

## Introduction

As a business professional it is critically important for you to be able to describe a company's business strategy for at least two reasons:

1. Every company has a strategy, but not every company has clearly articulated that strategy. And, unfortunately, not all companies even fully understand the strategy that they implement every day.

In our experience, employees who add real value to the business are able to describe the real strategy of their businesses and then map their own job activities to the company strategy. When you can see clearly how your work maps to your company's strategy, you can also see which tasks in your job are most critical, and which tasks are least critical.

2. Second, even if your company has a clearly defined and described strategy, you still have competitors in your industry that you need to consider. Describing your competitor's strategies can also help you identify their strengths and weaknesses.

## Frameworks

What tools or frameworks might a strategist be using at this stage? Some examples of comprehensive frameworks include the four question model, the diamond framework, and the business model canvas. These approaches all capture the core elements of strategy in organized ways. As you become proficient with tools such as these and others in your business studies, your capabilities to describe a strategy will increase as well.

### Framework Example: Apple's iPhone

Let's illustrate an approach to describing strategy by applying a simple framework to an incredibly important strategy that we may now take for granted: Apple's iPhone business. We might describe their smartphone business strategy in this way:

Apple's competed in the emerging global smartphone market by:

- offering a high-end, tightly integrated, easy to use, beautifully designed device
- ensuring seamless integration with its other business lines of hardware (Macs) and software (iTunes)
- superior R&D capabilities that facilitated the continued release of devices that stayed ahead of competitors in both design quality and ease-of-use
- best in class marketing to enhance and expand the Apple brand

Note that this brief description of Apple covers the basic strategy questions of:

- where a business will compete
- how they will win against the competition
- what resources and capabilities are central to the strategy

Such a strategy statement makes it clear that Apple will likely invest heavily in design, technology R&D and branding, but also makes it clear what Apple will NOT do. We would hope that all internal Apple leaders and managers would consistently make decisions to reinforce and support this particular strategy.

## How this Illustration Helps

Consider two ways in which even this high level understanding of the strategy might help.

1. Consider an entry level business analyst who receives an assignment to analyze Apple's supply chain to identify the greatest cost cutting opportunities. But what happens if the analyst respectfully pushes back and asks his boss why?

"I am excited about this new opportunity and look forward to finding opportunities, but do you mind clarifying something for me? My understanding is that as a business we are really focused on differentiating our products through design and quality, and in many cases cutting costs can get in the way of improving products. Will you help me connect the dots to see how this project ties in with the overall strategy of the business? This will help me focus my analysis in ways that will create the most value."

The boss could respond with a clear explanation of how this project ties in, or might not have a clear answer and, instead, question her own boss about why they are being asked to explore cost cutting given the underlying strategy of the business. Regardless, the boss sees our analyst as a strategic thinker. Our analyst has created a small but important "alignment" moment in the business where he and his boss make sure that they are aligned in their efforts to support the right outcomes for the business

2. If you are a competitor to Apple in the smartphone space and are a low end/low price cell phone manufacturer hoping to enter the smartphone market after the release of the iPhone. By analyzing Apple's strategy you might see clearly that Apple has no intention (or ability) to compete in the low end segment of the market. Thus, you may be able to enter with little fear that Apple will retaliate and try to compete with you head-to-head.

## Conclusion

Whether you are describing your own strategy or the strategy of your competitors, being able to quickly and clearly describe how and why a business succeeds is a critical foundational step to becoming a great strategist.