

# 5 Best Strategic Planning Frameworks

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Bonus: Planning Shortcut



**StrategyKiln**

Contact: [Questions@StrategyKiln.com](mailto:Questions@StrategyKiln.com)



# Introduction

## So many tools, and so little time...

Whether you have a current strategic planning process or are looking to develop one, these four tools (plus the bonus Challenges & Strategies shortcut) should be in your arsenal. I've chosen them with the notion of **high impact, low effort** in mind. Yes, the Strategy Canvas can be time consuming to create, but that's why I have the excel already built for you so you simply need to edit it and make it your own.

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You may be asking yourself – where is my beloved SWOT analysis? I've omitted SWOT because in recent years it has become so internally focused it lost its impact. With that in mind, I've rethought how to create a SWOT and you can access the article and video on [StrategyKiln.com](https://StrategyKiln.com).

### Don't fall in to the “planning for planning's sake” trap

Strategic planning can feel like corporate corporal punishment. It's a drawn-out process where you have to stay late at work, give 110% effort, and in the end have little faith anyone will ever look at your fancy documents again. The brutal truth is that “planning for planning's sake” is commonplace.

If you're leading this process, make sure this doesn't happen by ensuring commitment and follow through. If you're a contributor, don't boil the ocean. As my grandfather used to say “use the right tool for the right job.”

You'll get slides and templates over at [StrategyKiln.com](https://StrategyKiln.com) so you can save time and focus on getting things done.

# What is Strategic Planning?

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## Framework #1: The OCCAM Strategy Razor for Strategic Planning & Thinking

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*"The greatest enemy of knowledge  
is not ignorance, it is the illusion of  
knowledge."*

— Stephen Hawking & Daniel  
Boorstein

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# What is Strategic Planning?

Strategic planning can be one day or a several month-long process. **The ultimate goal is the creation of a plan to succeed in the future.** It involves gathering data and insights, making strategic choices for how to focus your resources vs. the competition and the launch and measurement of your plan.

**To get the process down, you need to get the thinking down.** Strategic planning is both a process and a mindset which are intimately linked. That's why we developed the [O-C-C-A-M Strategy Razor framework](#); each letter of the acronym informs the process and thinking to successfully implement your strategy.

## || Strategic Planning Process & Mindset: 5 Steps in the OCCAM Strategy Razor ||

- 1) **OPEN:** Open up new opportunities by **asking questions**. Take a wide-angle, **big picture approach**. Identify patterns and turn new knowledge into business growth.
- 2) **COMPRESS:** Simplify complex concepts and ideas and articulate the why behind your strategy. Look for the **strategic insights** that align with what your customers want & what your company can deliver on.
- 3) **COORDINATE:** True collaboration and coordination takes a strategic thinker and great **relationship builder that can find multiplier effects**. Empower others to co-create ideas and action plans.
- 4) **ACTIVATE:** Create plans that generate measurable results. Remain hungry for victory but don't be afraid to fail – **a good plan is fluid** and can always be adjusted.
- 5) **MEASURE:** Use insights and learnings to drive continuous improvement. Achieving your objectives is important, but perhaps even more critical is your **passion for learnings and insights**.

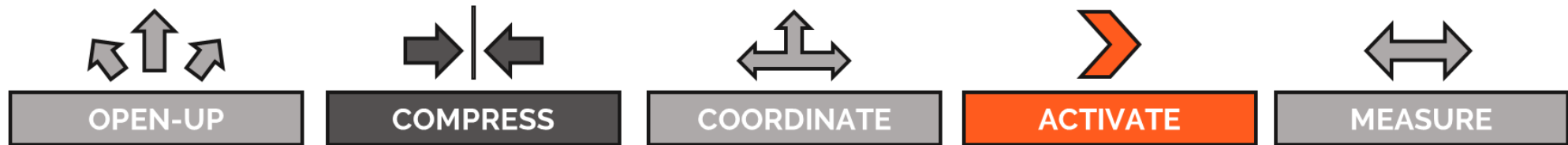


# O-C-C-A-M Strategy Razor: Framework for Thinking Strategically





## Where each framework fits within the strategic planning process



O-C-C-A-M Strategy Razor

### 5 Cs Framework

Efficiency Frontier

Strategy Canvas

One Page Strategic Plan w/ GOST

Challenges & Strategies Shortcut

## Framework #2: 5 Cs Framework

The 5Cs Framework is an intuitive tool that broadly encompasses the internal and external factors your organization faces. It's a great starting point for a situation analysis.

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*"Be open minded. But not so open minded that your brain falls out"*

— Groucho Marx

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## 5 Cs Framework

Internal		External		
Company	Customers	Competitors	Collaborators	Climate
				
<ul style="list-style-type: none"><li>❑ SWOT Analysis</li><li>❑ GOST<ul style="list-style-type: none"><li>▪ (goals, objectives, strategies, tactics)</li></ul></li><li>❑ Processes &amp; culture</li><li>❑ Core Capabilities:<ul style="list-style-type: none"><li>▪ Key assets</li><li>▪ Resources</li><li>▪ People</li></ul></li></ul>	<ul style="list-style-type: none"><li>❑ Industry, category, consumer analysis</li><li>❑ Trends</li><li>❑ Consumer journey<ul style="list-style-type: none"><li>▪ Key motivations &amp; journey moments</li></ul></li><li>❑ WTP<ul style="list-style-type: none"><li>▪ Pricing analysis</li></ul></li><li>❑ Marketing communication &amp; channel analysis</li></ul>	<ul style="list-style-type: none"><li>❑ Key rivals &amp; new entrants</li><li>❑ Market share shifts</li><li>❑ Identify substitutes as well as direct competitors</li><li>❑ Identify red vs. blue oceans</li></ul>	<ul style="list-style-type: none"><li>❑ Upstream and downstream partners</li><li>❑ Technology partners</li><li>❑ Suppliers</li></ul>	<ul style="list-style-type: none"><li>❑ PESTEL Analysis<ul style="list-style-type: none"><li>▪ Political</li><li>▪ Economic</li><li>▪ Social</li><li>▪ Technology</li><li>▪ Legal</li><li>▪ Environmental</li></ul></li></ul>

Remember – you can find a reinvented, upgraded version of SWOT at [StrategyKiln.com](https://www.strategykiln.com)





## 5 Cs Framework

### Key Takeaways

- The tool forces you to think expansively about the entire universe your business operates in, with a focus on your external environment.
- This tool can be as simple (low effort) or as in depth (time intensive) as you want it to be.

### Use Cases

- Keep the 5Cs as one slide for a high-level view, or break in out into multiple slides to tell a story
- Can be used for annual planning and also works well as a method to bring new employees up to speed on how your business operates
- Bolting on other tools, such as a SWOT and PESTEL analysis, leads to better decision making



### Advantages

- + Simple, holistic view of your business
- + Flexible format can adjust to the level of detail you need in your analysis



### Disadvantages

- Weak on actionable next steps without adding other tools like SWOT
- Watch out for making the tool too simple (not enough data)

## Framework #3: Efficiency Frontier

The Efficiency Frontier is a strategic evaluation framework providing a simple visual to where you are vs. your competitors. It maps your strategic position across Perceived Value (essentially what customers are willing to pay) vs. the cost of your product or service.

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*"Change happens at the frontier."*

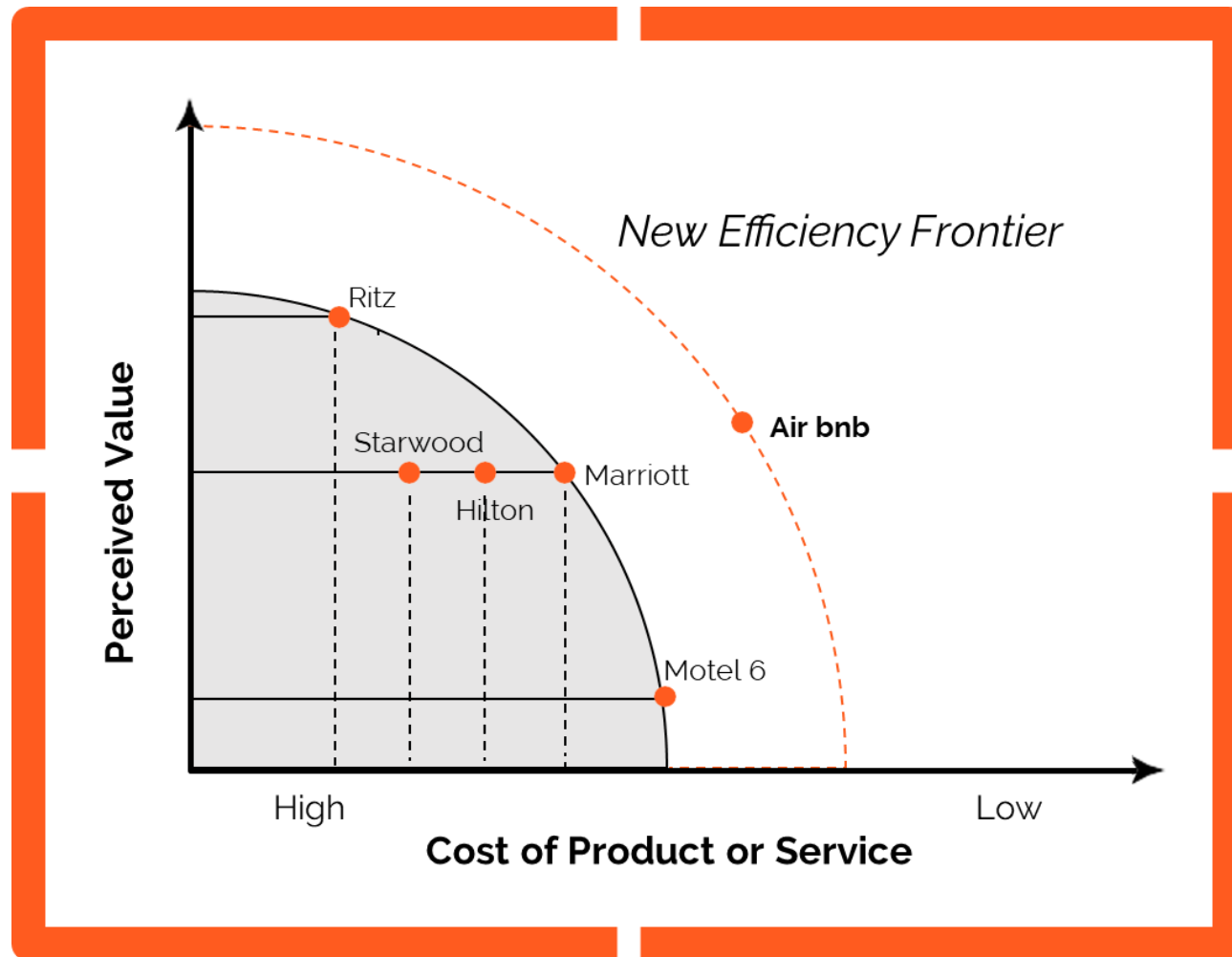
— Erik Hersman

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# Strategic Positioning with the Efficiency Frontier

Hotel Industry Positioning Across Perceived Value & Cost





# Efficiency Frontier

## Key Takeaways

- Firms that push out the frontier win. An important question to ask of your organization is, **how** do you push out the efficiency frontier past the grey region so we can leave the competition in the dust?
- Blue apron, Uber, Amazon, and Instacart have done it. Instead of sharing a similar value proposition, and fighting tooth and nail for market share, creating a new efficiency frontier means you've created a decisive edge in how much value you can deliver customers.

## Use Cases

- This is a strong way to chart your position during the open up phase of strategic planning. It can show strengths or weaknesses of your firm, and illuminate the reality of your competitive advantage and position in the market.



### Advantages

- + Simple to create (just edit the template from StrategyKiln.com)
- + Paints a clear visual representation of where you are
- + Highlighting a new efficiency frontier is a great way to show where you want to go



### Disadvantages

- Alignment on your true positioning may be difficult
- Coordinate with partners to ensure broad consensus
- Paving the way for the new efficiency frontier, like Air bnb, requires intense resources and bold action
- This tool is high level, so clear actions are difficult without learning more. Our next tool, the Strategy Canvas, can help with this disadvantage

# Framework #4:

## Strategy Canvas

The Strategy Canvas was popularized by the wildly successful book *Blue Ocean Strategy* by W. Chan Kim & Renee Mauborgne.

Most companies operate in a high rivalry red ocean domain, whereas companies in blue oceans create uncontested market space with plenty of room to swim.



### RED OCEAN STRATEGY

Compete in existing market space

Beat the competition

Exploit existing demand

Make the value cost trade-off

Align your company or brand's activities in pursuit of differentiation OR low cost

### BLUE OCEAN STRATEGY

Create uncontested market space

Make the competition irrelevant

Create and capture new demand

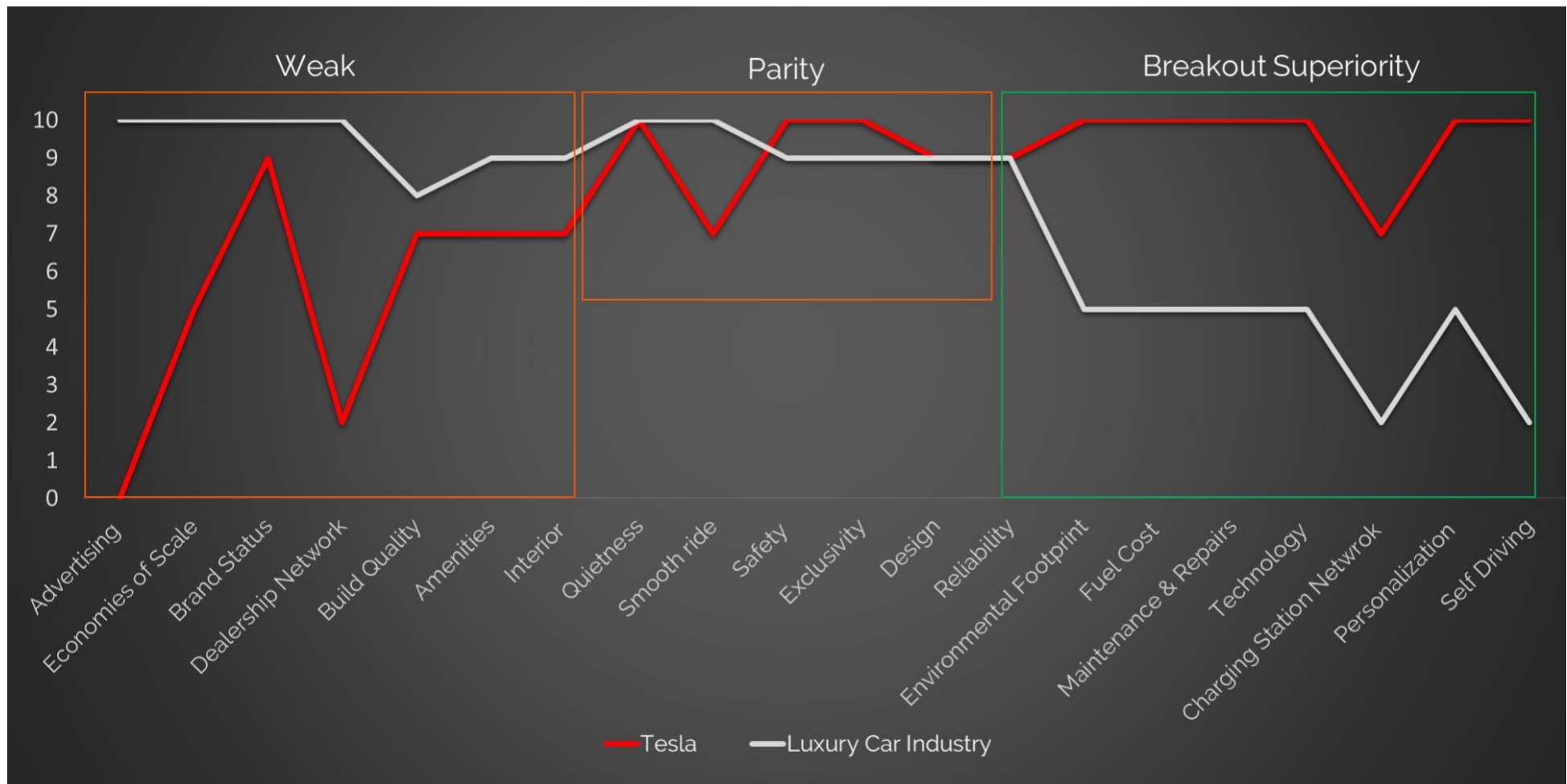
Break the value-cost trade-off

Align your company or brand's activities in pursuit of differentiation AND low cost



# Strategy Canvas: Tesla vs. The Luxury Car Industry

X-axis shows attributes Tesla makes trade-offs to gain breakout superiority in areas like technology & fuel cost.





# Strategy Canvas

## Key Takeaways

- Whereas Michael Porter traditionally viewed strategy as an either-or situation, either you win on differentiation OR low cost, Blue Oceans are about winning in *both*.
- The Tesla example on the next page specifically shows where Tesla is intentionally weak vs the competition, allowing for Breakout Superiority in other areas
  - Tesla introduced the Model 3, an all-electric luxury car for under \$40k. It goes 0-60 in 3.1 seconds, rivaling several Ferraris and Lamborghinis, and has options like a full self-driving vehicle mode. Tesla has a market capitalization of over \$700 B, almost 500 B ahead of the number two automaker in the world, Toyota.

## Use Cases

- Another way to chart your strategic position, the beauty of a strategy canvas is that it gets more granular than the efficiency frontier.



### Advantages

- + Perhaps the best framework to understand competitive advantage at a deeper level, it brings clarity to where you need to make strategic trade offs
- + Combines a relatively easy to understand visual along with actionable insights



### Disadvantages

- Make sure this level of detail is warranted – remember not to “plan for planning’s sake” and create this unless you plan to invest in breakout superiority
- Coordinate with partners to ensure broad consensus and eliminate barriers

# Framework #5:

## One Page Strategic Plan with GOST

- A consolidated view of what you've learned, what your goals and objectives are, and the strategies and tactics to achieve them.
- This strategic plan on a page example relies heavily on the GOST framework, reflecting Amazon's acquisition of Whole Foods.
- There's also a page providing explanations of the components in the GOST tool.

*"Strategy is simple. That's what makes it so complicated"*

— Strategy Kiln



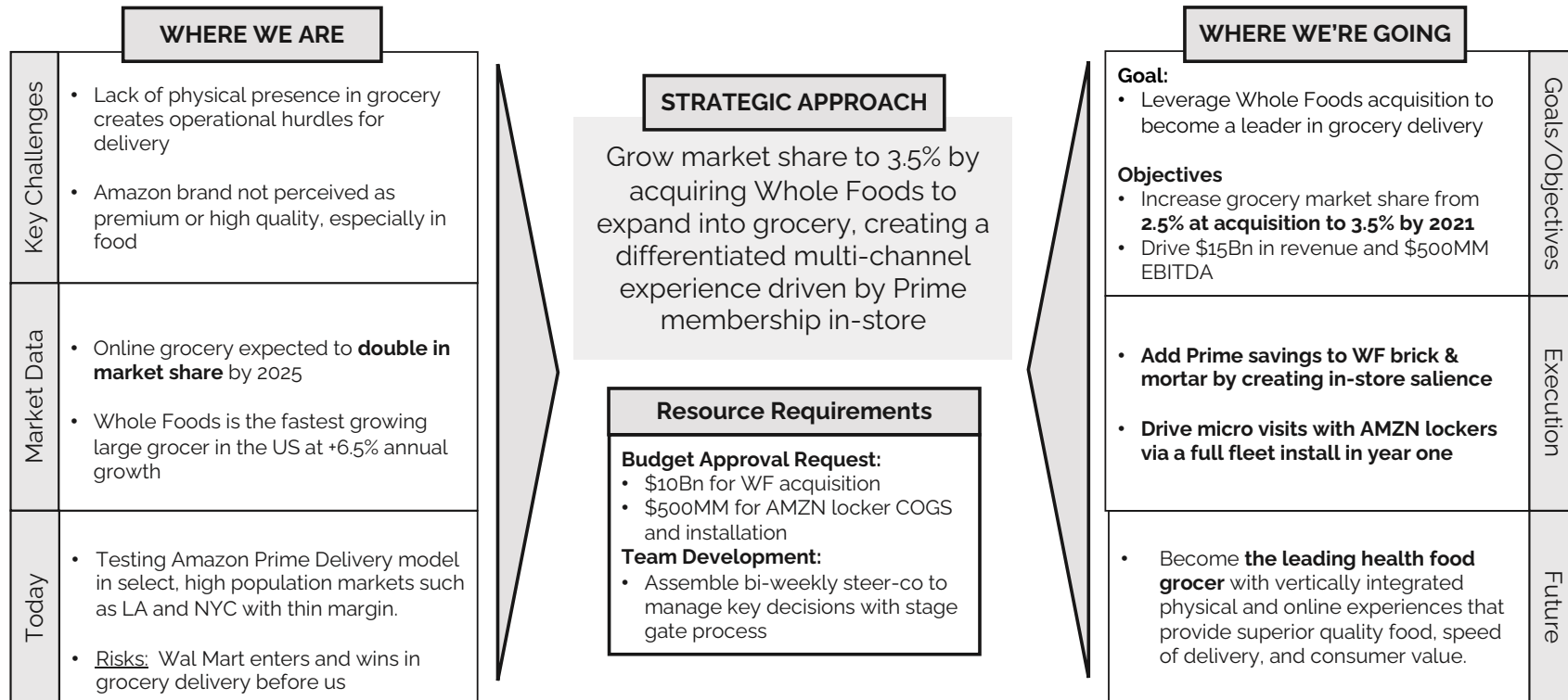




# One Page Strategic Plan with GOST

Company vision using Amazon Acquisition of Whole Foods Example

## Strategic Plan on a Page: Amazon Acquisition of Whole Foods Ex.





## Explanation of each component within the GOST framework



GOALS	OBJECTIVES	STRATEGIES	TACTICS
Qualitative  Desired result you want to achieve  Broad and long range  Guides direction	Quantitative  Measurable outcomes that will achieve the goal  Includes numerical targets like market share, revenue, profits, new customer acquisition, penetration, revenue, etc.	Long term bets & trade offs vs. competition  Should outline specific strategic <b>areas of focus</b> and <b>how you will succeed</b>  The key plan for how you <b>achieve goals &amp; objectives</b>  Ownable & differentiated  Feel "intangible," not typically a concrete "thing"	Shorter term actions to deliver on your strategy  Interlock with Strategies, expansion of detail on the how  Just enough detail to instill confidence that the strategy can be achieved with this action  Feel "tangible" – you can specifically point to it as a concrete thing or activity

### The Pressure Test of a Strategy

Must be able to say "No, I won't do that" in order for it to be a differentiated Strategy

*E.g. a hospital would not say NO to patient safety as it's a table stakes imperative, so safety is NOT a strategy*



# One Page Strategic Plan with GOST

## Key Takeaway:

- The frameworks for strategic planning we've covered here today are helpful tools of analysis. However, in and of themselves they don't tell the full story of where you are and where you're looking to go – the GOST fills this gap.

## Use Cases

- It can be used as a way to open up, compress, and coordinate in the upfront of our OCCAM framework, and also for activation and measurement in the back end.
- Keep the number of strategies/challenges between 2 and 5.



### Advantages

- + This plan on a page offers a full view and can help you get through the story of months of planning and analysis fast
- + The one-page format makes it ideal to share with senior management or your CEO
- + You'll have one nifty slide to create visibility to what you and your cross functional partners are working towards



### Disadvantages

- One-page format makes this appear simple, but the work and alignment required in the background is extensive; time may be prohibitive
- Many GOSTs start bold and get watered down before making it to senior management so it is easier to get the approvals and budget you're looking for

## **Bonus Framework:** **Challenges and** **strategies shortcut**

By juxtaposing your challenges and strategies, this practical tool can get you most of the way there while minimizing time & effort required. I would dare say that of all the frameworks in strategic management, this is the one with the highest likelihood of getting done & actually driving your strategy forward.

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*"Rowing harder doesn't help if the boat is headed in the wrong direction."*

— Kenichi Ohmae

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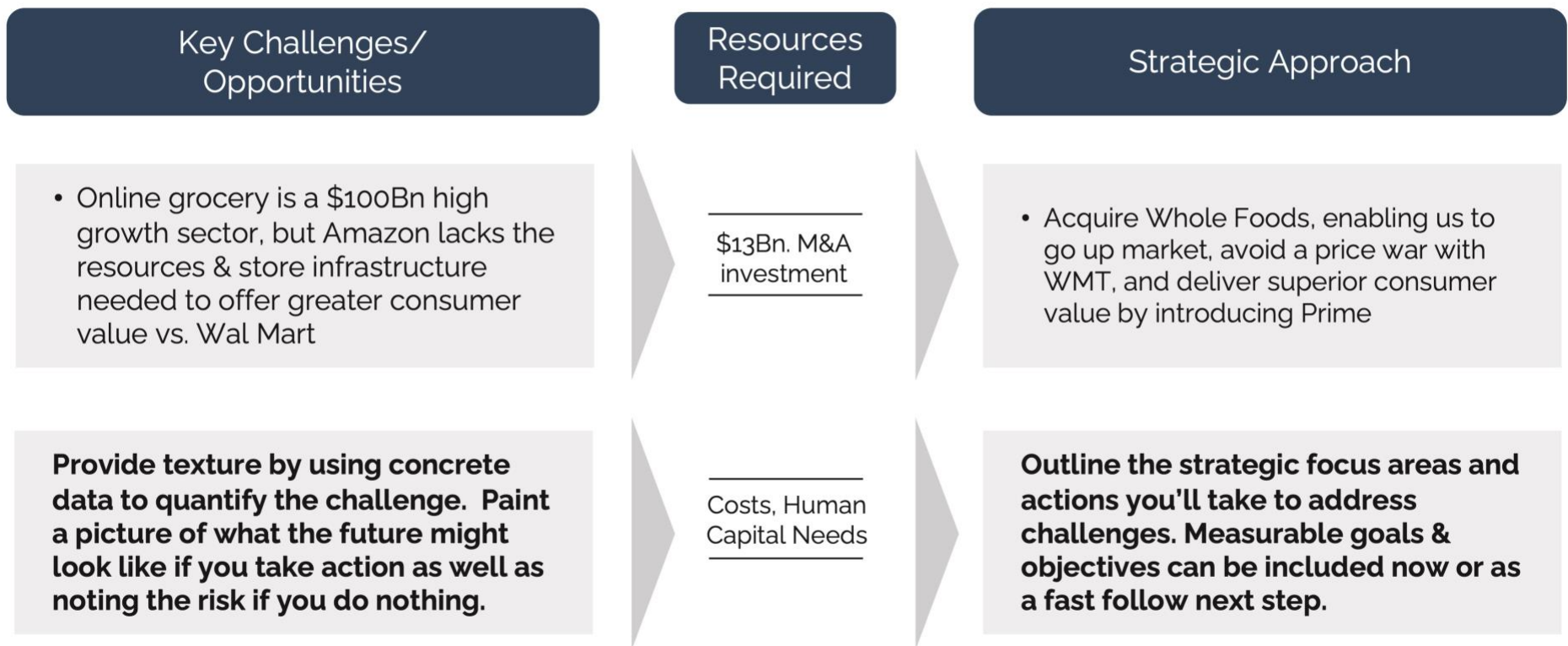


# Challenges & Strategies

**Shortcut** to Full Cycle Strategic Planning by building strategies from key challenges

## Challenges & Strategies

**Shortcut** to Full Cycle Strategic Planning by building strategies from key challenges





# Challenges & Strategies Shortcut Template

## Key Takeaways

- There is no silver bullet strategy framework, except this one. It's simple and versatile enough to employ across any phase of the planning process.

## Use Cases

- Can be used in place of strategic planning, or for ad hoc strategic analysis, e.g. seasonal campaigns, product launches, marketing communication challenges, and more.
- Very helpful tool if you need to change strategic direction quickly due to in market changes



### Advantages

- + In my view, it's all about developing strategies that address your challenges, and this does just that. By avoiding complexity, you keep the main thing the main thing.
- + The simplicity of this can mean fewer steps needs for alignment; less red tape means a greater chance of taking action.



### Disadvantages

- Easy to be enticed to fill this out with limited data and simply to check the box of strategic planning
- Senior management sees this and says – “wow, you must hate working a lot.”
- Don't be surprised if you get approval on this shortcut approach only to have others say, “well you never explained that” once you develop your launch plan.

# Conclusion

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*"The most effective way to do it, is to do it."*

— Amelia Earhart

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*"You are what you do. Not what you say you'll do."*

— Carl Jung

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Research from The Balanced Scorecard, a seminal book written by David Norton and Robert Kaplan, explains **90%** of organizations fail to execute their strategies successfully.

The causes of failure are numerous, but be on the lookout for the following:

- A flawed, time intensive process that employees don't believe in
- A half-hearted, watered-down strategy that sounds impressive, but in reality, is the same as what you did last year
- A strategy that will be outdated by the time you implement it

As they say, “the fish stinks from the head,” so be the leader that drives awareness of your strategic planning process, listens to contributors to improve it, and is transparent about what's happening and is committed to following through.

Encourage your colleagues to bring thoughtful analysis and bold recommendations by doing the same yourself.

**[Check out StrategyKiln.com for the templates we reviewed, more e-books, and articles on strategy.](https://StrategyKiln.com)**







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