

# Developing a Winning Strategy

*“True success in the marketplace requires developing ‘Winning Strategies’ which bring together a unique understanding of customer needs with innovative approaches to meeting those needs.”*

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Is your strategic plan more of the same? Does it assume the company will grow at the rate of inflation? Is it focused on the next investment or growth of a new product line? Do you know what your value proposition is? Do your customers buy into that value proposition?

In today’s hyper competitive market, more of the same does not ensure leading profitability in the short term or survival in the long term. Rather, companies need to define a winning strategy that will ensure they lead in the segments of their choosing.

This is equally true whether your company supplier Pampers or Petroleum. There is a difference between a strategy that calls for developing Field X versus one that sets a target to have the lowest F&D cost in developing Field X. How is this a winning strategy? For one, where ever crude prices move, you are the last man standing.

So how do you develop a winning strategy?

- Define what winning is for the organization. This is more than a mission statement. It’s the call to arms that rally’s the organization.
- Identify where you want to win. Companies have limited resources (e.g. capital, management time, etc.) and those resources need to be

directed to those highest value opportunities – geographies, products, value chain positions, etc. – to meet the corporate objectives.

- Establish the company’s ‘Right to Win’. Just because you are in the market does not give you the right to win. You have the right to win when you are certain that you can win at a profit every quote in the segment. Or, you are the first phone call a customer makes due to your advantaged value proposition.
- Identify the capabilities that are needed to improve and sustain the company’s right to win

Strategy is about choices. To inform those choices, a company needs to deeply understand its customer’s needs as well as be brutally honest about its own capabilities. Only by best matching capabilities to needs can a company win. A winning strategy finds unique ways to identify needs and to develop the capabilities.

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