

## The implications of strategic focus on joined-up management

In general, organisations may be explored through four strategic foci. This note examines some of the implications for management and offers some thoughts where management can be more effective

The four strategic foci are:

- **Inventive**, developing a novel solution to exploit a new or existing opportunity
- **Innovative**, creating many different variants in response to the demands of different markets
- **Asset driven**, investing in the means to market significant volumes
- **Brandstrength driven**, where others deliver a well defined product or service e.g. a franchise.

The strategies can be explored as a journey, a good example is the mobile phone; originally an expensive brute needing a webbing strap and a whip aerial, it then mushroomed in size and shape until just two or three variants emerged which the phone companies produced in their millions to the point now where it is more effective for others to produce and sub-assemble under license

There are some companies that buck the trend – Intel is one such example; and within major companies these strategic foci can be the drivers for different departments: R&D, prototyping, production and legacy.

At each of these strategic stages business will manage the various functions in different ways, three drivers are explored below: communication, people and finance.

### Communication with the market

The way the organisation responds to opportunity changes as the organisation evolves.

- In the inventive stages there is no precedent and the emphasis is on **listening** for ideas
- In the innovative stage the emphasis is on **dialogue** – reacting faster than the competition
- In the asset driven stage the emphasis is on **telling** how good the product or service is
- In the brandstrength stage the emphasis is on **reassurance** that the product or service continues to deliver

Many companies fall down as a result of poor communication, for example reassuring instead of listening or telling when they should be in dialogue

### Getting the right type of people

We read, only too often, of the good sales person who is promoted to manager on the strength of results and then fails to deliver; the ideal aptitudes and temperaments of management will be different at the different stages:

- For the inventive stage, the most effective people are **bright loners** who can work on their own to deliver a working result
- For the innovative stage **flexible team players** work well and adapt easily to changes
- For the asset driven stage **dedicated team players** are appropriate; good with detail and content with routine
- For the brandstrength organisation **inspectors** are appropriate to quickly and efficiently spot and rectify deviations

Only too often, management expects others to be like themselves, or able to do everything; this cannot be effective and can only lead to poor communication, resentment and stagnation

### Financial focus

Finance is normally the primary driver for company sustainability; this sustainability is delivered in a variety of ways (the diversified corporation takes advantage of all of these)

- At the inventive stage, sustainability rests with **intellectual protection**
- At the innovative stage, sustainability is based on how quickly the organisation can **respond & adapt** to change in demand or even whim
- At the asset driven stage, sustainability comes from **competitive pricing**
- At the brandstrength stage, sustainability comes from **brand strength**

As the company changes, so must the focus – moving forwards, not clinging to the past, otherwise momentum will be lost and competitiveness undermined.

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