

# Making sure that Enterprise Strategy delivers: the Process Approach

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**Process provides the detailed, step by step activities necessary to ensure that strategic goals are delivered. It defines the “what needs to be done” and is therefore key to a successful enterprise. This article describes the use of process as a tool to achieve strategic goals**

A business or enterprise cannot succeed without a strategy, plans, the processes, and projects that will achieve the strategic goals. There is often a disconnect between strategy (the route) and delivery (who does what when, how and what measures will guide us whether we are achieving the goals or not).

Each enterprise has a vision (the “to be” state). Strategy follows vision, it is therefore important to check on the vision continuously, as strategy must support achieving that vision.

The following is a vision statement: “ABC Pizza aims to be the most successful pizza take-out business in our area in one year’s time, and in three years, we will have 10 franchised top quality, area-leading pizza outlets in 10 other areas.”

Once it is clear where the enterprise is heading to, which should be articulated in the vision statement, strategy says how this vision is going to be achieved, for example:

- We will be known as a healthy pizza outlet: we will use only fresh ingredients, we will not use microwave energy, we will show the nutrition information per slice of pizza, we will use low fat cheese, and we will serve healthy accompaniments.
- Our service will be quick, efficient and we will address our customers by their name.
- Our outlet(s) will reflect our focus on health, hygiene and efficiency.

The link between strategy and **delivery of the strategy**, in other words, achieving the strategic goals, is process. Stated differently, in order to deliver the strategy which must ensure that the vision is achieved, processes are needed. Processes are the “who does what when” aspects of an enterprise.

In order to identify what processes are needed to DELIVER strategy, the high level activities of the enterprise must be articulated. For ABC Pizza these high level activities may include:

1. Defining, sourcing and ensuring feet through the door (the target market): Understanding the area demographics, what do customers need, like, not like or prefer. From another angle: Having excellent information on what the customer will buy and why and then creating an effective marketing, branding and sales plans
2. Sourcing and working with the right suppliers, managing relationships in order to have the right ingredients at the right time, including delivering on desired quality.
3. Sourcing and retaining the right staff.
4. Making the pizzas according to quality standards and customer order and delivering the required pizza to each customer as promised in the marketing message, ensuring the highest quality.
5. Monitoring the business, evaluating the performance, documenting the status in reports and using this information to check on and improve on each of the activities 1 to 4 above.



Next, the processes needed to achieve the outcomes of each of these activities must be **identified**.

For each activity, ask: "what process or processes are needed to achieve the high level activity's outcomes?"

For activity 1, (Defining, sourcing and ensuring feet through the door -the target market-) the following processes may be needed:

- Market Research and Trend Analysis
- Branding, Marketing and Sales Planning and Execution

For activity 2, the following processes may deliver the results:

- Supplier Engagement and Relationship Management
- Procurement
- Creditor Management
- Quality Assurance

And so on for the additional activities.

The next critical element for strategy delivery: identifying and **defining** the processes needed for each high level activity. This is best achieved by engaging with as many stakeholders as needed to make sure that no processes are missed.

Once all the processes have been **identified** the next step is to "unpack" each process to understand the step-by-step activities in detail.

The starting point is to **define** each process, i.e. agree on the purpose of the process. This purpose statement must encompass the elements that will deliver the outcome of the activity area. For example, the purpose of the "Market Research and Trend Analysis" process will be "To gather the right information and analyse trends that will ensure feet through our doors"

This is followed by **scoping** what this process must do:

- Gather and verify data
- Analyse trends
- Assess information
- Record and report customer profile and verify
- Monitor and evaluate this process' outcomes

Now that the process scope is clear, "what needs to be done", or the step by step activities are developed. **This is the element often lacking in delivering strategy, the detailed WHAT needs to be done by whom.** This is detail work, but essential for the delivery of strategy. It is very important to detail the process in a best practice format: in other words, "if there are no restrictions (within reason of course), what will we do, step by step, to achieve the goals of this process?" This may mean that roles are documented that don't exist at the time, or that an IT system that is needed, and not in place yet, is reflected.

To continue with the example: given the scope above, state the very first **step** that needs to be taken. It may be:

Step 1: "Obtain latest area demographic data"

- This may include information from the internet, research houses, chamber of commerce. Be sure to identify the sources of the data, else the step cannot be performed well.

- State how to obtain the data.
- State who needs to do this step. It does not matter whether the role player is currently part of the enterprise or not, what matters is that the task has a person who will do it.
- Also, state what stakeholders are needed in the step (not the person doing the activity, but rather the people that will participate in the activity).
- Define how the information will flow: in other words: is all info electronic, do I receive faxes?
- What systems may be needed to execute the step? Perhaps a database is needed to store information for future use in.
- Finally, make sure that the step has an outcome. It may be a data file with relevant facts and figures.

Step 2: "Verify the data" – in similar fashion as Step 1, define what information is needed to verify the data, how the information is verified, who will do it, who will participate, how will communication work what systems are needed and what the outcome is.

Use as many steps as needed to address the entire scope of the process and unpack all the activities.

Delivering on strategy becomes real once processes are documented. It is then quite easy to see where there are shortcomings in what should be done, versus what can be done.

Depending on the nature of the gaps, for instance too few people to do the job as required by the process, management must decide whether to employ the skills or whether to adjust strategy or amend the vision.

**Delivering on strategy is what matters.** Process is the key to making sure that the enterprise is clear on what needs to be done by whom and when. Gaps that exist between what should be done and what can be done, or what is currently done, must be assessed as these gaps will most certainly impact on the level of success achieved in delivering on strategy. The organization can then PLAN and prioritise what gaps should be closed and implement the gap closures by means of PROJECTS. Organisations often fail in their strategy delivery when they skip the first step and move straight into plans and projects. When the right PLAN and PROJECTS are delivered, PROCESS is again used to ensure successful implementation.

The enterprise will succeed in delivering strategy in support of its vision if it uses its processes to execute the step by step activities that are needed, provides the right role players and measures its performance regularly.

Process is also the tool to apply when performance is not as planned.

If processes have been documented and have the required buy-in from role players, it brings value in many areas. To list only a few:

- Induction and training: new staff players understand what needs to be done and how what they do, fits in with the bigger picture of the enterprise
- Performance management: management information is created in processes, which provides for metrics needed to measure performance. This can be managed process by process, since areas of process breakdown can easily be defined and addressed.
- Quality Management: each step contributes to an end result. Quality gatekeepers can be linked to specific steps to ensure that quality is built in.
- Structuring: by clearly defining what needs to be done and what roles and skills are needed to achieve goals, process will direct the organisational structure needed to deliver on its goals.