

Quest Essential Series

5 Essential Strategy Questions Leaders Should Make Time For



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“ I insist on a lot of time being spent, almost every day, to just sit and think. ”
Warren Buffet

Think - What parts of our business can we stop to unlock value?

Are there business units, products, services, and/or whole departments that are not adding value and won't any time soon? Remove the noise and increase focus on what is most important.

“Although micro-cosmically it made sense, macro-cosmically it didn't add up.” Was Steve Jobs' explanation to Apple employees on why he had axed a seemingly attractive business line.

Deliver - Is my organisation aligned to deliver our strategy?

Think at a granular level about whether your business set up is ideal to execute your strategy. What would change if you could design your organisation from scratch?

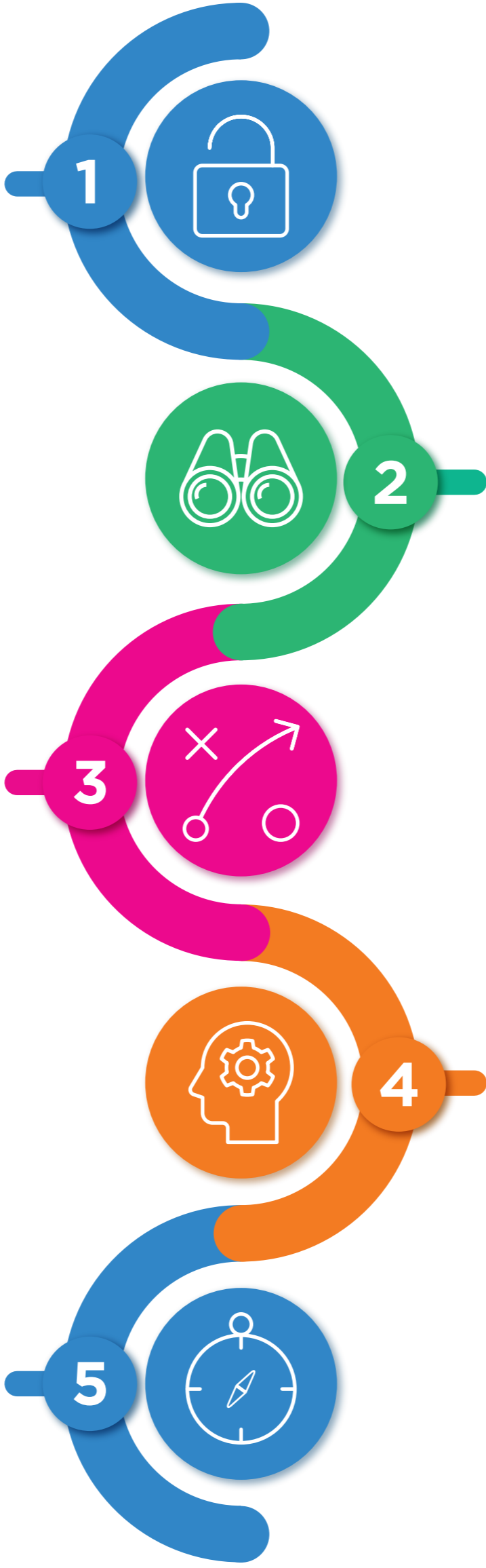
Al West, CEO of SEI Investments, grew his business worth from \$195M to \$8Bn. To better execute their core business strategy, he led profound change in team structure, abandoned company rules, and unnecessary bureaucracy.

Is it time for a Strategy RETHink?

Strategic decisions may achieve positive results in the near term, but in the long run, they can do more harm than good. Effectively assessing the long-term consequences of your strategic choices is critical. It can uncover problem areas and provides an early opportunity to course correct.

Kodak's focus on an outdated business model contributed to its demise. ToysRus kept its premium pricing model and were slow to move into online shopping triggering its eventual collapse in 2018.

Sometimes businesses need to disrupt their own business models to ensure long term success. 'What got you to here may not be what is required to get you to there'.



Plan - What would someone with an external perspective do?

The longer people have been in a business, the less they tend to challenge 'the way things are done around here.' There is real power in fresh eyes looking at a business to unlock value. Ask yourself what other, external people would do, if they ran your business?

Intel's Gordon Moore used this approach to decide to withdraw from the business of memory chips to focus on microprocessors. This resulted in over a decade of 30% annual revenue growth and a 40% increase in net income.

Review - Are our base assumptions still valid?

Many business routines and practices started for perfectly good reasons. However, they often continue, long after circumstances change, and those reasons become less valid. Asking why we (still) do things in a certain way is highly valuable, providing an opportunity to reflect, challenge, and innovate.

Newspapers have a bad track record of not seeing the writing on the wall. The industry moved to broadsheets because in 1712 the English government taxed publication houses per page. However, when the tax was abolished in 1855, publishers continued to print broadsheets. By challenging this view 'the Independent' newspaper halved the size of its pages and saw an instant surge in circulation.

Based on: Vermeulen F. (2015) "5 Strategy Questions Every Leader Should Make Time For" Harvard Business Review.

During the past 32 years, Quest has had the privilege of working with over 750 organisations across 76 countries. Over the years leaders have become increasingly 'busy' with multiple messages and meetings filling diaries weeks in advance. We know the value in these 5 questions when properly considered. We urge leaders to create some undisturbed reflection time. In our experience, the true value of this critical time comes from the conversations that follow.

We hope that you find this useful. If so please share.

This summary was produced by Wiet Pruim (Regional Director) and the Team at Quest Worldwide.

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