



Goal Systems International



Strategic Navigation 2008 TM

A Systems Approach
to
Corporate Strategy Development



Strategic Navigation 2008™

A SYSTEMS APPROACH TO CORPORATE STRATEGY
DEVELOPMENT AND DEPLOYMENT



A Journey into an Uncharted Future

A company's effort to attain its goal is comparable to a journey to a destination. In fact, considering the risks and uncertainties involved in modern business, the journey is not unlike a 15th century ocean trip to the New World: arrival is not at all guaranteed, you may end up somewhere that you hadn't planned, or at best it might take far longer than you had anticipated. And the passage is often fraught with risk.

Whether crossing the ocean in a tall ship or taking a company to its goal, the captain of the ship needs three indispensable tools:



- A navigation plan or strategy showing the destination and the route
- The tools to fix present position throughout the voyage and determine course corrections
- A means of measuring progress and expected time of arrival



Starting with the assumption that goal attainment is comparable to such a journey, we help our clients to reach their goals through a process called *Strategic Navigation 2008™*.

Facilitation

Goal Systems International leads a company's executive team through the *Strategic Navigation 2008™* process using logic tools specifically designed to simplify analysis of complex systems. In six days we facilitate leaders' completion of the first three of four phases pictured in *Figure 1*. We help the organization's leaders agree on the:

- Ultimate goal of the organization
- Critical success factors and major necessary conditions required to achieve the goal
- Magnitude and direction of the gap between where the organization is currently and its ultimate goal
- Critical root causes for the gap
- The direction of the "course correction" required to eliminate the deviations between *what is* happening and *what should be* happening to reach the goal
- Identification of specific initiatives that must be completed to assure goal attainment
- Execution ("voyage") plan



The Process

Strategic Navigation 2008™ is based on a dynamic change design and management approach called the *constraint management model (CMM)*. (*Figure 1*) Based on the assumption that there are no truly open, unlimited systems in the business world, this model considers all organizational systems to be limited, or constrained, in some way. The CMM helps leaders identify and manage their system constraints to maximize their company's potential to reach its goal.



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"O Captain my Captain! our fearful trip is done,
The ship has weathered every rack, the prize
we sought is won..."
(from *O Captain My Captain* by Walt Whitman)

Observe and Orient. The process begins with the *observe* and *orient* phase. This involves determining the client's ultimate goal, the "critical success factors" for achieving it, and the necessary conditions that must be satisfied to attain the critical success factors. These elements are concisely and visually organized to portray the "destination" of the journey—the end toward which all company efforts are directed.

The second part of this phase is a "gap analysis"—determining where and how the company currently falls short with respect to its goal, critical success factors, and necessary conditions. In other words, we help answer the questions "Why is the company *not now* at its goal, and what must be done differently to repair that condition?"

Decide. In the second phase (*decide*), critical transformations are created and a map of the future, or "navigation chart," is drawn for reaching the goal from the present position established in the preceding phase (See picture, below).



Mapping the journey to the future

We help the client select the best projects to undertake to eliminate the gaps between where the company is now and where the client wants it to be. The output of this phase is a complete, robust, logically-tested strategy for goal attainment.

Act. The *act* phase is strategy execution. There are two parts to this phase. The first is execution planning. This involves converting the strategic initiatives developed in the *Decide* phase into a series of well-defined tasks assignable to individuals with specific performance standards, a time schedule, and appropriate resources. The second part is actual deployment of the strategy,

using the execution plan just developed. Company executives monitor execution and recommend or direct corrections as required to reach the goal.

How Long Does It Take?

The process is *front-end loaded*. This means that Steps 1 through 5 in Figure 1 can be completed in six days of dedicated leadership time. Demands on executive time often preclude conducting these six days consecutively. Often a company will elect to complete the first five steps over a month to six weeks. However, depending on the client's urgency, the elapsed time can be much less. The shortest period for any of our clients has been a week.

The second half of the *Act* phase, strategy deployment (execution), is exclusively the responsibility of the company's executives. However, at the discretion of the client, Goal Systems International remains accessible and involved in the strategy deployment phase. The time required for execution will vary depending on the circumstances of individual clients.

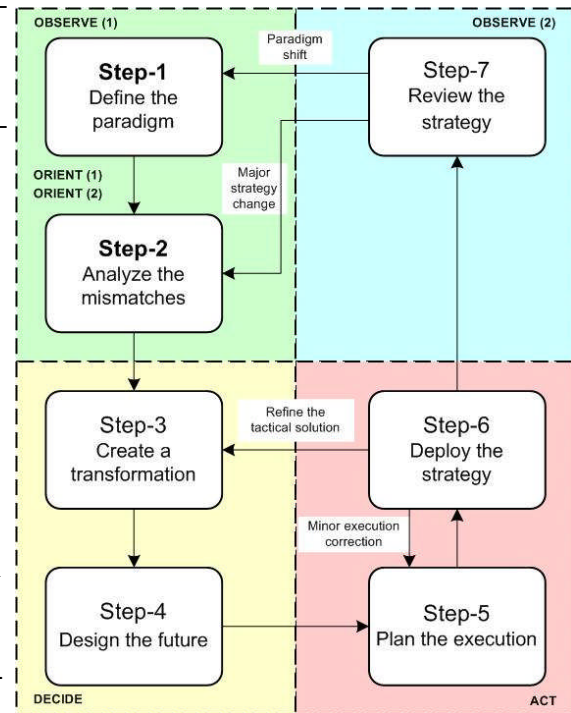


Figure 1. The Constraint Management Model (CMM)



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*"I must go down to the seas again, to the lonely sea and the sky,
And all I ask is a tall ship and a star to steer her by;"*
(from *Sea Fever* by John Masefield, 1900)

Observing...again

The world does not stand still. As the external environment evolves, the solutions of today can become the “anchors” of tomorrow, dragging down the company in the future. Much like perishable food, strategies have a “shelf life.” Reviews and updates are essential to remain on course. Consequently, the final phase starts the cycle again by observing the system-level results of the strategy deployment.

From these observations, leaders can decide to “stay the course” or to adjust the strategy, if substantial changes to the competitive environment have occurred. In rare cases, it may be necessary to shift the organization’s paradigm to something completely new, the way Toyota did from its original business (textiles) to a completely new one (automobiles).

Output

The output of the first five steps of the CMM is almost completely graphic—easy to read and understand. (See illustration, “Mapping the journey to the future,” preceding page) Unlike traditional strategic plans, which are often written documents that gather dust, unused, on bookshelves, this strategy is a dynamic roadmap that people will use daily. It can be displayed on company walls to show employees where the company is going and what their part in the effort is. The result is a better coordinated, more focused and unified effort from all associates of the company.

The output is flexible. It is easy and quick to update or substantially modify as the company’s external competitive situation changes.

Self-Sufficiency

After witnessing the speed, flexibility, and results that *Strategic Navigation 2008™* delivers, some companies decide to create their own internal capability to replicate this process in successive strategy review cycles. For such organizations, Goal Systems International offers **Strategic Navigation Master Navigator** training, an intensive six-day training course for two persons designed to make them self-sufficient in creating and validating the logic tools used in the *Strategic Navigation 2008™* process. *Master Navigator* courses are scheduled by individual arrangement.

Goal Systems International is a consortium of international consulting professionals with a combined experience in excess of 150 years in a wide variety of technical and management specialties from production and project management to complex system problem-solving and information technology. Please visit us at www.goalsys.com for more information, or call **1-360-565-8300**.



H. William Dettmer
Senior Partner

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