Collaborative Tools for Strategic Line Planning

Presented by Lynette Seebohm, Principal
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SWOT
Leads to community clarity and dispels:

Source: Klir and Yuan (1995)
What is TOWS?
Driving value from the SWOT analysis

Originally designed by G. Weirich, TOWS matrix provides a min/max strategy framework to your SWOT analysis. Four classes of strategies are developed post SWOT development in reverse order to maximize strengths and limit weaknesses.
Collaborative process
Collaborative inclusion
Who’s at the table?

- Management
- Operations
- Marketing
- Sales
- Research & Development
- Others?
Why include as many participants as possible?

Involving a wide variety of perspectives and backgrounds by staff and stakeholders will make blind spots and distortions in SWOT evaluations less likely.
Needed information for a SWOT analysis

- Market and competition
- Products and technologies
- Financial performance
- Demographic trends
- Political and economic trends
- New technologies
- New materials, fabrics, processes
Early considerations

• How to make a product customers want
• How to price a product customers are willing to buy
• Being the product leader in innovation (expensive and risky) versus following in the footsteps of proven innovation
Considerations of information relevancy

- Quantity of the relevant supporting evidence
- Recency of the relevant supporting evidence
- Dependability of the relevant supporting evidence
- Quality of the SWOT Analysis
- The adequacy of the competitive benchmarking/benchtrending
- Reliability of the interpretation of the evidence
- Variety of perspectives involved

Source: H. Weihrich
SWOT Analysis

Strengths
Internal activities and active

Weaknesses
internal activities and active

Opportunities
New techniques, new research and actionable

Threats
External changes in market and political environment
SWOT Analysis
Strengths: existing

• Price, quality, cost, services, production and distribution systems, facilities, and locations
• Managerial environment and labor force
• Product distribution channels
• Brand name identification, company image, customer awareness
Weaknesses: existing

- Limits to technology, materials, and fabrics
- Financially underperforming product line
- Innovation risk / long term development
- Access to channels
- Competitive pricing
- Diversified consumer focus
- Viability, feasibility, desirability
## Strengths/Weaknesses
### Practical application

**What do you see?**

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Opportunities: near future

- New technology not fully realized
- Innovative ideas
- In development fabrics or materials
- Stage of product or market evolution
- Address resources, scope, and schedule
- People, process, tools, and IP
- Internal and external
Threats: long term

• Limited access to capital
• PEST: Political, Economic, Social and Technological concerns
• Demographic factors
• Phase of the business cycle, access to new employee skills/expertise
• Public demand for clean air, water, and clean environment
• Market retrenchment
SWOT to TOWS
SWOT to TOWS

Creates a strategic matrix of connective elements between the external, competitive and political environment and the organization’s internal assets.
SWOT to TOWS
TOWS Strategies
TOWS Strategies
SO: Strategies

- Maxi Maxi Strategies
- Attacking strategy that leverages strengths to maximize opportunities
- Can be realized in 3-4 months and must be actionable
SO: Strategic examples

- Specialize or concentrate
- Diversification into new markets
- Reduce cost of well-selling product
- Improve quality
- Focus on innovation (new products or new services)
- Capitalize on new techniques or technology
WO: Strategies

- Mini Maxi Strategies
- Minimize weaknesses and maximize opportunities
- Counters weaknesses to support attacking strategies
- Leverage opportunities and strengths to resolve the weakness
- Should be able to accomplish in 3-4 months
WO: Strategic examples

- Develop visual brand language
- Develop market personas
- Forward integration strategy (add new dealers or channels)
- Backward integration strategy (new vendors, steady flow of supplies)
- Improve operational process to decrease cost (LEAN)
ST: Strategies

- Maxi Mini Strategies
- Defensive strategy—leverage strengths to minimize threats
- Consider stage of product evolution (product life cycle)
- Vet risk of progress on new concepts
- Must be able to solve within six months
ST: Strategic examples

- Innovation and new technology
- Upcoming yet not available fabrics
- Materials, and technology developments
- Risky new concepts in development
- International strategy (reaching beyond current environmental limits)
- Retrenchment
- Joint ventures
WT: Strategies

• Mini Mini Strategies
• Minimize both weaknesses and threats
• Include resolutions of new hires, new approaches, collaboration with other competitors
• May involve liquidation of poor performing products or concepts
• Issues may take a year or more to resolve
WT: Strategic examples

• Problems of inflation, access to capital, demographic factors, political and environmental factors
• Consider phase of the business cycle
• Access to new employee skills/expertise
• Public and social concerns for clean air, water, and clean environment
SWOT Analysis leads to TOWS Strategies

Ref: Heinz Weihrich, Ph.D., UCSF
Natural next steps

At this stage in the process groups tend to have community supported strategies for the next cycle of development.

Goals, Objectives, Strategies and Tactics (GOST) should be summarized and role responsibilities assigned.
GOST: Goals, Objectives, Strategies and Tactics review

**Goals** are defined as a broad aim toward which your efforts are directed. It’s a *what*, not a *how*.

**Objectives** are closely tied to goals. An objective is a specific and measurable milestone that must be achieved in order to reach a goal and is generally tracked via a metric.
GOST

**Strategies** describes a major approach or method for obtaining to achieve an objective. Strategies tell you *how* you’re going to get there, the overall direction you are going to do.

- Utilize new technological capabilities
- New fabrics and materials

**Tactics** are specific things done to deliver on a strategy.

- Automate pattern cutting
- Develop stitch less construction
- Accelerate development using new NPD software
Prioritization models

• Affinity mapping of natural groupings or relationships using contextual inquiry of collaboration
• Multi-vote—democratic decisionmaking
• Leader-directed—autocratic or authoritarian decision making
• Time sequencing (now versus later)
• Mix of all of the above
“Some organizations may need to develop their human resources by a fair margin, improve their planning procedures and their market intelligence to make the desirable SWOT enhancement possible.”

—Adam J. Koch

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Thank you

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