

BY CARL CULLOTTA

## Look Forward/Look Back: A Dynamic Planning Process

ASTUTE MANAGERS REMAIN ATTUNED TO SHORT TERM MARKET ISSUES BUT ARE BEGINNING TO POSITION THE BUSINESS FOR THE LONGER TERM.

After being buffeted by a very difficult market over the last several years, it is increasingly common for manufacturers to realize they can't continue to conduct sales/marketing in a conservative or reactive mode.

There are some key questions that should be considered:

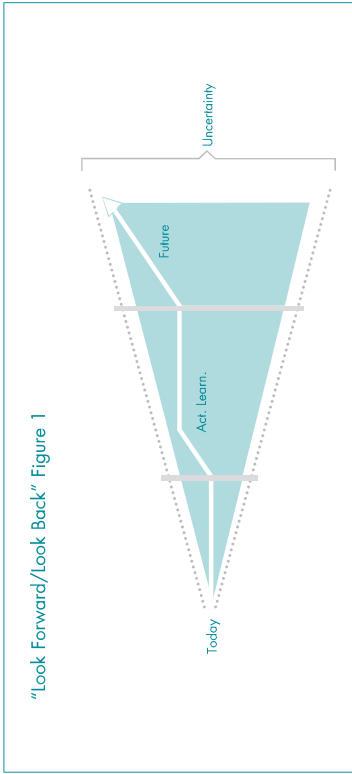
- We know the down market changed customer decision processes and channel structures/behaviors. But how sustainable are these changes? Should they be sustained? And how will they impact manufacturers' go to market strategies?
- What structural changes will the market undergo as it rebounds? How will the market evolve over the next five to ten years? And how does the manufacturer need to evolve its strategy to remain aligned to and ahead of market change?

Frank Lynn has an established framework for strategy design within this context. This framework takes the client away from a short term focus and its high variability that undermines attempts to sustain a strategy.

Based on a combination of market mapping and scenario planning, our "Look Forward/Look Back" dynamic planning process allows the client to gain an understanding of market evolution scenarios and build winning strategies that are flexible to this market evolution.



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"Look Forward/Look Back" Figure 1

allow tracking of the evolving scenarios over time. The look forward activity defines the likely 10 year industry scenarios as well as intermediate "snapshots" against which you can monitor market evolution and implications.

### 3. LOOK BACK TO COMPLETE A GAP ANALYSIS

The look back focuses on identifying the critical differences between current state and potential future states. This gap analysis identifies events that must take place to allow the defined scenarios to evolve. An important component of this analysis is the determination of which of these defining factors are within and outside the control of the manufacturer and/or other current market participants.

In addition to a view of external gaps between current and future market structure, the gap analysis holds your business to the scrutiny of future market states. Critical voids in capabilities are highlighted, along with any hidden points of leverage that you may exploit over time.

### 4. DEFINE STRATEGY & TACTICS

Strategy and tactics are defined to align company goals with the future states identified. These strategies and tactics address desired market position, channel partners and target customers. They also reflect the degree of market power the manufacturer will have to drive and/or intercept future market scenarios.

### 5. DEVELOP AN IMPLEMENTATION BRIDGE

The final step recognizes the strategies are being defined within a long term context. Typical implementation plans (that lay out detailed actions, resources, etc. over a rela-

tively short time frame) are often inadequate in the context of 10 year scenarios. Rather, the implementation bridge focuses on helping the organization move to an iterative process of acting, learning, and adjusting over time as the future state unfolds.

"History shows us that a proactive approach will allow you to get in front of market change and your less disciplined competition."

The tough market over the last several years has led to erosion in the discipline of the typical company's planning process. Short term requirements have trumped sustainability of longer term strategy. The Look Forward/Look Back dynamic planning process is just what many manufacturers find is required today. It provides a process that allows you to get planning back on track and become more proactive in managing to a desired market position. And history shows us that a proactive approach will allow you to get in front of market change and your less disciplined competition.

### SUMMARY

For a more detailed discussion about the Look Forward/Look Back planning process and how it may work for you, call Carl Cullotta, Vice President at 312-558-4823 or email: cc@franklynn.com