



# Operationalizing your Strategic Plan to Access New Markets

The significance of strategic planning is widely acknowledged within the business community. Strategic planning plays a pivotal role in elevating various facets of business performance, encompassing operational capacity, efficiency, mission alignment, customer acquisition, revenue generation, and market expansion. However, despite its recognized importance, organizations have encountered persistent challenges in effectively executing their strategic plans. This paper explores how to operationalize your strategic plans for success.

While the fundamental concept of strategic planning is generally understood, it entails more than a mere definition. It is a comprehensive process that encompasses the establishment of an organization's overarching vision, mission statement, and specific goals. In essence, it serves as the guiding roadmap for facilitating growth, cost reduction initiatives, and the achievement of critical business objectives.



However, a critical question arises: Why do a substantial number of strategic plans fall short of execution, failing to realize their intended objectives? The Harvard Business Review sheds light on this pressing issue, revealing that an astonishing 67% of meticulously crafted strategies ultimately falter due to inadequate execution. Moreover, an alarming 61% of executives have reported being ill-equipped to confront the strategic challenges that arise, while an equally concerning statistic reveals that approximately 50% to 60% of executives experience failure within their first 18 months of promotion or hiring. What separates successful efforts from those that failed to achieve their intended results?

***It's the ability to operationalize the strategy and monitor its progress.***

### ***The Basics – What is Strategic Planning?***

Strategic planning serves as a valuable tool for guiding organizational expansion endeavors into new markets. The initial step in the strategic planning process involves defining your "future state" or the anticipated outcomes of your efforts. This future state encompasses establishing a vision for the company's Growth Objectives, Customer Engagement, Talent Pool, and Core Capabilities. Defining the vision for your organization entails determining the ultimate desired results. Through visioning, you aim to create a vivid portrayal of what the initiative or organization will resemble upon completion. This step is pivotal as it provides guidance for all subsequent actions.

Here are some questions designed to stimulate the visioning process:

- What pivotal outcomes will this transformative initiative yield?
- What will it be like to be a part of the business once this transformation is realized?

*(This encompasses factors like culture, accountability, communication, performance, and community involvement).*

- How will success manifest itself and contribute to our mission?
- What do the demographics of your workforce look like in terms of education, management, and technical proficiency?
- How is the organization perceived in the market?
- What is the scale of the organization?



The culmination of this visioning exercise is the formulation of a concise and well-accepted vision statement, representing the envisioned "end-state" for the organization or initiative.

### ***Pulling in the Work – Conducting Market Research***

Market research and analysis provide the rationale and guidance for your pursuit efforts. They instill credibility and confidence in your strategic approach. Organizations that have conducted thorough market research are better positioned to enter and expand into new markets. The findings from market research serve as the compass for your "True North Direction" in accessing new markets.



### ***Assessing the Business “Current State”***

Now, it is time to assess how your organization aligns with the envisioned future state. This entails conducting a thorough evaluation of the "current state." The current state assessment empowers the business to examine its existing organizational assets, encompassing strategy, personnel, customer relationships, capabilities, financial health, systems, and infrastructure. By conducting this assessment, leadership gains a clear and comprehensive understanding of the organization's strengths and identifies areas of improvement required for successful market entry and expansion.



## Gap Analysis

Today's markets are characterized by intense competition, necessitating a profound understanding of market dynamics for success. To thrive in new markets, deliberate and strategic actions are essential to attain growth objectives. Gap analysis serves as a tool to pinpoint the specific areas requiring leadership's focus and attention. As previously mentioned, this examination may encompass various aspects of the business, such as its workforce, customer base, capabilities, financial standing, systems, and infrastructure. The ultimate goal is to implement precise solutions that bridge these gaps and align the organization with its envisioned future state.



## Strategy Development

Why Expand into New Markets? If you find yourself pondering this question, your company might not be an immediate candidate for venturing into new markets (*with a friendly smile*). Nevertheless, there are compelling reasons to consider market expansion:

- A surge in demand for your products and/or services in your existing markets.
- The desire to diversify and mitigate the risks associated with an overreliance on a single market.
- Recognizing limited growth prospects in your current market.
- Responding to an escalation in competitive pressures.

In the pursuit of accessing new markets, it's well understood that strategic planning plays a pivotal role in grounding the purpose and setting achievable goals and objectives for execution. Strategic planning allows business leaders to chart a clear path towards realizing their vision for organizational growth and the precise steps required to reach that destination.

Leaders and/or teams must conduct a pragmatic evaluation of the organization's current standing and its capability to execute the proposed plan. To mitigate the risk of failure, it's imperative for leaders to engage their teams actively in the planning process, fostering an environment where honest input and active participation are not just encouraged but demanded.

Throughout the development of the strategic plan, the team must ensure they have clear and concise answers to fundamental questions about their business:

- What precisely is the core function of the business?
- Who constitutes the target customer base?
- What is the essence of the business's value proposition?
- How is success defined and measured?



While these questions may appear straightforward, they often prove to be among the most challenging for a company to address. While the leader oversees the strategy development process, it's imperative for the entire team to take ownership by actively supporting and participating in the development process.

When seeking to enter new markets, consider these elements to support your strategy development process.

- **Conduct market research:** Begin by conducting thorough market research to identify your customers, their needs, purchase frequency, and procurement channels. Additionally, assess the market's size and the potential percentage of growth your company can aim to capture.
- **Identify target customers:** Acquiring a deep understanding of your customer base is paramount. This entails not only pinpointing the customer segments you intend to target but also identifying the specific individuals within those segments whom you will engage or reach out to.
- **Analyze the competition:** A crucial step involves thoroughly analyzing the competition, as this understanding is instrumental in setting your company apart. Investigate what your competitors excel at and where they may have shortcomings.
- **Develop a tailored marketing strategy:** Utilize insights gathered from your market research to formulate bespoke marketing strategies. These campaigns should be designed to resonate with the unique needs of your clients.
- **Establish partnerships and networks:** Seek opportunities to establish strategic partnerships with companies operating in your target growth markets. This not only

helps mitigate perceived risks but also enhances your credibility and acceptance among your intended customers.

### ***Establish Performance Goals - Key Performance Indicators***

Many organizations fall short of achieving their desired outcomes due to a lack of emphasis on measuring key performance indicators (KPIs). KPIs are quantifiable metrics that serve as a reflection of the organization's progress in pursuit of its established goals.

KPIs can be categorized into various dimensions, such as sales, marketing, operations, finance, human resources, and capabilities. Each of these major categories may further encompass subordinate levels of KPIs. Let's consider the sales domain as an example. Within sales, overarching goals may include achieving \$1,000,000 in new business revenue. In addition to this overarching goal, there may be individual metrics assigned to team members, including:

- The number of proposal submissions per month
- The number of customer meetings
- The number of vendor meetings
- The number of outbound calls
- Pipeline movement activities, and more



Research has consistently shown that organizations that systematically measure their team's progress towards their goals tend to outperform those that lack such clear objectives. Accountability ensures that resources are directed towards the organization's top priorities. In line with the age-old adage, "what gets measured gets done."



### **For more information**

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