

Business Strategy

How to formulate a new strategy



WEEK SEVEN
LECTURER: N. QUARRIE

Objective



- By the end of this lesson you should be able to:
- 2.4 present a new strategy for a given organization

Overview



Usually a business strategy is created by the top managers, however, the implementation of this said strategy will the impact of employees/persons who were not involved in the planning process.

It is therefore important for you to be able to present a new strategy. That's what we will be doing for the rest of this lesson.

Why is it important for us to communicate the new strategy to employees?



- Employees are keep stakeholders in a business. So as you would imagine they need to be updated about anything that will be implemented.
- The following are some of the key reasons:
- To inform them of the way forward for the company

Why is it important for us to communicate the new strategy to employees?



- To inform them of the role they will be expected to play during the implementation process.
- The potential impact that the new policy could have on them
- Provide an avenue for them to air their concerns etc
- Can you think of any other factors??

So what if the new strategy is not presented/communicated?



- Lets discuss!!
- Workers may not be motivated to do what it requires to achieve strategic objectives.
- Confusion about what is expected.
- etc

Why? How? What?



- During the presentation of the new strategy it is imperative that the employees are told why the new strategy is to be implemented. This is key as the reasons or the implementation of a new strategy may not be obvious to an employee. The operations of the company may seem great to the employees and thus they may not see a need for a new strategy.
- How will the new strategy be implemented? Provide information about the timeline etc. Also, be sure to explain what exactly the new strategy entails.

Connecting new strategy with vision etc



- Recall that during the creation of a new strategy it is expected that the mission, vision etc of the company inform the strategy. Now, it is important that during the explanation of the new strategy to the employees you explain the connection between the vision etc to the new strategy.
- This will help to concretize the importance of implementing the new strategy.

Creative and engaging methods



- Schmeer, K. (1999).
- Organizations that are particularly large usually have varying levels of employees. With this in mind they will need to ensure that they use simple and creative methods to explain the new strategy to employees who may of be able to understand an abstract presentation.
- Presenters could therefore use discussion, storytelling (among other methods) to inform employees about the new strategy.

Making use of different methods of communicating to employees



- In communicating information about the new strategy the managers must make use of the many ways available to communicate information. Some of these methods include:
- Social media: Facebook, twitter etc
- Email
- Memos, notice boards etc
- Some workers may not be able to read and write and thus it may be best to communicate the information to them orally.

Direct Communication



- Ensure that the first time persons hear about the new strategy that the information comes directly from the “horses mouth.” If this is not done you will end up with a lot of gossips and the speculation or even panic about what is to come.

Management: continuous updates and setting example



- It is important to continuously update the employees of any changes etc
- Note as well that it is best to not have too many changes too frequently. This could cause the workers to feel uncomfortable and uncertain about the future
- Management must lead from the front in setting example regarding any new policy.
- Management must ensure the new policies are well coordinated between and among the different departments.

Case study



- Please click on the following to read about the Tesco Steering Wheel etc. Please review as I will first ask a few persons to summary what they read and then we will have a discussion about it:

Icmrindia.org, (2016). *Tesco's 'Steering Wheel' Strategy|Business Strategy|Case Study|Case Studies.* [online] Available at: <http://www.icmrindia.org/casestudies/catalogue/Business%20Strategy/BSTR187.htm> [Accessed 8 2016].



Presentation: Powerpoint



- A strategic plan can be presented using a powerpoint presentation.
- If a powerpoint presentation will be used then the following must be included:
- Introduction
- Overview
- Justification of strategy chosen
- Strategy: Steps + activities for each step + timeline for each step etc
- Expected implementation results
- Conclusion

Review Questions



- 1. Why is it important to present the new strategy to the employees?
- 2. What are some of the things that managers should consider when presenting a new strategy?
- 3. Is it important for managers to explain the connection between mission statement etc and the new strategy to employees? Why?
- 4. Discuss some of the methods of communications that can be used to present inform. Discuss at least two.

References



1. Icmrindia.org, (2016). *Tesco's 'Steering Wheel' Strategy|Business Strategy|Case Study|Case Studies*. [online] Available at: <http://www.icmrindia.org/casestudies/catalogue/Business%20Strategy/BSTR187.htm> [Accessed 8 Feb. 2016].
2. Schmeer, K. (1999). Process for Developing an Interest Map in Ecuador, Technical Report No. 23, PHR Project. Available at <http://www.who.int/management/partnerships/overall/GuidelinesConductingStakeholderAnalysis.pdf> [Accessed 5 Feb. 2016].