

REFINING YOUR STRATEGIC OPTIONS



INTRODUCTION

Questions to Consider:

- › What options can you consider for your business's future?
- › Do you have a clear understanding of your business's past and present?
- › How can you be sure that your future decisions will be as well informed as they can be?

While there are an infinite number of permutations or potential combinations of actions, clear thought can usually group actions under a few coherent strategic options with substantially different content and consequences. The options usually can be confined or filtered down to fewer than six, with a process of discussion and evaluation. In the process, some actions can be reallocated from one option to another, and labels rewritten to reflect progress in understanding.

Options should include:

- › Sale – which is always an option
- › Status quo – which is infrequently chosen
- › Intermediate options – with ascending degrees of change and various combinations of initiatives

By allocating actions and initiatives to clearly labelled options, the senior team will be more capable of discussing the relative merits of the options proposed

Guidance

The final step in this phase of strategy formulation is understanding the range of strategic options. This pool the understanding of history, a clear definition, an understanding of the ecosystem, understanding of dynamic trends, understanding of competition, recognizing strategic strengths and weaknesses, and having a clear view of risks, liabilities and assets. This holistic understanding can inform future pathways. Decisions regarding sale, maintaining the status quo, restructuring, mergers, acquisition, growth in new areas or industries, any combination of these options, or long-term high-priority incremental factors of these options are best made when the business is fully understood. This understanding is crucial to a successful design phase.

The design phase starts with a document containing a few brief pages of diagnostic information about where the company is, a brief yet descriptive list of distinct options for moving forward. This will allow for a clearer and more strategic vision moving forward. This will set up the decision for future strategy and inform more effective decision-making. The design phase begins with an assessment of options and a vision for what could be. This diagnostic can inform what priorities, initiatives, and targets that can turn the vision into a reality.