

## Fullbrook Consulting Group – White Paper 'Strategy, Tactics and the Window of Opportunity' - Wayne Kay, Fullbrook Consulting Group

*All men can see the tactics whereby I conquer, but what none can see is the strategy out of which great victory is evolved.*

**(Taken from the works of Sun-tzu, a Chinese Strategist, over 2,400 years ago)**

Few people in the western world have studied Chinese philosophy, yet the quote above is being used extensively today in this geographical area. Try and pick up any MBA introduction without finding this or a similar quote, somewhere within. The truth is that like war, successful business is all about tactics and strategy. Why then do we still see so many companies employing short term tactics and confusing these with a longer term strategy?...or even worse, simply running blind.

No industry changes as fast as the IT and Telecommunications industry. The convergence of these markets only serves to accelerate this change.

For new technology manufacturers, the window of opportunity can sometimes be so small, that to be able to maximise this, one has to be ready for it well in advance. Tactical positioning is a constant requirement but the creation of a focussed strategy is more important than ever before.

As quickly as the industry has boomed due to emerging technologies, it is also seeing a rationalisation to sort out the strong from the weak. This is not survival of the fittest, many great technologies fall by the wayside because of ineffective routes to market and poor strategy.

Tactical planning can and should only be done with a longer term strategy in mind. Tactics are the tools of manipulation and are also more likely to change as market conditions evolve or third party influences cause complete shifts in the economy.

Being tactical is something that we all begin to learn in the playground; learning to adapt and take proactive decisions to influence the desired outcome. Strategy however is a different beast. Strategy is a very broad term and is commonly used to describe any thinking that looks at the 'big picture'.

To maximise the window of opportunity, one has to ensure that a strategy is in place. A common problem found in today's businesses is the ultimate

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ownership of strategy. Strategy, like empowerment should be embedded in the business and be owned by many and not few. However, before considering developing a strategy, it is important to break this down into functional areas that can have the necessary focus applied. There are three key levels of strategy, each overlapping the other, but each necessary to ensure the ultimate positioning and strength of a business.

The three key levels of strategy are:

- Functional Strategy
- Business Strategy
- Corporate Strategy

Functional Strategies are best described as the operational and value adding methods used by any business to help strengthen them, either financially or operationally. A good example of Functional Strategy is an organisations employment of workflow solutions, aiding the passing of information within predefined service levels and reducing the potential of human error when a number of bodies are involved in the final outcome. Functional Strategies are fundamentally the methods employed to sharpen a business operation.

Business Strategy can be described as the battle plan with which to fight the competition. This is on a higher level to Functional Strategies but there is an obvious overlap here. An example of this was the approach taken by Japanese electronic consumer goods manufacturers 15-20 years ago. They sold medium quality products at low margins and often at less than cost. With view to any typical one year forecast or business projection, this seemed like commercial suicide to their US counterparts. However, for the US companies, by the end of year 2 the problem hadn't gone away and many of them bailed out of the market leaving the Japanese to take control. Since that time, the profitability of the Japanese organisations, due to market control, has allowed them to reinvest and deliver ground breaking technology whilst maintaining their position as the firm leader in this arena.

The final level of Strategy is Corporate. Corporate Strategy is based upon the 30,000ft view of opportunity and thus having the ability to change the business and seize the moment i.e. that 'Window of Opportunity'. There are variations on this theme, some would say that the success of Tom Siebel with Siebel Systems was derived from his ability to seize the moment and move his company towards a new vision. Now, when many of his original competitors are still focusing on Sales Force Automation, Siebel has moved into CRM and now ERP competing with organisations that never expected competition to appear from this quarter.

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Strategy is not something that should be taken lightly and often the assistance of third parties, employed to take an objective view across all levels is necessary to ensure that a business is optimised.

As this paper began, no lesson on strategy would be complete without mentioning Sun-tzu, a Chinese military strategist of the 4<sup>th</sup> century B.C. As previously mentioned, somehow his maxims have found their way into many an MBA conversation about strategy. What better way to finish this than to leave you to ponder the relevance of some of these;

“...To win 100 victories in 100 battles is not the acme of skill. To subdue the enemy without fighting is the acme of skill”.

“All warfare is based on deception”.

“Offer the enemy a bait to lure him; feign disorder and strike him”.

“In war, numbers alone confer no advantage. Do not advance relying on sheer military power”.

“What is of supreme importance in war is to attack the enemy’s strategy”.

Through the unique combination of the specialist practices that make up the Fullbrook Consulting Group, we are able to provide holistic consultancy straight to the heart of your business. This integrated approach ensures that our involvement aligns us to you as a partner, with a desire to deliver results. This also ensures that you don’t miss that vital window of opportunity.