

# **Δ+ EBIT Strategic Action** **Strategy Development** **& Execution**

- From a Management Perspective -

# Focused Approach to Realize Results and Build Strategic Edge

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To achieve  $\Delta$  **EBIT**, actions have to be defined and aligned:

- **Functional activities** concentrate on success with specific customer
  - Sales, product development, supplier management and production are coordinated and act in a synchronized way
- **Customers' decision flow** is known and permanently monitored
  - Interconnected decision points must be identified regarding process and timing
- **Strategy and business processes are clearly linked**
  - timely, understandable processes supporting the business with the flexibility to change according to customer requirements
- **Operation plans include operational activities as well as related figures**
  - ❖ Processes support the needed, commonly known actions
  - ❖ Clear decision processes based on milestones

# Solution

## Three Modules of Result Based Strategy Realization

### I Segment Strategy

- Build effective advantage in relevant segments

Segment Strategy Goals

### II Synchronized Operational Management

- Value oriented product management process tuned to market requirements
- Enhanced customer relations with targeted, timely suggestions on project level

Product Management

Customer Relationship



### III Interlocked Breakthrough Initiatives

- Highly effective realization process using clear metrics of success
- Team-oriented process within existing structure forming cross-functional groups

Interlocked Breakthrough Initiatives

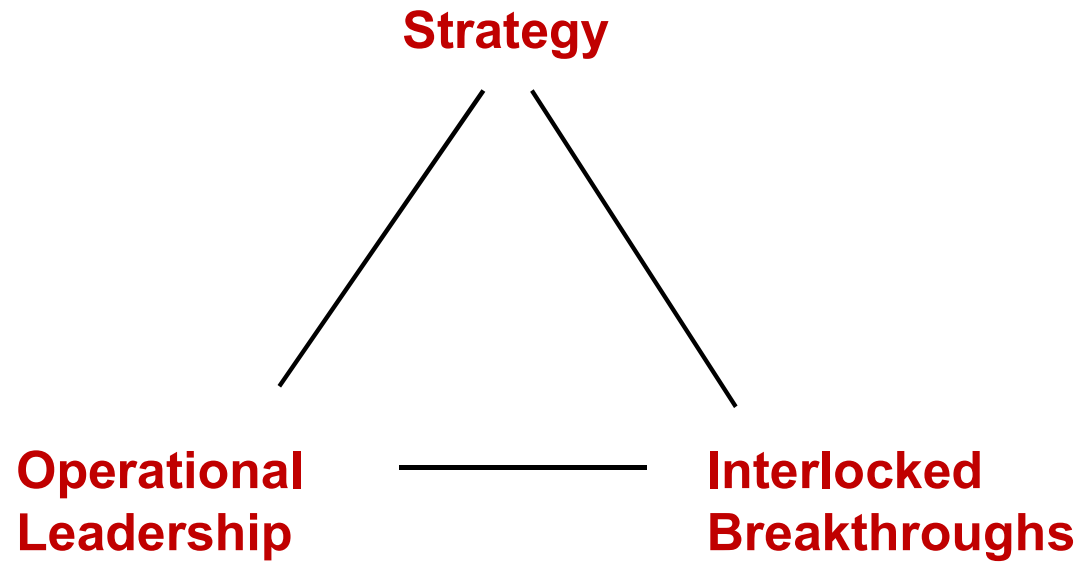
**Each module can be implemented by itself, used as a starting point or linked for full benefits**

#### Process

- ❖ Clear methodology, compelling logic, practical tools
- ❖ Convincing suggestions, robust decisions
- ❖ Intertwining responsibilities, tight feedback cycles

# The Mental Model

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# Module I

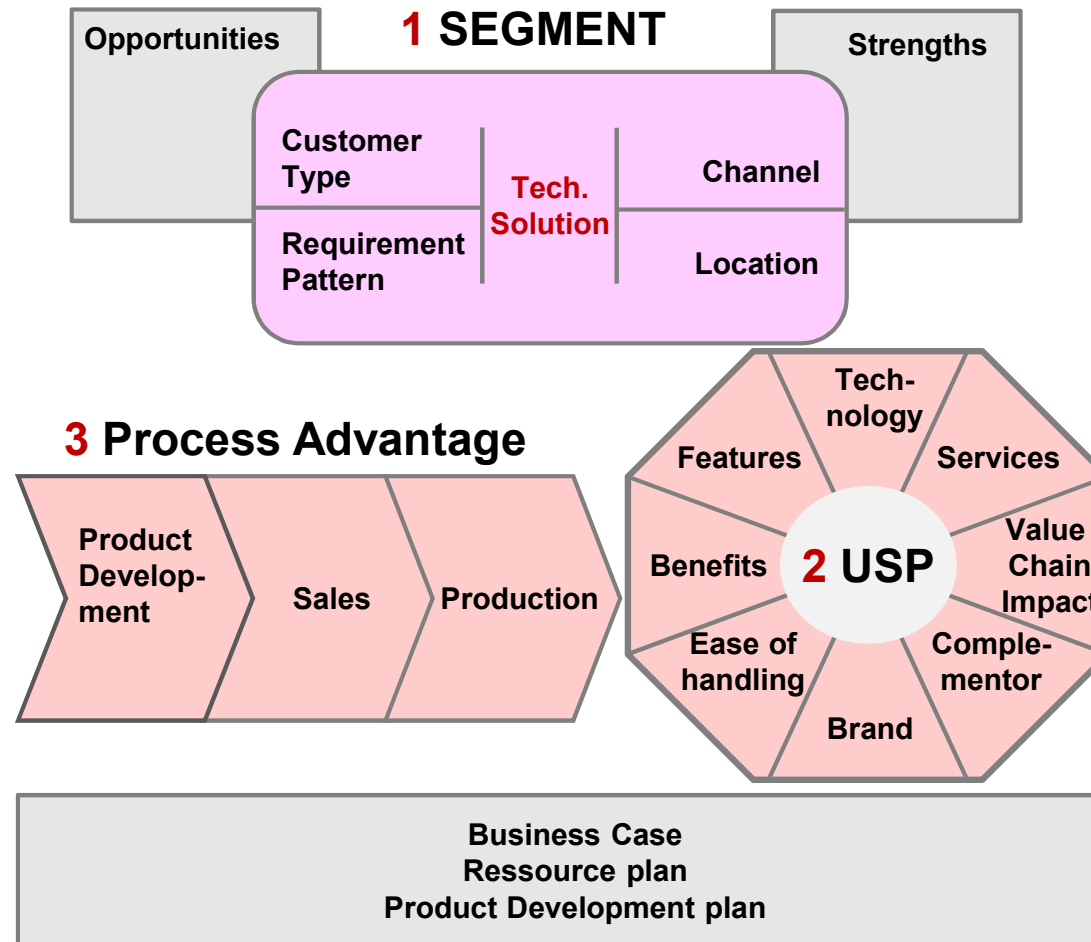
## Segmentation & Segment Strategy

### Approach

- Focus on competitive advantage
- Linking product and process
- Understanding success factors
- Clear life cycle management, with entrance / exit scenarios

### Results

- Relevant business segments;
- definition of long term success;
- opportunities;
- portfolio analysis;
- competitor analysis



### Answers questions as

- What are our relevant segments
- How do we shape them for sustainable advantage
- What specific opportunities do we capture
- What gaps do we have to fill
- What are the strengths that will make a difference
- What process advantage will support USP
- How many segments do we target, what are synergies and costs of compromise

# Module II

## Synchronized Operational Management

### Product

- Market requirements
- Product features
- Technology road map
- Lifecycle plan
- Product development plan

### Customer Relationship

- Customer decision map
- Communication Matrix
- Reasoning Chart
- Visit plans
- Volume forecast



### Approach

- Integration of product and customer planning
- Interlinking tools
- Customer specific opportunity analysis
- Clear priority setting
- Energizing action review cycles
- Planning embedded in communication process
- Linking responsibilities across function borders

### Link: Product – Market - Customer

#### Success factor based product / project pairing

- Target agreement process
- Target projects A,B,C,D
- Customer plan
- Volume and sales targets
- Market positioning

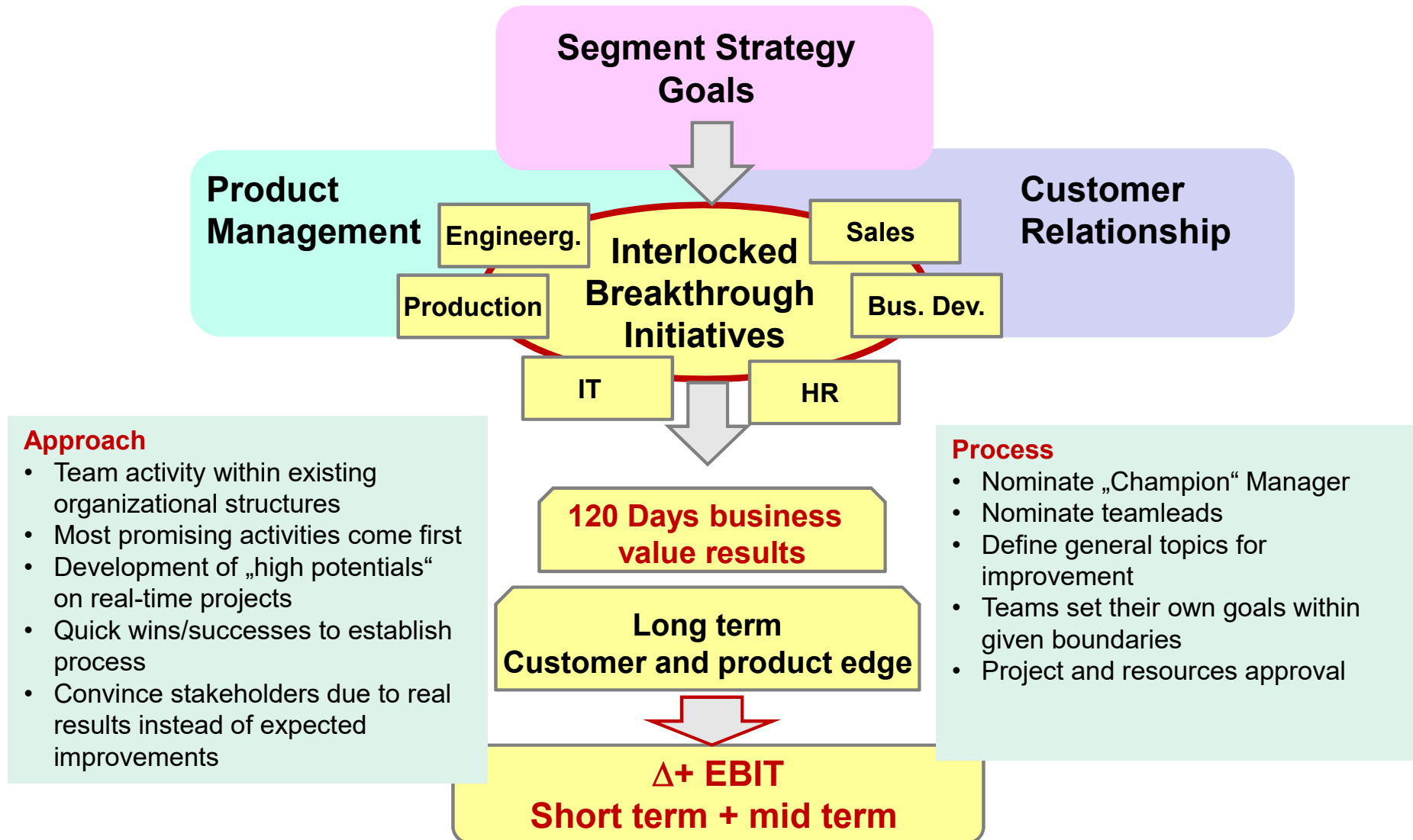
### Reporting + Monitoring

### Answers questions as

- How to formulate a consistent P.D policy
- Product staging along life cycle
- How to set specific targets for customer management
- How to structure and execute a seamless relationship process across customer units and own organization

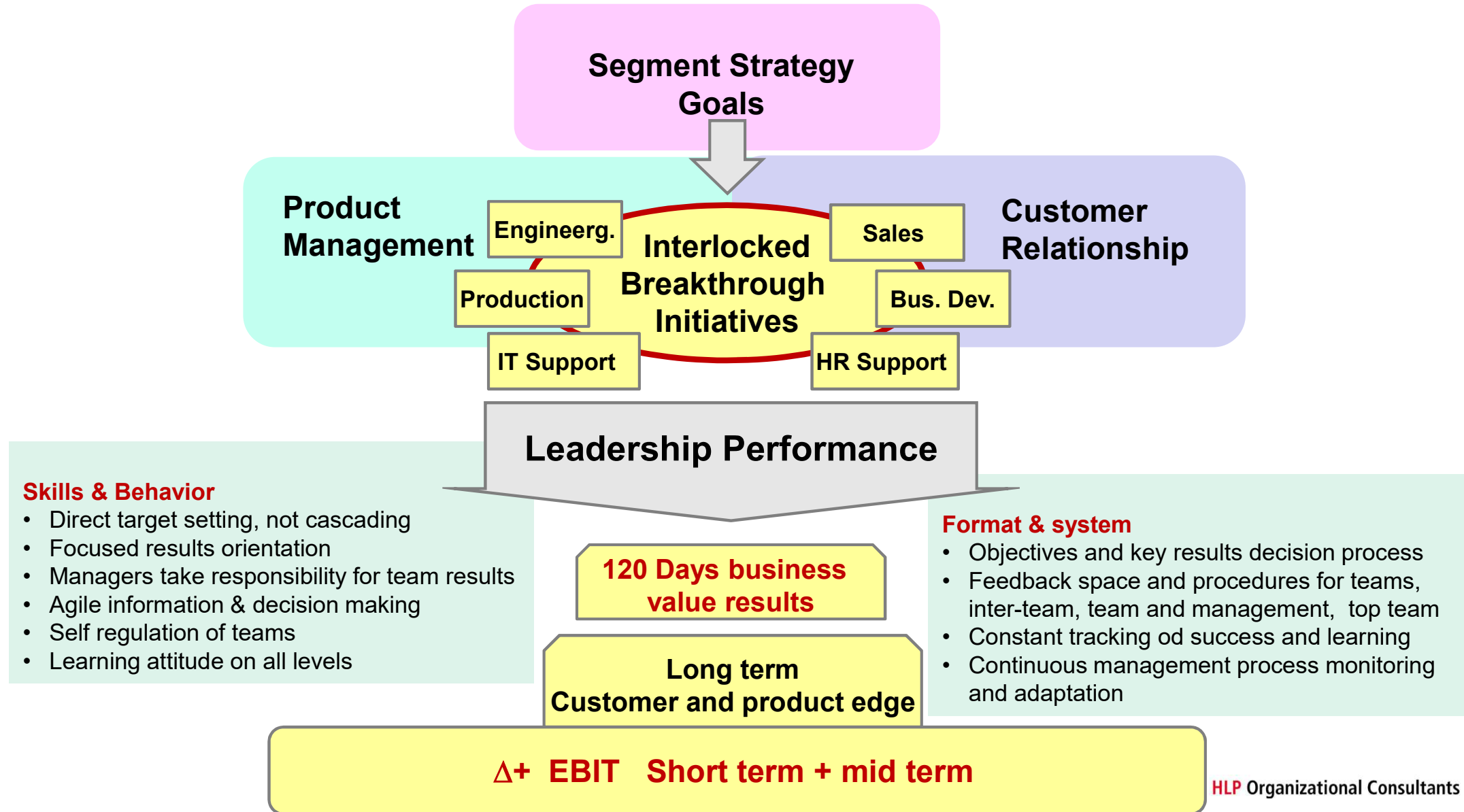
# Module III

## Result Focused Realization & Quick Wins



# Module IV

## Leadership Performance





# Typical Process

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Each module can serve as path of entry – depending on the business status

## Step 1

- Brief analysis of current process to determine potential for best leverage of improvements
- With Management team: Evaluation of findings and appraisal of approach
- Plan for sustainable results short, mid and long term

## Step 2

- Practice in selected success area or segment, rep success, corroborate approach

## Step 3

- Roll out to larger units, make processes visible and provide core methodologies
- Develop new patterns of planning – action – result cycle

## Step 4

- Install regular review process on management level
- Achieve contribution to cultural transformation and larger scale business effectiveness

# Three Result Categories

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## ■ Business results

- $\Delta$  EBIT, demonstrable
- Product breakthroughs and increased hit rate with customer
- Short- term success to be scaled up to sustained advantage of the business unit
- Business value + dynamic competitive advantage

## ■ Sustained Management system results

- Product – market - customer link
- 120 day Focus Initiatives targeting breakthroughs

## ■ Team effectiveness results

### Motivation

- Aspiration with concrete plan,
- Authority to change
- Visibility with achievements

### Team cohesion

- Peer effect
- Shared success
- Function win-win

### Leadership

- Open dialogue on results
- Monitoring and backing
- Space to innovate

# Professional Support

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**We support the Management Team to reach  $\Delta$  EBIT**

**What  
we  
deliver**

- Approach
- Process
- Methodologies
- Guidance
- Facilitation
- Hands-on collaboration
- Documentation
- Communication

**How  
we  
work**

- Methodically
- Supportive
- Role-confirming
- Instructive
- Energizing
- Hands-on
- Result focused
- Realization driven

**Based on a discussion of status and ideas, we propose  
a process fitting into existing management system and culture.**

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