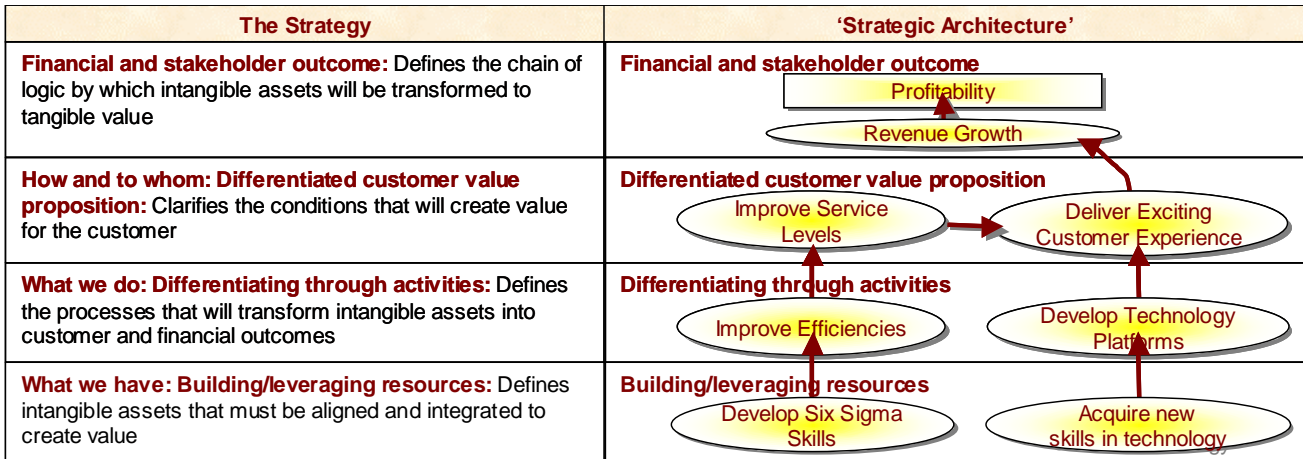


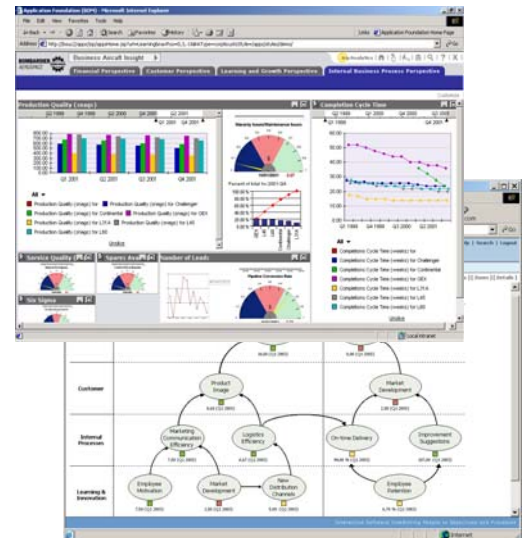
Strategic Architecture: *identifying Gaps and enhancing strategy*

Although strategy is fundamental to business our research shows that **only 24% of firm's develop 'maps' of their strategy**. Our experience has shown that maps are fundamental to successful execution, they also provide considerable insight into any 'gaps' that may exist – those areas where development is warranted or enhancements required. HC+P has developed a comprehensive mapping system that we refer to as a 'Strategic Architecture' (SA). A SA structure is illustrated as follows:



Practical Experience: HC+P has assisted many organisations to implement strategy. From our research and experience, a SA delivers significant benefit as it provides visibility to:

- **'Gaps' in strategy:** Excellence in customer service is often a key strategic objective, many strategies ignore the need for robust processes and the need for staff with the correct skills. The SA highlights these gaps.
- **Areas for development:** The SA highlights areas where enhancements are required – e.g. innovation, knowledge and 'intrapreneurial' skills.
- **Currency:** Strategy is most effective when reviewed regularly. Most 'strategic plans' are rarely revisited from year to year. A SA provides the basis for Strategic Renewal - and currency.
- **Cause and Effect;** Rewarding financial results are an outcome (lagging KPI), an investment in technology is the input (leading KPI). The SA illustrates the links – on one page.
- **Managers alignment with strategy;** 35% of senior managers do not act in accordance with the direction identified in the strategy – the SA provides direction, links and focus.



Getting Started: HC+P is often called upon to assist with strategy formulation, but quite often, those organisations that already have a strategy seek to enhance its effectiveness. Our approach is to conduct a five to ten day strategic review of the business and to then work with our clients to establish a Strategic Architecture as illustrated above. We use the architecture to highlight the 'gaps' identified by the difference between the strategic objectives articulated in strategy documents and those most desired from our strategic review. HC+P works with client organisations to identify the strategic 'gaps' and to assist with the development of an approach to implementation as well as a means to close the gaps. An implementation program is established through a Strategic Score Card that defines strategic objectives and associated Key Performance Indicators (KPI's) related to the objectives as well as relevant Targets. We then establish defined Action Plans that will deliver against the KPI's and ensure maximum benefits are obtained from the strategic management function. Where appropriate, a fully automated software package (also illustrated above) is recommended and applied.

Contact us: We will be delighted to hear from you: hcandp@hcandp.com; (03) 9863 8980; www.hcandp.com.