3		
3.3.1	CONTACT WITH REMOTE SITES	CONTACT WITH REMOTE SITES:	17.0	4.0	14.6		14.6		
4	3.5.1	STRATEGIC ADVISOR	Strategic Consultation	Position IT as a strategic advisor to business. The business needs advice from us	19.3	1.0	24.8	24.8	
	3.5.6	CONSULTATION		We as IT need to consult with the business on a more regular basis. Engage with	18.5	3.0	18.5		18.5
	3.7.5	CONSULTATION		Consultation with the business. Identify and enable the business to do what they	18.8	3.0	18.8		18.8
5	3.6.1	INDUCTION	User Induction & Training	Induction training course on Fraser Alexander IT	24.3	0.0	34.6	34.6	
	3.5.3	USER INDUCTION & TRAINING		They (business users) need to be trained -- user training. Induction training. Set	13.5	0.0	19.3		19.3
	3.6.2	TECHNICAL TRAINING		Offer technical training as a service -- part of SLA. Make the users more	11.5	0.0	16.4		16.4
	3.3.4	TRAIN & ORIENT CUSTOMERS		TRAINING AND ORIENTATION OF CUSTOMERS:	13.0	0.5	17.6		17.6
1	3.1.4	SERVICE LEVELS AND EXPECTATION MANAGEMENT	Service Levels	SERVICE LEVELS AND EXPECTATION MANAGEMENT:	15.5	2.0	17.7		17.7
2	3.6.4	SELF HELP & INTRANET	Knowledge Information	Self help training website for office applications. Publication of how to documents	12.8	0.0	18.2		18.2
	3.6.5	NEWSLETTER & TIPS AND TRICKS		IT newsletter with tips and tricks, etc. Email -- regular tips and tricks	14.5	2.0	16.6		16.6
	3.6.7	BUSINESS SKILLS		Basic IT related business skills -- Basic email skills -- style, techniques,	13.3	2.0	15.1		15.1



# Developing the plan



1. Strategic action plan
2. Strategic project plan
3. Strategic governance framework
4. Key performance indicators -- “tell me how you want me to behave and I will tell you how to measure me” -- what must I do in order for the organization to thrive?
5. Strategic competencies -- knowledge PLUS experience required to achieve strategic objectives -- cause the organization to thrive
6. Measurement of alignment or lack of alignment
7. Other -- diverse opportunities once there are robust measurements

# Agenda

## Strategy – what is it and how to develop actionable plans

---



1. What IS strategy really?
2. Strategy defined in one sentence that everyone understands
3. How to define the strategic environment?
4. How to measure strategic performance
5. Driving strategic performance through to measurable and actionable plans
- 6. Driving strategic performance through to Key Performance Indicators and Critical Competence**

# Personnel Strategically Aligned Key Performance Indicators (KPI's)

---



**Tell me how you are going to measure me and I  
will tell you how I am going to behave**

**Turn it around**

**Tell me how you want me to behave and  
I will tell you HOW to measure me**

# Developing the Key Performance Indicators for the Department, Head of Department and individual staff



	PL	WEIGHT		
		MT JAR	AVERAGE	
<b>STRATEGIC ALIGNMENT MEASURED BY</b>	23			
Give each ED our seven critical / key areas and asking them to weight importance to them and score how well we are doing				
<b>ADJUDICATORS:</b>				
1 Business Development (in terms of strategic alignment)				
2 ED's				
3 Support services heads				
Express in terms of statements to be evaluated on a scale of 0 to 10 where 0 = could not be worse / false and 1- = could not be better / true				
<b>MEASURES == KEY PERFORMANCE INDICATORS</b>				
<b>MEASURES FOR ADJUDICATORS</b>				
1 IT has clear, explicit and demonstrated understanding of HSRC Strategy, particularly the PAITECS (IT people talk knowlegably about HSRC Strat	27	26	26.5	6.1xx
2 IT have a current plan to align strategically which defines the current and future operational business of IT	12	14	13	3.0
3 IT engaged with me in preparing the IT strategic plan -- NEED TO EVALUATE HOW TO DO THIS IN PRACTICE	11	12	11.5	2.6
4 My inputs are accurately reflected in the plan	15	10	12.5	2.9
5 I.T. objectives are clearly aligned with corporate objectives	20	20	20	4.6xx
<b>MEASURES WE CAN DETERMINE DIRECTLY</b>				0.0
6 Percentage of IT objectives in the IT strategic plan that support the strategic business plan	7	8	7.5	1.7
7 Percent of IT projects in the IT project porfolio that can be directly traced back to the IT tactical plan	5	6	5.5	1.3
8 Delay between updates of the IT strategic plan and updates of the IT tactical plans	3	4	3.5	0.8
<b>TOTAL</b>	<b>100</b>	<b>0 0 100</b>	<b>100</b>	
Please list the seven areas of your function that most critically require IT support and rate how well you are being supported				
<b>APPLIED TO / MEASURED IN TERMS OF:</b>				
1 Public Purpose				
2 Excellence				
3 Sustainability				
or ask across the PAI -- outward facing strategic objectives or just ask globally				

# Developing the Key Performance Indicators for the Department, Head of Department and individual staff



1. Brainstorm the measurements that will best determine if the specific Critical Factor is being satisfied
2. Synthesize approximately seven Critical KPI's
3. Weight these KPI's
4. Repeat for each Critical Factor
5. Apply the weights for the Critical Factors to compute relative weight of each proposed KPI
6. Select the plus minus seven KPI's that will give the most significant measure of performance
7. Incorporate into personnel job descriptions and performance metrics
8. Score Department, or Head of Department or employee 0 to 10
9. Determine gaps and plan actions to improve

# Developing Critical Competence = Knowledge and Experience requirements



1. Competence is actually the synthesis of knowledge, experience and aptitude (the first two can be developed)
2. Basic process is the same as for the KPI's
3. Brainstorm headline areas of knowledge and experience
4. Synthesize the Critical Competence for each area
5. Weight and select overall areas of Critical Competence
6. Score 0 to 10 current, forecast and objective for knowledge, experience and aptitude separately – gives gaps
7. Analyze gaps and develop training, mentoring and other personnel development activities to close the gaps
8. Measure again

# Agenda

## Strategy – what is it and how to develop actionable plans

---



1. What IS strategy really?
2. Strategy defined in one sentence that everyone understands
3. How to define the strategic environment?
4. How to measure strategic performance
5. Driving strategic performance through to measurable and actionable plans
6. Driving strategic performance through to Key Performance Indicators
- 7. Summing up**

# Summing up



- 
1. **Strategy is the essence of why the organization exists and how it THRIVES**
  2. **Focus on THRIVE activities and decisions**
  3. **Rigorous definition of the strategy and strategic drivers of the organization**
  4. **Rigorous analysis of the strategic environment**
  5. **Structured strategic gap analysis leading to structured, prioritized action plans, projects and continuous THRIVE improvement**
  6. **Formal plan execution including governance, performance measures, required knowledge and experience, measurement of alignment, etc**
  7. **High value THRIVE outcomes**

**If you do not act within 48 hours you probably never will**  
**Act TODAY!** 😊



What is your single most important insight from this presentation?

What is the single most practical action that you can take tomorrow to apply strategic (right thing / essence thinking more effectively)?

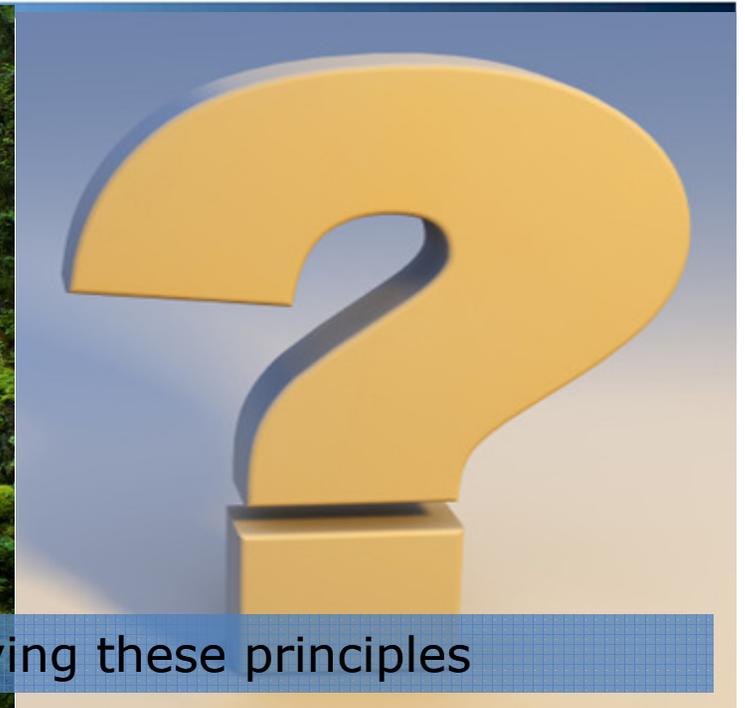


**Please write down  
your thoughts  
NOW**

[James@Webinars-at-JARA.com](mailto:James@Webinars-at-JARA.com)

# Questions?

We will email you a Drop Box link to my book, hand-outs and recording of this presentation



JAR&A are available to assist in applying these principles

*"To Him who by wisdom made the heavens, for His mercy endures forever;"*

**Dr James Robertson PrEng – The ERP Doctor -- Mobile: +27-(0)83-251-6644**

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