

**FORTUNE**

M A G A Z I N E

**Video Seminars**

# Competitiveness

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**On-Line Strategy Workshop**  
*Facilitator's Guide*

nathan/tyler

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**Nathan/Tyler  
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This *Facilitator's Guide* is designed to serve as a detailed "road map" for conducting the Seminar.

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## On-Line Strategy Workshop—Overview

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**Purpose:**

The concepts in the *Competitiveness* Video Seminar describe a new approach to corporate strategy, one aimed at revitalizing corporate performance rather than simply restructuring how the current business is conducted. The two and one-half hour Videotape and accompanying *On-Line Strategy Workshop* represent a unique opportunity for you and your senior management group to apply these new concepts and techniques to your own business. Through a series of structured exercises and discussions, you will create the outlines of a business strategy that envisions new market opportunities, and identifies critical first steps for taking advantage of them.

The Workshop is therefore designed both as a learning experience and as a working strategy session. As a learning experience, the Workshop will:

- Introduce you to a new concept of business strategy.
- Provide you and your team with techniques and approaches for developing these new concepts.
- Provide you with practice applying key concepts and distinctions to your own business.

As a “live” working strategy session, the Workshop is designed to produce the following output:

- A preliminary definition of the *Strategic Intent* of your company.
- An understanding of the *Strategic Intent* of your key competitors and the implications of this for your business.
- An understanding of the *Core Competencies* that currently underlie your products and services, as well as the *Core Competencies* you may need to build or acquire in order to accomplish your *Strategic Intent*.
- A list of possible market opportunities that derive from your *Core Competencies*.
- A customized leadership model that describes the unique set of leadership behaviors or practices required in your business in order for you to accomplish your objectives.
- An Action Plan describing the critical next steps you and your management group should take.

## Overview (cont.)

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**Seminar Structure:** The *Competitiveness* Video Seminar is divided into six Modules, each taking approximately one-half day to complete. Each Module consists of a Videotape Segment that introduces and develops a set of key concepts, and a series of facilitated discussions and team exercises designed to explore and apply the concepts from the Videotape Segment. (The exception to this format is the final Module which has no associated Videotape Segment.)

Although the total Seminar runs three full days, the Segments are structured as stand-alone half-day sessions so that you and your group can choose whether to conduct the Workshop over three consecutive days, or break it up with several days in between each Module. For continuity, it is recommended that you not allow more than a week to elapse between Modules.

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### **Seminar Design: Module 1: The Quest for Competitiveness**

Welcome and Warm-Up  
Objectives, Agenda, and Logistics

Setting the Stage  
Our Key Business Issues—*Discussion*  
Our Current Strategy and Strategic Planning Process—*Discussion*

#### Videotape: Segment 1

*The first Segment demonstrates the inadequacy of traditional approaches to competitive strategy in American business. The resulting crisis involves both a “performance gap”—a failure to meet emerging standards of quality, cost, and performance—and an “opportunity gap”—a failure to create new businesses. The current approach to strategy is partially at fault, as it produces an emphasis on restructuring the business and imitating competitors, rather than revitalizing the business and outstripping competitors.*

The Quest for Competitiveness  
The Quest for Competitiveness—*Discussion*  
Assessing the Depth of the Competitiveness Crisis—*Exercise*

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### **Module 2: Strategic Intent**

#### Videotape: Segment 2

*This Segment introduces the concept of Strategic Intent and contrasts this concept with typical corporate mission statements, vision, and strategic planning. Strategic Intent is characterized by stretch, not fit; it is a corporate goal that lies beyond the reach of the current resource levels and generates a sense of urgency, excitement, and commitment on the part of the organization.*

A New Strategy Framework—*Discussion*  
Our Strategic Intent—*Three-Part Exercise*  
Our Competitors’ Strategic Intent—*Discussion*  
Our Corporate Challenge—*Exercise*

**Seminar Design:**      **Module 3: Core Competencies**

What Are We Particularly Good at Now?—*Discussion*

Videotape: Segment 3

*Core Competencies are skill sets that provide potential access to a wide variety of markets, and make a significant contribution to the perceived customer benefits of end products. The organization's ability to identify and leverage Core Competencies is a critical step in creating new market opportunities.*

The Concept of *Core Competencies*—*Discussion*

Our *Core Competencies*—*Three-Part Exercise*

Our Required *Core Competencies*—*Exercise*

Our Competitors' Required *Core Competencies*—*Exercise*

---

**Module 4: Unleashing Corporate Imagination**

Are We an Imaginative Company?—*Discussion*

Videotape: Segment 4

*This Videotape Segment develops the need to “get out in front of customers” by challenging conventional thinking about products and markets. To invent new competitive space, organizations must view customer needs in terms of functionalities, rather than end products.*

*Corporate Imagination* and Expeditionary Marketing—*Discussion*

Unleashing Our *Corporate Imagination*:

Escaping the Tyranny of the Served Market—*Exercise*

Overturning Traditional Price/Performance Assumptions—*Exercise*

Searching for Innovative Product Concepts—Leading Customers—*Exercise*

*Core Competencies* and New Opportunities—*Exercise*

## Overview (cont.)

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### **Module 5: Mobilizing the Organization**

Videotape: Segment 5

*In order to accomplish its Strategic Intent, there must be a shared agenda and a sense of empowerment throughout the organization. Senior management has a critical leadership role in creating values, systems, and processes which empower people and which continuously communicate and reinforce the shared corporate agenda.*

The Role of Top Management—*Discussion*

Our Corporate Values and Beliefs—*Exercise*

Aligning Structure and Systems—*Discussion*

Leadership Behaviors—*Exercise*

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### **Module 6: Mobilizing the Organization—Action Planning**

(No Videotape Review)

Creating a Shared Agenda—*Two-Part Exercise*

Building and Sharing *Core Competencies*—*Discussion*

Planning Innovation—*Exercise*

Empowering Our People—*Discussion*

Summary and Wrap-Up

## The Role of the Facilitator

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**Overview:** The Workshop consists of a series of facilitated discussions and team exercises, all designed to help your management group apply the key concepts developed in the Videotape to your business. The Facilitator's role is critical to that process. Without your active guidance and direction, Participants will not benefit fully from the rich content of the tape. In accepting the Facilitator's role, you take on significant responsibility for the success of the Workshop. But, in addition, you also have a significant opportunity to make a substantial contribution to your company's business strategy.

**Requirements:** Hamel and Prahalad's approach to strategy requires people to break their traditional frames of reference and to begin to think differently about their business. Your most fundamental job as Facilitator is to ensure that the group does just that. The exercises and discussions are all structured to enable Participants to see the business from a new perspective, but you as the Facilitator make that paradigm shift happen by constantly challenging Participants' assumptions. It is therefore essential for you to be open, creative, and willing to explore new ideas.

In addition to a flexible and inquisitive attitude, there are several other important criteria for a successful Facilitator of this Workshop:

- A good understanding of the concepts introduced in the Videotape, as well as the structure and content of the Workshop materials.
- An in-depth understanding of your company's markets, customers, competitors, etc.
- Credibility among the senior management team as an accomplished business person.
- Basic Facilitation skills, including:
  - Questioning skills,*
  - Listening skills, and*
  - Summarizing skills—paraphrasing, consolidating, and synthesizing.*

**Preparation:** Given the importance of the Facilitator's role, it is recommended that you thoroughly prepare yourself. This should involve:

- Reading the three Pre-Work articles which outline Hamel and Prahalad's basic approach to strategy.
- Reviewing the tape to make sure you are comfortable with the concepts, definitions, and examples.
- Walking through the *Facilitator's Guide* to make sure you understand the purpose and process for each of the exercises and group discussions. You may want to adapt some of these to better fit the character and concerns of your group. In particular, you should further customize the suggested discussion questions by jotting down other questions you might ask that are particularly relevant for your management group.



## The Role of the Facilitator (cont.)

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- Preparation:**
- Walking through the *Participant's Guide* to make sure you are clear on its content and organization.
  - Completing the Facilitator's Pre-Work which begins on page 11 of this *Guide*.
  - Making copies of the Overheads to use as handouts during the Seminar.
- 

**Participant Pre-Work:** In addition to your own preparation, you need to ensure that the Participants are prepared as well. In order for them to get full value from the Seminar, there are two tasks that Participants need to complete:

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### 1. Completing the Pre-Work Section of the Participant's Guide

This section in the *Participant's Guide* contains a series of questions about the business, the market, and the current strategy of the company. Participants need to answer these questions in writing in the space provided.

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### 2. Collecting Company and Customer Data

The Pre-Work section of the *Participant's Guide* also contains two brief questionnaires — one designed for internal use, one designed for customers. These questionnaires will help Participants understand how their people and their customers view the company's strengths and weaknesses. Each Participant should make copies of these questionnaires and distribute them to their people and to selected customers. The questionnaires should be returned to each Participant prior to the session, so that he or she can review them and begin to identify some key themes that run through all the responses.

You need to ensure that each Seminar Participant receives a *Participant's Guide* at least two weeks prior to the first session. When you hand out the *Guide*, point out the Pre-Work section, and make sure each Participant understands what he or she needs to do prior to the Workshop. It may be useful for you to follow up with the Participants a week or so before the Workshop to answer any questions they may have about the Pre-Work, and to remind them to bring their *Guides* to the Workshop.

## Pre-Program Planning and Check List

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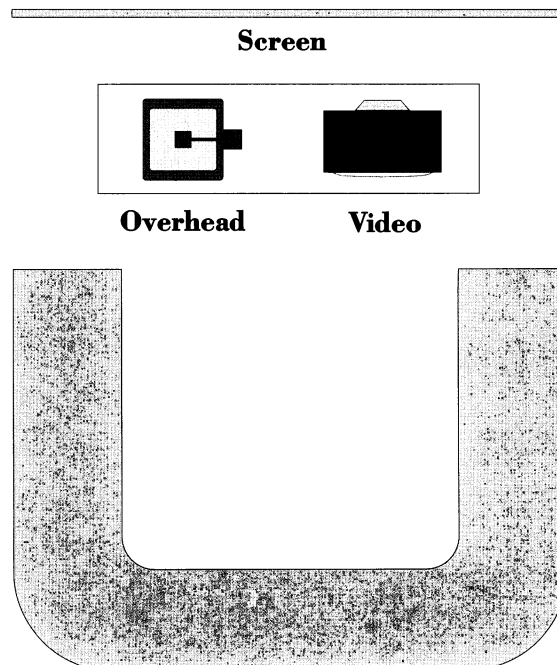
- Equipment/Logistics:**
- Two flip-chart stands with pads
  - Markers and tape
  - An overhead projector and screen
  - A video playback unit and large monitor
- 

- Materials:**
- **Participant's Guide for each Participant (handed out prior to the Workshop)**
  - **Facilitator's Guide**
  - **Overheads—Transparencies and hard copy**
  - **Selected *Harvard Business Review* Articles**
  - **Competitiveness Videotape**
  - 3" x 5" Index Cards and thumbtacks/pushpins
  - Annual Reports for your key five to six competitors

*Note: The materials indicated in boldface are part of your Seminar package. You need to be responsible for providing the remaining materials and equipment.*

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- Room Setup:** Where at all possible, conduct the session with Participants sitting around a round table or in a U-shaped classroom setup. This allows for the optimum interaction and discussion among Participants.



## Facilitator's Pre-Work

As preparation for your role as Facilitator, think carefully about each of the questions below, and then jot down your answer in the space provided.

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**Business:**

1. What key trends are affecting our industry—both positively and negatively?

2. How will the industry look five years from now?

3. Who are our competitors, and what are their strategies?

4. How will our competitors change over the next five years?

**Business:**

5. Who are our customers, and what do they want?

6. How will our customers change over the next five years?

7. What are we particularly good at as a company?

8. How satisfied are you with the company's growth performance in the last five years?

Sales growth

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Market share growth

---

Profit margin growth

---

Return-on-investment growth

---

Overall growth

---

Why?

## Facilitator's Pre-Work (cont.)

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### **Strategy:**

1. What is our concept of “strategy”? Where did our understanding of strategy come from?
2. What is the current strategy of the company?
3. How optimistic are you about the company's prospects for growth over the next five years? Why?
4. What are we striving for over the long term?
5. How well will our strategy help us accomplish our long-term objectives?

## Facilitator's Pre-Work (cont.)

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### **Organization:**

1. How well do the people in the organization understand our goals and strategy?  
How committed are they to the goals and strategy?

2. What are the key strengths of the company's people resources? Key weaknesses?

3. What are the strengths and weaknesses of the senior management team?  
How would the organization as a whole answer that question?

## The Structure of the Facilitator's and Participant's Guides

This *Facilitator's Guide* provides a detailed “road map” for conducting the session. Each Module contains a series of suggested exercises/discussion sessions which are organized as follows:

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**Facilitator's Guide:** **Exercise Name** (*Time*)

**Purpose** of the exercise

**Methodology**—Team exercise, group discussion, etc.

**Structure** for the exercise—Specific steps to take in conducting the session. This will often include **Suggested Discussion Questions**—a set of suggested questions you might ask to guide the discussion.

Recommended flip charts, as well as the numbered Overhead Transparencies you might use, are also indicated.

**Transition**—Phrases you might use to make the transition to the next exercise. Note that the *Guide* uses italics to indicate specific things you might say or questions you might ask.

You should view the *Facilitator's Guide* as a suggested structure for the Workshop, not as a rigid set of required exercises. Remember—the purpose of the Workshop is for you and your management team to use the concepts presented in the Videotape to craft an effective, long-term business strategy. The discussions may go off in unexpected directions; you may choose to skip an exercise because the group is getting a lot of value out of spending more time on a preceding exercise; you may decide to use an exercise from your own repertoire or design one on the spot—these options are all possible, so long as the group continues to focus on designing strategy.

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**Participant's Guide:** The *Participant's Guide* is designed to provide Participants with a personal record of the work they have done throughout the Seminar. The *Guide* contains space for them to jot down notes, comments, questions, etc., as they watch the Videotape Segments and participate in group discussions, to record their work in the team and pairs exercises, and to identify their own personal Action Plan.

The *Facilitator's Guide* indicates specific page numbers for Participants to use in completing some of the exercises, but does not specifically reference the blank pages designed to capture discussion points and comments. To make sure that Participants fully use their *Guides* to capture their thoughts, ideas, and insights during discussions, you should spend a few minutes in the Welcome and Warm-Up section of Module 1 reviewing the structure of the *Participant's Guide*.

# Module 1

## The Quest for Competitiveness

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**Purpose:**  
*Total Time*  
*3 hr. 30 min.*

- To demonstrate the deficiencies of the current approach to strategy by describing the depth of the competitiveness crisis that we face in American business.
  - To have Participants articulate how this competitiveness crisis shows up in their own business.
- 

**Pre-Tape Exercises:**  
*75 min.*

### 1. Welcome and Warm-up (15 min.)

**Purpose:**  
To clarify the purpose and process for the Workshop.

**Methodology:**  
Presentation

- Structure:**
- Welcome Participants and introduce self.
  - Review the overall objectives for the Workshop using Overhead #1.

**On-Line Strategy Workshop Objectives**

- To understand the pitfalls of the current approach to strategy
- To explore a new approach to strategy, including a set of new concepts and distinctions
- To practice these concepts by applying them to our own business
- To produce specific results in terms of our own business strategy

*Overhead #1*

- Review the overall agenda for the program using Overhead #2.

**On-Line Strategy Workshop Agenda**

<b>Module 1</b> The Quest for Competitiveness	<b>Module 2</b> Strategic Intent	<b>Module 3</b> Core Competencies
<b>Module 4</b> Unleashing Corporate Imagination	<b>Module 5</b> Mobilizing the Organization	<b>Module 6</b> Mobilizing the Organization — Action Planning

2

*Overhead #2*



**Pre-Tape Exercises (cont.):**

- Review the logistics of the program. This should cover the specific structure the Workshop will take for you and your group—as a full three-day session covering all five Modules, as individual Modules separated by days or weeks, or some combination of these.
- Review the structure of the *Participant's Guide*.
- Ask if there are any questions at this point.

**Transition:**

*Before we review the first Segment of the Videotape, let's set the stage by talking briefly about the business challenges we face, and whether our current strategy effectively addresses these challenges.*

---

**2. Our Key Business Issues (30 min.)**

**Purpose:**

To clarify the business problems facing the management team.

**Methodology:**

Group Discussion

**Structure:**

- Ask Participants to describe the biggest challenge they feel the business faces over the next three to five years.
- Record the responses on a flip chart. Remind Participants that they can take notes on page 15 of the *Participant's Guide*.

**Transition:**

*We face a substantial set of business challenges over the next three to five years—challenges like (recap some of the items from the flip charts). Let's take a look at our current strategy and strategic planning process and see how these stand up to the challenges facing us.*

---

**3. Our Current Strategy and Strategic Planning Process (30 min.)**

**Purpose:**

To clarify the current strategy and strategic planning process so that the group can revisit/assess these in light of the concepts presented in Videotape Segment 1.

**Methodology:**

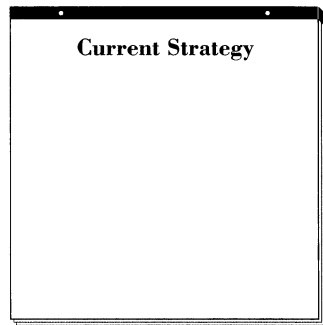
Group Discussion

**Structure:**

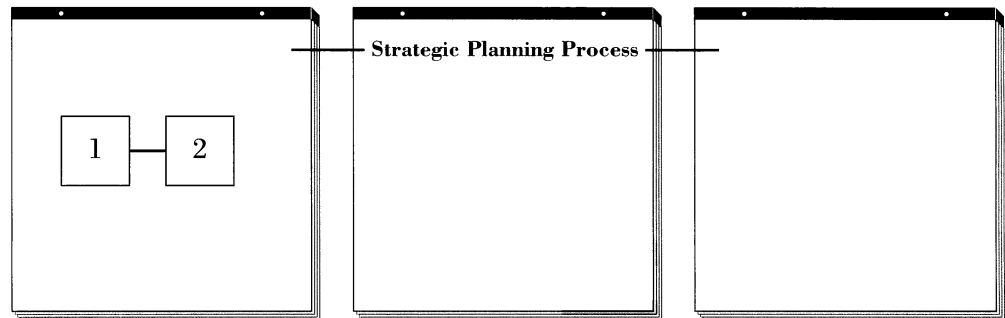
- Focus Participants first on the general notion of “strategy” by asking them two questions:
  1. How do you define “strategy”?
  2. Where does our notion of “strategy” come from?

**Pre-Tape Exercises (cont.):**

- Then ask Participants to describe the current strategy of the business and record the responses on a flip chart.



- Then on a series of two or three flip-chart pages posted on the wall, chart the current strategic planning process—when does it start, what happens first, what step is next, etc.



**Transition:**

*We've discussed our critical business challenges and our current approach to strategy. In Videotape: Segment 1, Hamel and Prahalad talk about the pitfalls of traditional approaches to business strategy. On page 17 of the Participant's Guide is space for you to jot down reactions and questions as you listen to this first Segment. After the Videotape Segment, we'll discuss how some of these pitfalls may be facing us.*

**Videotape:  
Segment 1:**  
*30 min.*

Participants jot down reactions and questions in the *Participant's Guide*, p. 17.

**Post-Tape Exercises:**  
*1 hr. 45 min.*

**1. The Quest for Competitiveness (45 min.)**

**Purpose:**

To explore the premise that we need a new strategic framework.

**Methodology:**

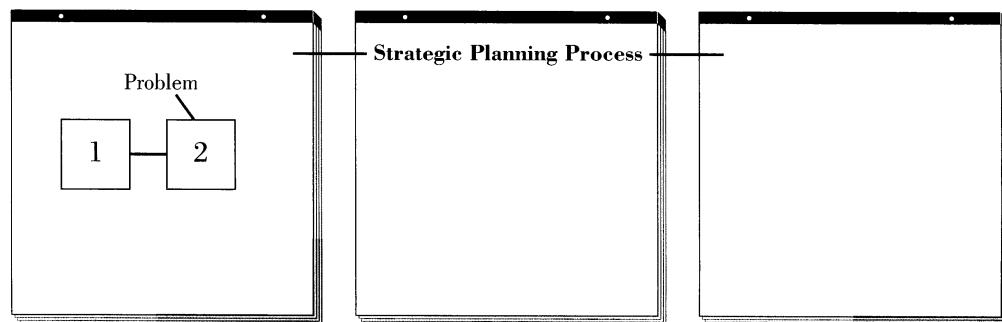
Group Discussion

**Post-Tape**

**Exercises (cont.):**

**Structure:**

- Ask Participants for their general reactions to the points made in Videotape Segment 1.
- Record their reactions on a flip chart.
- Summarize the key points made in the discussion.
- Then ask Participants to revisit the charts containing the current strategic planning process and assess where the key pitfalls are in this process. You might start with the issue of cross-divisional integration, i.e., at what point do the various plans become integrated for the company as a whole?
- Note these critical weak points on the planning flip charts themselves.



**Transition:**

*Let's explore this issue of the competitive crisis in more detail by examining the two key "gaps" described in the Videotape—the "Performance Gap" and the "Opportunity Gap."*

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**2. Assessing the Depth of the Competitiveness Crisis (60 min.)**

**Purpose:**

To explore the specific depth of the competitiveness crisis for the company.

**Methodology:**

Small-Team Exercise—30 min.

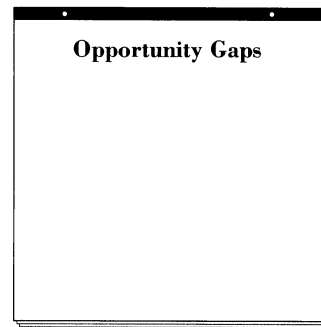
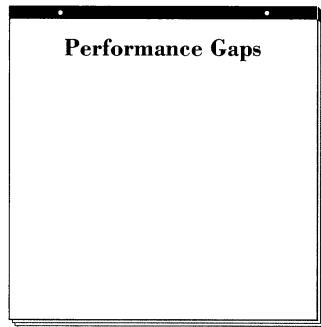
Group Debrief—30 min.

**Structure:**

- Divide the group into two teams.
- Ask one team to focus on assessing the level of the Performance Gap in the company; ask the second team to assess the level of the Opportunity Gap in the company. Participants use page 19 in the *Participant's Guide* to record their assessment.

**Post-Tape Exercises (cont.):**

- The teams have 30 minutes to do this assessment. While the teams are working, make two flip charts:



- Begin the exercise debrief by asking each team to report on their assessment. Record the observations on the appropriate charts.
- Lead a group discussion on the results of the teams' analysis.

**Suggested Discussion Questions:**

1. *What is our aspiration level as a company? What is success for us?*
2. *What has our track record been in terms of growth?*
3. *Are we satisfied with our past growth record?*
4. *Are we seen as shaping the future?*
5. *How much "restructuring" versus "revitalizing" do we do as a company?*
6. *Do we build new sources of competitive advantage? Have we enlarged our market?*
7. *What patterns do you see in the two teams' assessment?*
8. *What are the implications of these two flip charts for us going forward?*

---

**Module 1 Summary:** *In this Module, we've discussed Hamel and Prahalad's views on the traditional approach to strategy and taken a look at our own strategic planning process. We've also identified some key challenges we face in the business which our current strategy may not address. The next Module introduces Hamel and Prahalad's approach to strategy as well as provides us with examples of how some major corporations are putting these new concepts into action.*

# Module 2

## *Strategic Intent*

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**Purpose:**

*Total Time*  
*3 hr. 40 min.*

- To introduce a new overall framework for strategy.
- To introduce the concept of *Strategic Intent* as distinct from mission, vision, and strategic planning.
- To have Participants develop a preliminary definition of the company's *Strategic Intent* as well as begin to understand their key competitors' *Strategic Intent*.

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**Pre-Tape Exercises:**

None

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**Videotape: Segment 2:**  
*30 min.*

Participants jot down reactions and questions in the *Participant's Guide*, p. 20.

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**Post-Tape Exercises:**  
*3 hr. 10 min.*

### 1. A New Strategy Framework (20 min.)

**Purpose:**

To discuss the general outlines of the new strategic framework presented in Videotape Segment 2.

**Methodology:**

Group Discussion

**Structure:**

- Lead a group discussion on Participants' reactions to this second Videotape Segment and record their responses on a flip chart.

**Suggested Discussion Questions:**

1. *What are your general reactions to the thesis presented in the Videotape?*
  2. *How is Strategic Intent different from mission or vision?*
  3. *What is the difference between "fit" and "stretch"?*
- Then focus the discussion on the importance of *Strategic Intent* by reviewing the examples listed on Overhead #3.

Strategic Intent — Examples	
Eastman Kodak	"You push the button"
Coca-Cola	"Within arms' reach"
British Airways	"World's favorite airline"
Canon	"Beat Xerox"
Toyota	"Beat Benz"
Amexco	"Service that sells"

**Post-Tape  
Exercises (cont.):**

**Suggested Discussion Questions:**

1. *How important is this issue of Strategic Intent?*
2. *How would Eastman Kodak be different if their Strategic Intent was “Customer Focus” instead of “You push the button”?*
3. *What are the implications of this for our business?*

**Transition:**

*Let’s take a look at our own Strategic Intent as a company. To do that, let’s review what we’ve done so far on our mission/vision.*

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**2. Our Strategic Intent—Part 1 (30 min.)**

**Purpose:**

To begin to develop a preliminary definition of the company’s own *Strategic Intent*.

**Methodology:**

Group Discussion

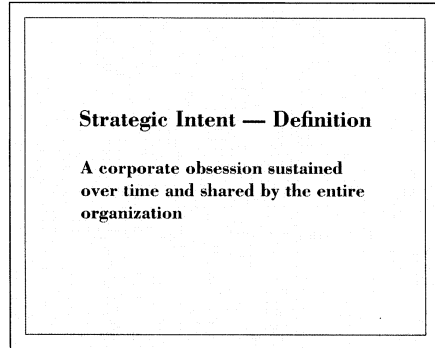
**Structure:**

- Ask the group to describe the current mission and/or vision of the company. Capture the output on a flip chart.

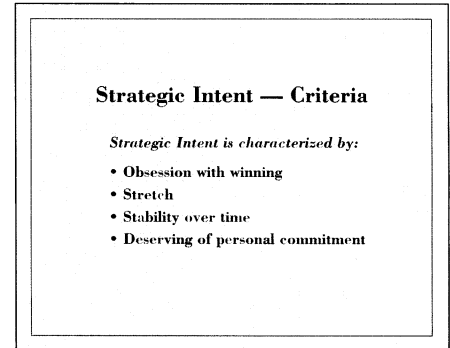
The image shows a flip chart template with a double-line border. At the top, it is titled "Strategic Intent". Below the title, there are two main sections. The first section is labeled "Mission/Vision" and is currently empty. The second section is labeled "What should we be striving for?" and is also empty.

**Post-Tape Exercises (cont.):**

- Ask the group to assess whether the current mission/vision adequately describes an appropriate *Strategic Intent* for the company. To give the group some guidance in answering this question, first review the definition of *Strategic Intent* on Overhead #4. Then review the criteria listed on Overhead #5. As the group discusses this question, annotate the vision/mission statement on the flip chart to capture their comments.



Overhead #4



Overhead #5

- Then ask the group to describe what they discovered when they asked their people the Pre-Work question—What should we be striving for? Again, capture their comments on the flip chart.

**Transition:**

*This flip chart captures our current thinking about mission and vision, as well as how our organization describes our future direction. This gives us some sense of how close we are to having a clear description of our Strategic Intent—and it looks like we've got a bit more work to do.*

*Part of the challenge in crafting our Strategic Intent is that the process is not strictly analytical: in fact, what we're looking to do is become more visionary and more imaginative about the possibilities we have as a business. To help us think more creatively about our future direction, let's "get outside the box" of our day-to-day, short-term thinking about the business, and focus ourselves more in the future.*

**Post-Tape Exercises (cont.):**

---

**3. Our Strategic Intent—Part 2 (20 min.)**

**Purpose:**

To help Participants “get outside the box” of conventional thinking when developing a statement of *Strategic Intent*.

**Methodology:**

Individual Exercise

**Structure:**

- Describe the task:

To imagine the retirement speech you would like to be able to give in 10 or 20 years, focusing on the following question:

What would have had to happen in the company to make those 10 to 20 years great years?

- Ask each Participant to turn to page 23 of the *Participant’s Guide* to jot down their thoughts.
- Give them 20 minutes to work individually.
- Don’t debrief this exercise—it is designed to give Participants “food for thought” for the next exercise.

**Transition:**

*Keep your thoughts in mind as we move into this next exercise. Your view of what you would like to be able to say about the company in the future will be useful as we revisit our discussion of Strategic Intent, and work on refining and clarifying it.*

---

**4. Our Strategic Intent—Part 3 (60 min.)**

**Purpose:**

To begin to develop a preliminary definition of the company’s own *Strategic Intent*.

**Methodology:**

Pairs Exercise—30 min.

Group Debrief/Discussion—30 min.

**Structure:**

- Divide the group into pairs. Ask each pair to come up with one flip chart which contains a brief phrase articulating the company’s *Strategic Intent*, and a “logo” or visual illustrating the *Strategic Intent*. Give the pairs 30 minutes for this exercise.
- Debrief the exercise by having each pair present their output. Post the various pairs’ flip charts around the room.



**Post-Tape Exercises (cont.):**

- Ask the group to come up with one statement of *Strategic Intent* and one logo. Review Overhead #5 to give them some criteria to use in their selection process.

**Note:** This will probably be a repetitive process—the group may initially select a phrase which, when assessed against the criteria, doesn't quite work; they may then need to revise the phrase and/or combine phrases. At the end of this synthesis process, you should have one flip chart with the proposed *Strategic Intent* on it and the proposed logo. This chart should be posted on the wall throughout the entire session.

**Transition:**

*Now that we have a preliminary sense for what our own Strategic Intent is, let's try to project what the Strategic Intent may be for each of our key competitors.*

---

**5. Our Competitors' Strategic Intent (30 min.)**

**Purpose:**

To identify which of the company's competitors have a clear *Strategic Intent*, and what that *Strategic Intent* may be.

**Methodology:**

Group Discussion

**Structure:**

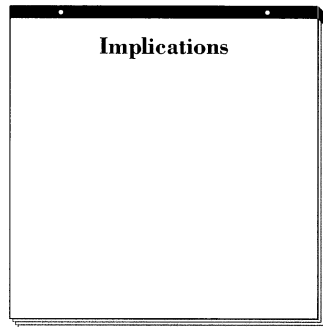
- List the company's top four to six competitors on a flip chart.

Key Competitors	
Competitor	SI

- Hand out annual reports on these competitors to the Participants and ask them to review the reports with the following two questions in mind:
  1. *Does this competitor have a clear Strategic Intent?*
  2. *If yes, what is it?*
- Give them about 10 minutes to scan the reports, and then record their responses to the questions on the flip chart.
- Summarize the key points made in the discussion.

**Post-Tape Exercises (cont.):**

- Then ask the Participants what the implications are, if any, for your company's ability to accomplish its *Strategic Intent*. Again, capture these comments on a flip chart.



**Transition:**

*At this point, we've established a preliminary statement of our Strategic Intent, and we've looked at our competitors in terms of their Strategic Intent and possible implications for our success. Given this work, we now need to identify what our immediate Corporate Challenge is for achieving our Strategic Intent. In other words, what do we need to focus on in the near to medium term to reach this long-term objective?*

---

**6. Our Corporate Challenge (30 min.)**

**Purpose:**

To identify a key Corporate Challenge which will mobilize the company's actions in the short to medium term towards achieving the company's *Strategic Intent*.

**Methodology:**

Individual Exercise—10 min.

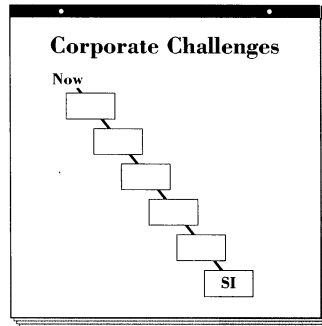
Group Discussion—20 min.

**Structure:**

- Ask the group to turn to page 26 in the *Participant's Guide*.
- Have each Participant complete the schematic by indicating several possible intervening challenges the company needs to address in order to reach its *Strategic Intent*.

**Post-Tape Exercises (cont.):**

- After 10 minutes or so, use the following flip chart to capture individuals' suggestions:



- Lead a group discussion designed to consolidate the individual work, and reach a group agreement on the most immediate Corporate Challenge.

**Suggested Discussion Questions:**

1. As you look at this chart, where do we seem to have agreement?
2. Which challenge seems to stand out as the most immediate?
3. How does the work we did on key competitors' Strategic Intent impact this list?

**Note:** You may not get total agreement on the most immediate Corporate Challenge—you may end up with two or three possibilities, which is fine. The process of developing *Strategic Intent* and key Corporate Challenges is repetitious; you will be returning to this flip chart and the *Strategic Intent* flip chart several times during the full Workshop to revisit both of these in light of the ongoing work the group is doing. Each time the group reconsiders *Strategic Intent* and Corporate Challenge, more clarity will emerge around both of these.

- After 20 minutes of group discussion, summarize the key points.
- Assure Participants that if they haven't reached consensus at this point, they shouldn't be concerned; the process of defining *Strategic Intent* may take some time and they will probably need to revisit this issue several times—both during the Seminar, and as a follow-up step.

---

**Module 2 Summary:** *In this Module, we have begun to identify our own Strategic Intent as a company as well as some key Corporate Challenges we face in reaching our Strategic Intent. In the next Module, we'll take a look at a new way of assessing the strengths we have as a company—strengths we can leverage in achieving our Strategic Intent.*

# Module 3

## Core Competencies

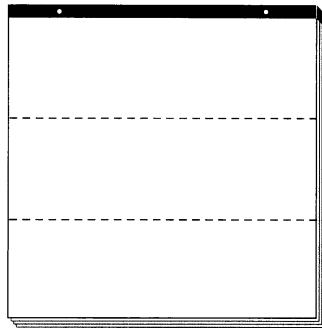
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**Purpose:**  
*Total Time*  
*4 hr.*

- To introduce the concept of *Core Competencies* and how they can be used to leverage the resources of the corporation.
  - To emphasize the need to go beyond a basic product market view of the company in order for the company to maximize its potential.
  - To have Participants begin to identify the company's *Core Competencies* as well as *Core Competencies* which are not currently present, but which are required for the company to reach its *Strategic Intent*.
- 

**Module Preparation:**

Before the Module begins, you should post blank flip-chart pages, at shoulder height, around the room. Draw a horizontal line across each flip-chart page 1/3 of the way down the page and 2/3's of the way down the page as illustrated below. Also make sure you have 15 to 20 3" x 5" cards and 20 pushpins/thumbtacks per Participant.



---

**Pre-Tape Exercises:**  
*30 min.*

### 1. What Are We Particularly Good at Now? (30 min.)

**Purpose:**

To understand how people in the organization and how customers answer the question: What are we particularly good at?

**Methodology:**

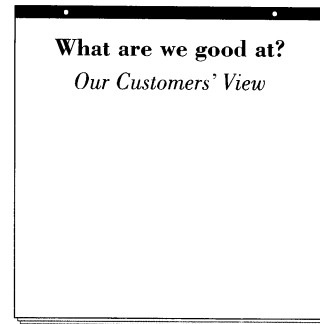
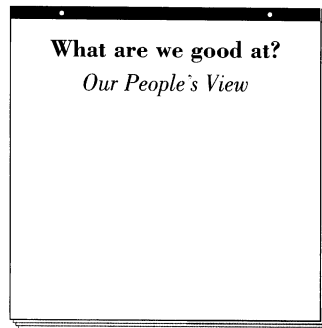
Group Discussion

**Structure:**

- Ask Participants to spend a few minutes reviewing the responses from the questionnaires distributed to their people and to customers. Ask them to identify key themes in those responses.

**Pre-Tape Exercises (cont.):**

- Lead a group discussion focusing on identifying and synthesizing those key themes. Use the following two flip charts to record the group's comments.



**Suggested Discussion Questions:**

1. *What themes emerged from the responses you collected?*
  2. *How do the customers' views differ from our people's view?*
  3. *How do your own views differ from those expressed by your people? By the customers?*
- Summarize the key points made in the discussion.

**Transition:**

*Let's take a look at how Hamel and Prahalad approach this question. This next Videotape Segment will also give us a chance to hear how other companies have begun to define their key strengths in new ways.*

**Videotape:  
Segment 3:  
30 min.**

Participants jot down reactions and questions in the *Participant's Guide*, p. 29.

**Post-Tape Exercises:  
3 hr.**

**I. The Concept of Core Competencies (30 min.)**

**Purpose:**

To explore the concept of *Core Competencies* and how they can be used to leverage the resources of the company.

**Methodology:**

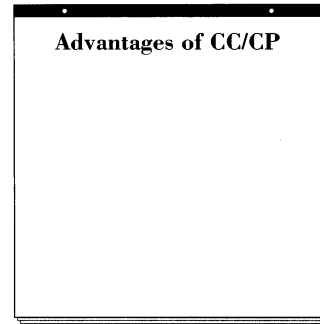
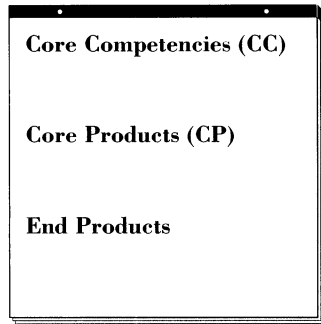
Group Discussion

**Structure:**

- Ask Participants for their general reactions to the points made in the Videotape.

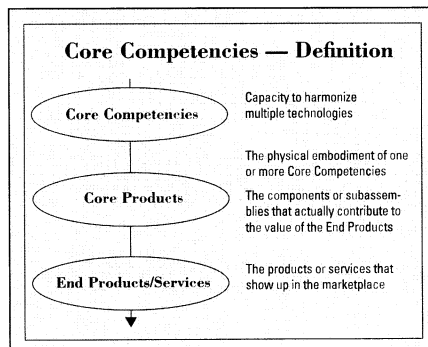
**Post-Tape Exercises (cont.):**

- Lead a group discussion on the definition and utility of *Core Competencies* using the two flip charts described below to capture the group's comments.



**Suggested Discussion Questions:**

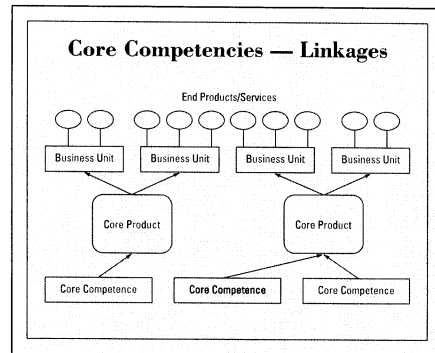
1. How do Hamel and Prahalad define Core Competencies?
  2. How is this different from Core Technologies?
  3. What advantages has this concept brought to some of the corporations illustrated in the Videotape?
  4. What are Core Products? How are they different from End Products?
  5. What is the linkage between Core Competencies and Core Products? Core Products and End Products?
  6. What are some of the limitations of a traditional product market view?
  7. What are some of the limitations of a traditional divisional or SBU orientation?
- Summarize the key advantages the group identified in the discussion.
  - Summarize the definition of *Core Competencies*, Core Products, and End Products using Overhead #6.



Overhead #6

**Post-Tape Exercises (cont.):**

- Summarize the linkages between these three concepts using Overhead #7.



Overhead #7

**Transition:**

*We have explored the concept of Core Competencies, Core Products, and End Products, and begun to understand how these distinctions can be helpful to us. Now let's go back to our earlier question—What are we particularly good at?—and refine our answer given this discussion. We're going to do this by using a group "mapping" technique. Here's how it's going to work.*

**2. Our Core Competencies—Part 1 (20 min.)**

**Purpose:**

To identify the company's current *Core Competencies*.

**Methodology:**

Group Exercise

**Structure:**

- Hand out 15 to 20 3" x 5" cards to each Participant.
- Ask each Participant to list the major End Products/Services that the company offers on the 3" x 5" cards—one product per card.
- Then ask the Participants to go to the blank flip-chart pages and post the cards in the top third of the charts. Duplicate cards should be grouped together.

**Note:** The output of this exercise should be a reasonably complete list of your company's End Products/Services arrayed at the top of the flip charts. Don't worry about overlaps or basically identical products described in different ways—the reason you've done this on movable cards is so that the group can now begin to group these products/services into logical Core Products as described in the next exercise.

**Transition:**

*Now that we have a reasonably complete list of our products, let's group them in some logical way so that we can begin to identify our underlying Core Products.*

Post-Tape  
Exercises (cont.):

**3. Our Core Competencies—Part 2** (20 min.)

**Purpose:**

To identify the company's current *Core Competencies*.

**Methodology:**

Group Exercise

**Structure:**

- Ask the group to rearrange the cards so that the End Products/Services are grouped in some logical way. They should again arrange these groups in the top third of the flip-chart pages.
- With that completed, ask the Participants to return to their seats. Make sure each Participant has four or five 3" x 5" cards—hand out more if needed.
- Now ask each Participant to study the groupings displayed on the flip charts and to identify three to five Core Products which these groupings suggest. Show Participants that the group is working from top to bottom of the diagram in Overhead #7. It may be also helpful to review the definition of Core Products from Overhead #6. Give Participants approximately 10 minutes.
- Then ask the Participants to go to the blank flip-chart pages and post their Core Product cards in the middle third of the charts. Again, duplicate cards should be grouped together.
- At the end of this process, review what the group has identified as the company's Core Products. Check for agreement before proceeding.

**Transition:**

*The purpose of these earlier steps has been to help us identify our Core Products. Since Core Products are based on our Core Competencies, we should be able to look at our Core Products and determine what our Core Competencies must be. So let's see what we come up with.*

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**4. Our Core Competencies—Part 3** (40 min.)

**Purpose:**

To identify the company's current *Core Competencies*.

**Methodology:**

Group Exercise

**Structure:**

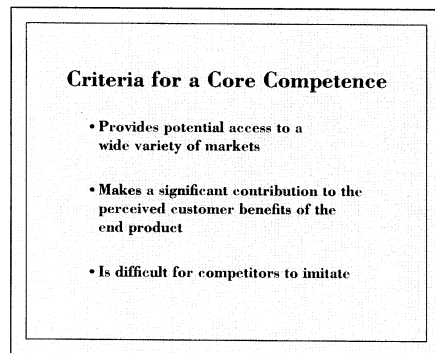
- Review Overhead #7 to orient the group on where they are in the process.
- Review Overhead #6 to make sure Participants are clear on what the relationship is between *Core Competencies* and Core Products.



**Post-Tape Exercises (cont.):**

- Remind Participants that *Core Competencies* underlie Core Products, so by studying the company's Core Products, the group should be able to back in to the key *Core Competencies*.
- Then hand the flip-chart marker to one of the Participants and describe the group's task:  

To identify the *Core Competence* or *Competencies* underlying each Core Product by writing the *Core Competencies* in the bottom third of the flip chart underneath the Core Product and linking the two with a line.
- Before the group begins, remind Participants that a Core Product can be based on more than one *Core Competence*.
- Give the group about 20 to 25 minutes for this task and then interrupt them to review the criteria for a *Core Competence* listed in Overhead #8.



*Overhead #8*

- Then give the group another 15 to 20 minutes or so to complete the exercise.

**Transition:**

*We've identified what our Core Competencies are now. But given the "stretch" we've described in our preliminary definition of Strategic Intent, we need to look at the Core Competencies we need to build or acquire in order to accomplish our long-term objective.*

---

**5. Our Required Core Competencies (30 min.)**

**Purpose:**

To identify *Core Competencies* that are required to accomplish the company's *Strategic Intent*, but are currently missing or only partially developed.

**Methodology:**

Group Exercise

**Post-Tape**

**Exercises (cont.):**

**Structure:**

- Go back to the flip chart that describes the group’s view of the company’s *Strategic Intent*. This should be a flip chart with a phrase and a “logo” or visual on it which the group agreed to in Exercise 4—Part 3 from Module 2. Review the flip chart.
- Ask the group to identify *Core Competencies* that the company needs to build or significantly enhance in order for it to accomplish its *Strategic Intent*.
- Again, hand the flip-chart marker to one of the Participants and ask him or her to add any missing *Core Competencies* to the three-part flip charts they created earlier. In addition, the group should highlight any *Core Competencies* which need some work in order to completely meet the *Core Competency* criteria.
- Again, remind Participants of the criteria for a *Core Competence* from Overhead #8.
- Give the group about 20 to 25 minutes for this task and then summarize by reviewing the company’s current and required *Core Competencies*.

**Transition:**

*Now that we’ve determined what our Core Competencies seem to be, let’s go back to our discussion of our key competitors and see if we can imagine what their required Core Competencies need to be in order for them to accomplish their Strategic Intent. Not only will this give us more practice in identifying Core Competencies but it will also give us some insights for the work we’ll do in the next Segment on what Hamel and Prahalad call “new competitive space.”*

---

**6. Our Competitors’ Required Core Competencies (40 min.)**

**Purpose:**

To identify key competitors’ required *Core Competencies*.

**Methodology:**

Pairs Exercise—20 min.

Group Debrief—20 min.

**Structure:**

- Go back to the flip chart the group created which described the company’s key competitors and their *Strategic Intent*.

Key Competitors	
Competitor	SI

**Post-Tape Exercises (cont.):**

- Divide the group into pairs or individuals, each focusing on one of these competitors.
- Describe the task:  
To put yourself in a competitor’s “shoes” and look at their business from the perspective the *Core Competencies* required to accomplish their *Strategic Intent*.
- Each pair or individual should use page 33 in the *Participant’s Guide* to do this exercise.
- After 20 minutes or so, reconvene the group, and ask each pair or individual to describe the results of their work. Record their responses on a companion flip chart to the one below:

Key Competitors	
Competitor	SI

Required CC	Current?

- Lead a group discussion on the implications of this for your business.

**Suggested Discussion Questions:**

1. *Do any of our competitors think of themselves in Core Competency terms? What does that mean for us?*
2. *Which of these required Core Competencies do our competitors currently have? Which do they need to acquire or build?*
3. *Did this exercise change your view of our Core Products and Core Competencies in any way?*
4. *What are the implications of this for our business?*

**Module 3 Summary:** *We have just worked through one of the most critical Modules, where we have begun to identify what Hamel and Prahalad call our “Strategic Architecture.” And by looking at ourselves from the standpoint of Core Competencies, we can begin to open up new possibilities for our business—opportunities we may never have considered before. But in order to realize the potential of Core Competencies, we need the imagination to envision markets that do not yet exist. In the next Module, we’ll explore this issue of Corporate Imagination and its role in inventing what Hamel and Prahalad call “new competitive space.”*

# Module 4

## Unleashing *Corporate Imagination*

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**Purpose:**  
*Total Time*  
3 hr. 45 min.

- To explore the ways in which a company can invent new markets and influence the future of its industry.
- To understand what is required for *Corporate Imagination* to flourish.
- To understand the concept of Expeditionary Marketing and its role in creating markets ahead of competitors.
- To have Participants apply these concepts to their own business and begin to explore new competitive space in their own market.

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**Pre-Tape Exercises:**  
15 min.

### 1. Are We An Imaginative Company? (15 min.)

**Purpose:**

To assess the company's level of *Corporate Imagination* and to understand some of the obstacles that may get in the way of *Corporate Imagination*.

**Methodology:**

Group Discussion

**Structure:**

- Lead a group discussion on how imaginative the company is perceived to be in the eyes of the Participants.

**Suggested Discussion Questions:**

1. *How innovative are we as a company?*
2. *On a scale of 1 to 10, with 10 being the highest, how would you assess the level of our Corporate Imagination?*
3. *Why? What examples do you have to support your assessment?*
4. *What's missing for us to be considered as highly innovative?*
5. *What gets in our way—what obstacles are there to being highly imaginative as a company?*

- Record Participants' responses on a flip chart.

**Transition:**

*With that discussion as a backdrop, let's hear what Hamel and Prahalad have to say about this issue of innovation and Corporate Imagination. This Videotape Segment will not only give us some further insight into how imaginative we are as a company, but also will provide us with some ideas for how we can be more so.*

---

**Videotape Segment 4:**  
30 min.

Participants jot down reactions and questions in the *Participant's Guide*, p. 36.

**Post-Tape Exercises:**  
3 hr.

**1. Corporate Imagination and Expeditionary Marketing (15 min.)**

*Purpose:*

To understand the concepts of *Corporate Imagination* and Expeditionary Marketing as described in the Videotape.

**Methodology:**

Group Discussion

**Structure:**

- Ask Participants for their general reactions to the points made in the Videotape.
- Then lead a group discussion focusing on revisiting the group's assessment of the company's level of *Corporate Imagination* in light of the points made in the Videotape. Add Participants' comments to the flip charts you created in the Pre-Tape Exercise.

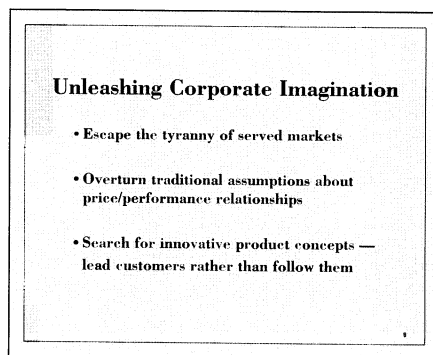
**Suggested Discussion Questions:**

1. *Given the points made in the Videotape, how would you now assess the level of our Corporate Imagination?*
2. *Why? What specific points from the Videotape support your assessment?*
3. *What additional obstacles do you see given what we've seen in the Videotape?*

**Transition:**

*Hamel and Prahalad talk about three elements that combine to "quicken a company's Corporate Imagination." These are:*

1. *Escaping the tyranny of the served market.*
2. *Overturing traditional price/performance assumptions.*
3. *Searching for innovative product concepts—Leading customers.*  
(Use Overhead #9 to review these three elements.)



*Overhead #9*

**Transition (cont.):**

*We're going to work through a couple of different exercises designed to help us stretch our Corporate Imagination and begin to envision new competitive space in our market. The rules of brainstorming will be in effect for these exercises. This means that when someone suggests an idea, there should be no assessment—either positive or negative—of that idea, and no comments on the value of that idea.*

**Post-Tape Exercises (cont.):**

*The first exercise focuses on the challenge of escaping the tyranny of the served market—getting ourselves unhampered by narrow business charters. To do this, we’re going to explore what Hamel and Prahalad call the “white spaces” that lie between existing business units.*

---

**2. Escaping the Tyranny of the Served Market (45 min.)**

**Purpose:**

To stretch our *Corporate Imagination* by exploring the “white spaces” that lie between existing business units.

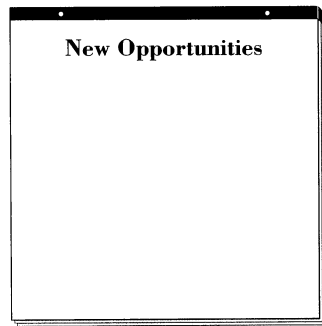
**Methodology:**

Pairs Exercise—30 min.

Group Debrief—15 min.

**Structure:**

- List the company’s basic business units on a flip chart.
- Divide the group into pairs and ask each pair to focus on finding opportunities that fall in between the ownership of these business units.
- The pairs should use page 37 in the *Participant’s Guide* to complete this exercise.
- After 30 minutes or so, reconvene the group and ask each pair to report on what they discovered. Record their responses on a flip chart like the one below:



**Note:** Don’t summarize the output of this exercise. Simply leave the flip chart posted at the front and continue to add new ideas to it after each exercise. If you need to continue onto additional flip-chart pages, do so but keep the preceding pages posted on the walls so Participants can see them.

**Transition:**

*One of the things Hamel and Prahalad suggest we need to do is get away from our traditional understanding of the relationship between price and performance. As they point out, we normally think of these as having a linear relationship—the higher the functional performance, the higher the price. What if we changed that and looked at the possibility of delivering basically the same functionality for half the price? What insights would that give us into new market opportunities? That’s what this next exercise is all about.*

**Post-Tape Exercises (cont.):**

**3. Overturning Traditional Price/Performance Assumptions (30 min.)**

**Purpose:**

To stretch our *Corporate Imagination* attempting to rearrange our traditional views of the relationship between price and performance.

**Methodology:**

Small Group Exercise—15 min.

Group Debrief—15 min.

**Structure:**

- Ask the group to pick out two or three of the company's key End Products and list these on a flip chart.
- Then divide the group again into two or three small teams, each team assigned one of these products.
- Describe the task:

To look at how we might redesign each of these products to deliver equivalent functionality for half the price, focusing on three questions:

1. How would we change our process to do this?
2. What technologies could we use to do this?
3. What else would we need to do to accomplish this?

- Each team should use page 38 in the *Participant's Guide* to do this exercise.
- After 15 minutes or so, reconvene the group and ask each team to report on what they discovered. Again, record these ideas on the New Opportunities flip chart.

**Transition:**

*The next exercise in this series looks at how we can get out ahead of customers and anticipate their needs, lead them where they want to go before customers know it themselves. To do this, we need to imagine what customers' needs will be rather than ask them; if we limit ourselves to asking customers, they will only be able to tell us what features they want now, not what their future needs may be.*

---

**4. Searching for Innovative Product Concepts: Leading Customers (60 min.)**

**Purpose:**

To stretch our *Corporate Imagination* and get out ahead of our customers by gaining more insight into their needs, lifestyles, and aspirations.

**Methodology:**

Small Group Exercise—30 min.

Group Debrief—30 min.

**Structure:**

- Select two or three key business units to focus on and allocate Participants to these teams.

**Post-Tape Exercises (cont.):**

- Ask each team to focus on imagining the needs, lifestyles, and aspirations of their future customers.
- To clarify the exercise, write the following on a flip chart:  
Put yourself in the shoes of one of your customers 10 years from now.
  1. What does “a day in your life” as a customer look like?
  2. What functionalities do you require?
  3. If you could design the ultimate product/service to incorporate these functionalities, what would it look like?
- Tell the teams that they should use page 39 in the *Participant’s Guide* to organize their work. They should also produce a flip chart to capture their output.
- Give the teams 30 minutes to do this and then debrief the exercise by asking the teams to present their flip charts.

**Note:** The teams’ flip charts should be posted around the room. At this point, you should have a set of flip charts that captures New Opportunities from the debriefs of Exercises 2 and 3, and the teams’ flip charts from this exercise—all posted around the room. These charts represent a cumulative list of all the creative business possibilities that Participants have come up with.

**Transition:**

*We have generated a lot of ideas for “new competitive space” in our markets. As a final step, let’s go back to our “map” of End Products, Core Products, and Core Competencies and see what new ideas that generates.*



**Post-Tape Exercises (cont.):**

**5. Core Competencies and New Opportunities (30 min.)**

**Purpose:**

To imagine new business opportunities by expanding upward from our *Core Competencies* to potential End Products.

**Methodology:**

Group Exercise

**Structure:**

- Hand out 10 or so 3" x 5" cards to the group.
- Ask the group to review the *Core Competencies* they identified on the flip charts from the prior Module as well as all the “New Opportunities” they generated in the preceding exercises.
- Then ask the group to imagine new potential End Products which are extensions of the *Core Competencies*. They should write each of these product ideas on a 3" x 5" card and post them in the top third of the charts with the other End Products.

**Note:** These may be similar to some of the ideas the group generated earlier. Here, however, the focus is on new product opportunities that generate from the company’s *Core Competencies*.

- Give the teams 30 minutes to do this and then summarize the Module.

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**Module 4 Summary:** *The focus of this last Module was on stretching our collective imaginations to invent new competitive space. And we’ve done a lot of that. The next Module takes a look at how we can move these ideas and concepts beyond ourselves and mobilize our entire organization.*

# Module 5

## Mobilizing the Organization

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**Purpose:**

*Total Time*  
*3 hr. 30 min.*

- To outline the importance of engaging the entire organization in internalizing and acting on the concepts described thus far.
  - To understand the process by which this mobilization can be accomplished through examples of corporations that have successfully done so.
  - To have Participants explore what needs to be in place in their organization to accomplish this mobilization.
- 

**Pre-Tape Exercises:** None

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**Videotape:**

**Segment 5:**  
*30 min.*

Participants jot down reactions and questions in the *Participant's Guide*, p. 42.

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**Post-Tape Exercises:**

*3 hr.*

**1. The Role of Top Management (30 min.)**

**Purpose:**

To understand the importance of top management in mobilizing the organization toward shared goals.

**Methodology:**

Group Discussion

**Structure:**

- Ask Participants for their general reactions to the points made in the Videotape.
- Lead a brief group discussion focusing on how Participants see their roles in this mobilization process.

**Suggested Discussion Questions:**

1. *How do you feel about the top management role described in the Videotape?*
2. *What do you see as your role in this mobilization process?*
3. *What do we as a management team need to do differently to accomplish this?*

**Transition:**

*It is clear from our discussion that we as the senior management group play a critical role in energizing and mobilizing our organization. Hamel and Prahalad suggest that there are a few key areas we need to focus on in order to accomplish this mobilization. These include our values and beliefs as a company, our systems and structure, and our behaviors as leaders and managers of the organization. In this next series of exercises, we'll assess and discuss each of these areas.*

**Post-Tape Exercises (cont.):**

**2. Our Corporate Values and Beliefs (45 min.)**

**Purpose:**

To understand the current value system operating in the company and where these values and beliefs may present obstacles to accomplishing the company's *Strategic Intent*.

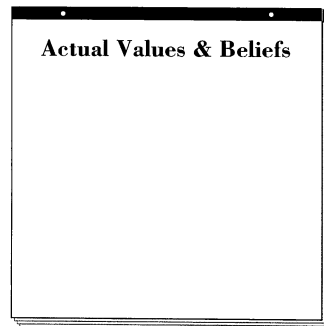
**Methodology:**

Pairs Exercise—15 min.

Group Debrief—30 min.

**Structure:**

- Divide the group into pairs and ask each pair to identify what they see as the key values and beliefs currently operating in the company.
- Remind them that they should focus on actual values and beliefs, rather than espoused values. To test whether they have identified a true value or belief, they should ask themselves the question: Do we really value this, or do we only say we do?
- Each team should use page 44 in the *Participant's Guide* to do this exercise.
- After 15 minutes or so, reconvene the group and ask each pair to share the results of their work. Build on a flip chart like the one below to capture the group's view of the company's values and beliefs:



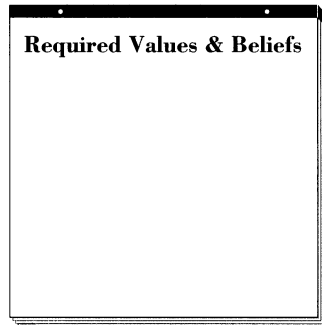
- Then lead a group discussion identifying the values and beliefs that are necessary in order for the company to accomplish its *Strategic Intent*.

**Suggested Discussion Questions:**

1. *What values and beliefs do we need to engender that are missing?*
2. *What values and beliefs do we need to shift or eliminate?*

**Post-Tape Exercises (cont.):**

- Use a companion flip chart like the one below to capture the group’s view of the company’s required values and beliefs:



**Transition:**

*Now that we have a clearer picture of what we need to value in the organization, let’s take a look at whether our current systems and structure support those values.*

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**3. Aligning Structure and Systems (45 min.)**

**Purpose:**

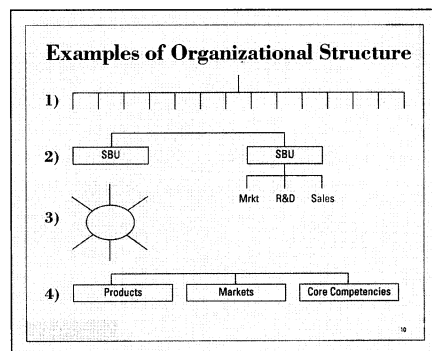
To assess the current structure and systems in the company in terms of their alignment with the company’s desired values and *Strategic Intent*.

**Methodology:**

Group Discussion

**Structure:**

- Before asking Participants to assess the company’s current organizational structure, review the four structural “models” in Overhead #10.



*Overhead #10*

**Post-Tape Exercises (cont.):**

**Note:** These represent four widely divergent approaches to organizational structure:

1. A very flat, Japanese-style structure with very wide spans of control.
  2. A traditional, SBU-oriented structure with individual business units, each controlling an entire set of functions.
  3. A networked structure organized around project teams.
  4. A hybrid structure that integrates a product focus, a market focus, and a *Core Competency* focus.
- Lead a group discussion focusing on the strengths and weaknesses inherent in each of these approaches.
  - Track the group's responses on a flip chart like the one below:

	Pros	Cons
#1		
#2		
#3		
#4		

- With these observations in mind, lead a group discussion focusing on the obstacles inherent in the company's current structure which may prevent or inhibit people from acting in accordance with the desired values.
- Expand the discussion by addressing the obstacles inherent in the way *roles* are defined in the organization as well as in the organization's *systems* in the organization.

**Suggested Discussion Questions:**

1. *How does our current organization structure encourage people to act in accordance with our desired values? How does our structure discourage these values?*
2. *How does our structure impact the development of Core Competencies?*
3. *Which of the four structural types do we most closely resemble?*
4. *Given our discussion about these types, what are the implications of this and what changes do we need to make?*
5. *How does the way we currently define roles in the organization affect our ability to accomplish our Strategic Intent?*
6. *What about our appraisal and reward systems? Is what we evaluate and reward people for consistent with these desired values?*
7. *How does our communications system help or hinder these values?*
8. *What about our training and development process?*
9. *What other systems or structural obstacles do we face?*

**Post-Tape Exercises (cont.):**

- Use a flip chart like the one below to capture the key points made in the discussion.

	+	-
Structure		
Roles		
Systems		

**Transition:**

*Systems and structure are only part of the picture. What we do as leaders and managers in the organization has a profound effect on what people see as the company's values and on how they perform. So our behaviors have a major impact on the company's ability to accomplish its Strategic Intent. In this next section, we'll identify a set of critical leadership behaviors that we all need to engage in.*

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**4. Leadership Behaviors (60 min.)**

**Purpose:**

To develop a set of critical leadership behaviors that managers need to engage in to accomplish the company's *Strategic Intent*.

**Methodology:**

Small Group Exercise—30 min.

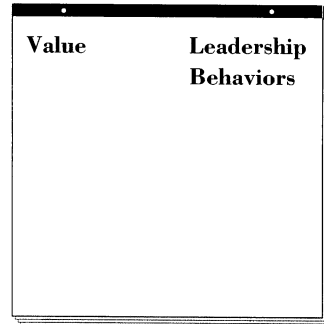
Group Debrief—30 min.

**Structure:**

- Divide the Participants into two groups. Assign each group half of the list of desired company values from the earlier exercise.
- Describe the task:
  - To identify three or four specific behaviors that we need to engage in in order to support and model the key values we have identified.
- Each group should use pages 48 and 49 in the *Participant's Guide* to do this exercise. The introduction to this exercise in the *Participant's Guide* contains several examples of leadership behaviors so that Participants can be clear on what a leadership behavior looks like. Have them turn to this page in their *Guides* and review the examples.

**Post-Tape Exercises (cont.):**

- In addition to completing the page in the *Participant's Guide*, each group should prepare a flip chart like the one below which shows the values they focused on and the leadership practices they identified. Preparing the flip chart allows each group to easily share their results with the other.



Value	Leadership Behaviors

- Give them 30 minutes for this exercise. Then have each group present their results.
- After both groups have presented, ask the Participants to refine the list so that they come up with a set of leadership behaviors they can all buy into. This refinement may involve consolidating any repeated or similar behaviors, revising the way behaviors are worded, etc.

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**Module 5 Summary:** *We have begun to describe what we need to be like as a company and as a management team in order to accomplish our Strategic Intent. And there are some things we clearly need to do differently. As we review everything that we have discussed and worked on over the entire Workshop, there are a number of important “next steps” we need to take. In the final Module of the Workshop, we won't view a Videotape Segment but rather we'll focus entirely on how we can implement some of the things we've discussed by creating an Action Plan.*

# Module 6

## Mobilizing the Organization—Action Planning

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**Purpose:**  
*Total Time*  
*4 hr. 25 min.*

- To develop an Action Plan identifying key next steps the management group needs to take in order for the organization to internalize and act on the concepts in the *Competitiveness Videotape*.
- 

(No Videotape Segment)

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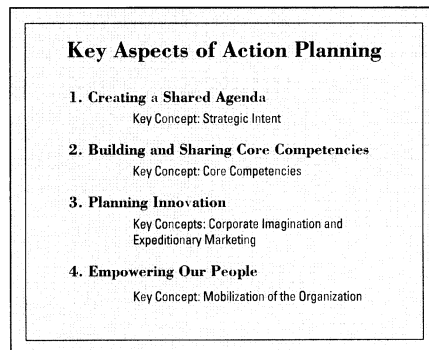
**Action Planning**  
**Exercises:**  
*4 hr. 25 min.*

### 1. Introduction to Action Planning (10 min.)

**Purpose:**  
To understand the purpose and flow of the Action Planning section.

**Methodology:**  
Presentation

- Structure:**
- Introduce the Action Planning section by reminding the group that this piece of the Workshop is where they will leverage all the work they've done during the session. The concepts in the Videotape are valuable if the group does something with their insights.
  - Review the flow of this Module using Overhead #11.



*Overhead #11*

- Then move into—Creating a Shared Agenda.



**Action Planning Exercises (cont.):**

**2. Creating a Shared Agenda—Part 1 (15 min.)**

**Purpose:**

To identify steps that need to be taken to create an organization-wide understanding of and commitment to the company's *Strategic Intent*.

**Methodology:**

Group Discussion

**Structure:**

- Review the flip chart with the preliminary statement of *Strategic Intent* (from Module 2, Exercise 4—Part 3) and the flip chart which describes the company's key Corporate Challenge.
- Ask the Participants if their description of the company's *Strategic Intent* has changed or evolved given the work they have done in the preceding Modules.
- Ask Participants to revisit the Corporate Challenge and, if necessary, refine it as well.
- Capture their revisions/changes on these two flip charts.

**Transition:**

*We've reached some consensus on our Strategic Intent and on our key, near-term Corporate Challenge. As I mentioned before, these are "straw men"—preliminary definitions which we probably will revise further as we reflect on them over time. With that in mind, however, we do need to consider how we will create a shared view of Strategic Intent throughout the organization, because, without that kind of alignment, we can't hope to accomplish it. One way to do this is to look at specific projects we can implement which will:*

- a) Involve a cross section of the organization.*
- b) Demonstrate and communicate the Strategic Intent.*
- c) Provide practical value in terms of moving us closer to achieving our long-term objective.*

---

**2. Creating a Shared Agenda—Part 2 (60 min.)**

**Purpose:**

To identify steps that need to be taken to create an organization-wide understanding of and commitment to the company's *Strategic Intent*.

**Methodology:**

Small Team Exercise—20 min.

Group Discussion—40 min.

**Structure:**

- Divide the group into two teams and ask each team to identify a potential project which could serve as a vehicle for demonstrating and communicating the company's *Strategic Intent*.

**Action Planning Exercises (cont.):**

- Remind the teams that this project needs to meet the following criteria:
  - a) Involve a cross section of the organization.
  - b) Demonstrate and communicate the *Strategic Intent*.
  - c) Provide practical value in terms of moving us closer to achieving our long-term objective.
- The teams should then develop a brief plan for that project, which includes steps, dates, and who needs to be involved.
- Ask the teams to build a flip chart like the one below to capture their work:

<b>Project Description</b>		
<b>Project Plan</b>		
Steps	Who?	When?

- Give the teams 20 minutes or so for this exercise, and then reconvene the full group.
- Ask each team to present their suggested project and plan.
- Briefly discuss the two projects with the Participants, focusing on revising/refining them until the full group is satisfied with the two projects and their plans.

**Transition:**

*We've identified two projects we can implement which will help us begin the process of creating a shared Strategic Intent. We'll keep these flip charts posted because we want to keep track of our commitments and "to do's" as we begin to build our Action Plan as a management group.*

*The next step in our Action Planning process is to revisit our discussion of Core Competencies. We talked a lot about Core Competencies we currently have, as well as those we need to build or acquire. Let's look at the action steps we need to take in this arena.*

---

**3. Building and Sharing Core Competencies (45 min.)**

**Purpose:**

To identify steps that need to be taken to build/enhance the company's *Core Competencies*, as well as share them more broadly throughout the organization.

**Methodology:**

Group Discussion

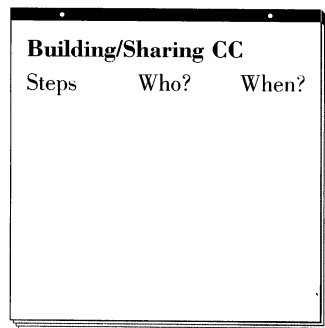
**Action Planning Exercises (cont.):**

**Structure:**

- Lead a group discussion on the steps that need to be taken to build, enhance, and share the company's *Core Competencies*.

**Suggested Discussion Questions:**

1. *When we review our earlier discussion of Core Competencies, what "holes" did we identify in our current set of Core Competencies?*
  2. *How can we build and enhance those Core Competencies we need in order to accomplish our Strategic Intent?*
  3. *What process can we put in place to share our Core Competencies more broadly throughout the organization?*
  4. *What are the critical steps?*
  5. *Who needs to be involved?*
  6. *What is the time frame?*
- Capture the results of this discussion on a flip chart like the one below:



- Again, keep this flip chart posted.

**Transition:**

*In Module 4, we came up with a number of interesting possibilities for new market opportunities we could pursue. One question we need to address is, How can we implement any or all of these ideas? Does our current product development process help us or hinder us in pursuing these New Opportunities and bringing new ideas to market?*

---

**4. Planning Innovation (60 min.)**

**Purpose:**

To assess our current product development process and to identify steps we can take to improve our "cycle time"—the speed with which we develop a product, launch it, get feedback, redesign, and re-launch.

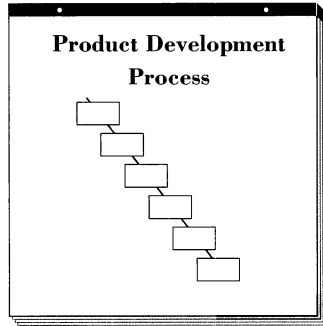
**Methodology:**

Group Exercise

**Action Planning Exercises (cont.):**

**Structure:**

- Ask the group to review the list of New Opportunities they identified from Module 4 and select one of these ideas to work on in the next exercise.
- Then ask the Participants to describe the typical steps in the development process for this type of product. Chart these on a flip chart like the one below:



- Ask the group to identify the breakdown areas in this process and to speculate on what the causes of those breakdowns are. Indicate these problems on the chart itself.
- Then lead a group discussion focusing on steps that can be taken to implement a more Expeditionary Marketing process.

**Suggested Discussion Questions:**

1. *How can we change our process so that it is more in line with the kind of Expeditionary Marketing described in the Videotape? How can we make more frequent, lower-cost, faster-paced incursions into the market?*
  2. *How can we enhance our methods for getting better and faster feedback from the market on product development efforts like this one?*
  3. *What are the critical steps?*
  4. *Who needs to be involved?*
  5. *What is the time frame?*
- Capture the results of this discussion on a flip chart like the one below:



**Action Planning Exercises (cont.):**

**Transition:**

*In Module 5, we talked about how we can mobilize the organization and the role that values, structure, systems, and leadership behaviors play in accomplishing our Strategic Intent. What we're trying to do when we talk about "mobilizing" the organization, is empowering our people so that they can take independent, creative action within the context of our Strategic Intent. Let's revisit our discussions from Module 5 and see what action steps we need to take to empower our organization.*

---

**5. Empowering Our People (45 min.)**

**Purpose:**

To identify the steps that need to be taken to empower the entire organization so that people act, learn, and invent within the context of the company's *Strategic Intent*.

**Methodology:**

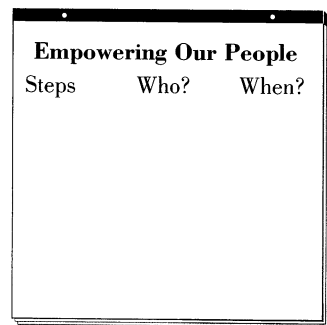
Group Discussion

**Structure:**

- Lead a group discussion on the steps needed to enhance the sense of empowerment in the organization.

**Suggested Discussion Questions:**

1. *What are the critical obstacles to empowerment in our organization?*
  2. *What critical obstacles to empowerment do you see in the work we did on values, systems, structure, and leadership behaviors from the prior Segment?*
  3. *What are the critical steps for addressing these obstacles?*
  4. *Who needs to be involved?*
  5. *What is the time frame?*
  6. *Are there any other major next steps that we have not identified?*
- Capture the results of this discussion on a flip chart like the one below:



**Action Planning Exercises (cont.):**

**6. Summary and Wrap-Up (30 min.)**

**Purpose:**

To summarize the purpose of the Workshop, to highlight the progress the group has made, and to describe the Facilitator's next step.

**Methodology:**

Presentation

Individual Exercise

**Structure:**

- Review the purpose of the Workshop using Overhead #1.
- Review briefly the group's key accomplishments in terms of:
  1. A preliminary definition of the company's *Strategic Intent*.
  2. An understanding of the *Strategic Intent* of our key competitors and the implications of this for our business.
  3. An understanding of the *Core Competencies* which currently underlie our products and services, as well as the *Core Competencies* we may need to build in order to accomplish our *Strategic Intent*.
  4. A list of possible market opportunities which derive from our *Core Competencies*.
  5. A customized leadership model which describes the unique set of leadership behaviors or practices required for us to accomplish our objectives.
  6. An Action Plan describing the critical next steps we will take.
- Describe your next step:

To create a management brief capturing the flip charts and summarizing the results of the Workshop.
- Ask Participants to identify their own personal action steps by completing page 56 of the *Participant's Guide* and answering the two questions listed there. Give them about 20 minutes' quiet time to do this.
- Thank the Participants for their hard work and close the session.

## Post-Workshop Follow-Up—Management Brief

As the Facilitator, you have the responsibility for capturing, summarizing, and organizing the group's output from the Workshop in a Management Brief. Below is an outline you might find helpful in developing that material. You should feel free to adapt this in any way you see fit; this is simply one of many possible approaches for organizing all the information and insights from the Workshop.

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**Management Brief  
Outline:****I. Current Status**

Key Business Challenges

Effectiveness of Our Strategic Planning Process

Our Current *Core Competencies*, Core Products, and End Products

Our Actual Values and Beliefs

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**II. Future Direction**

Our *Strategic Intent*

Our Corporate Challenge

Required *Core Competencies*

Required Values and Beliefs

Key Leadership Behaviors

Required Structure and Systems

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**III. Competitor Assessment**

Competitors' *Strategic Intent*

Competitors' Required *Core Competencies*

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**IV. New Opportunities**

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**V. Action Plan**

Creating a Shared Agenda

Building and Sharing *Core Competencies*

Planning Innovation

Empowering Our People

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**VI. Summary**