

Strategy That Works: Real-World Lessons From The Field

A good friend was working on a business book and asked if I could share some ideas for the chapter he was writing on strategy. I sat down to write a short memo and quickly realized I had more to say than I expected. What you're reading is the result of that exercise. It's grounded in 30+ years of strategy work I've done with companies worldwide, from startups to the Fortune 500. These are lessons learned working shoulder to shoulder with some of the most talented leaders I've had the privilege to know.

It's essential to clarify what this document is—and isn't. My focus here is strategy, not strategic planning. Strategy means deciding what you will do, what you won't do, and how you will win. Strategic planning takes those decisions and creates objectives, milestones, budgets, and action plans.

This guide will show you how to think strategically and identify the right strategies for your organization. To help you implement these ideas, you'll also find practical tools in the Appendix, including a framework for building organizational excellence, a worksheet with questions to help you in creating your strategies, and a strategic stress test to check your finished strategy. These resources will help you turn strategic thinking into action.

If you're new to strategy, this will give you a strong foundation. If you've worked in strategy for years, it may reaffirm what you already know and offer new insights.

I hope you find this helpful.

Section 1: Strategic Mindset – Rethinking What Strategy Really Is

Vision and Purpose: Direction and Meaning

Strategy is not created in a vacuum. It exists to serve something larger, to achieve the organization's vision, and to fulfill its purpose.

Vision is the North Star. It defines where the organization is headed and what long-term success looks like. Without a clear vision, strategy becomes reactive. It turns into a set of disconnected goals rather than a focused plan for long-term progress. In that sense, strategy is a bridge. It connects today's reality to tomorrow's possibility. It is the practical plan for turning ambition into action.

But direction alone isn't enough. People don't come to work every day just for a paycheck. They want to do something that matters. They want to know that their work has meaning. That's where purpose comes in.

Purpose is the why. It gives people a reason to care, explains the significance of the work, and explains how it makes a difference. Purpose creates an emotional connection.

When you combine vision and purpose, you give people both direction and passion. The purpose gets them out of bed in the morning, and the vision tells them which way to go.

This guide focuses on strategy and strategic thinking. But it's important to remember that strategy is not the starting point. It is the servant of vision and the amplifier of purpose.



Strategy is just a guess.

Hopefully, it's a well-educated guess based on accurate data and input from many people. But there's no way to blueprint the future. No one has a crystal ball. Even the best companies, with huge strategy departments, are just making guesses about what they think will happen.

Strategy is the art of making reasonable assumptions.

At its heart, strategy is the allocation of scarce resources.

Even Amazon and Google don't have unlimited resources. So, strategy allows us to decide how to allocate resources in the areas with the highest probability of success. Time, money, people, assets—everything has to be viewed through the lens of the best possible use for the organization.

That also means one of the most important things a good strategic thinker can do is learn what to say “NO” to.

What products will we not invest in?

What markets will we not pursue?

Which customers will we not serve?

What projects will we walk away from, even if there's a significant sunk cost?

One of the major problems I see is that many businesses aren't discerning in how they invest resources. They chase too many markets, have too many projects, and everything is a priority. This lack of clarity leads to wasted energy, half-finished initiatives, and constant overextension. Without a strategy that defines where not to spend time, money, and attention, organizations tend to drift. It's not that they're doing bad work; they're just doing too much of the wrong work. What's missing is the courage to make fewer, sharper, more intentional choices.

Section 2: Strategic Thinking – From Acumen to Insight

There's a computer programming term: GI = GO. Garbage In = Garbage Out. If the thinking that goes into your strategy is flawed, the strategy will be flawed. That's why strategic thinking matters so much. It shapes everything that follows.

Choosing the Right Frame

One of the most useful ways to think about strategy is to understand what kind of situation you're facing. In my experience, there are three types: puzzles, problems, and mysteries. Each requires a different kind of thinking.

Puzzles are situations where the answer is already known. Like a jigsaw puzzle, the picture is right there on the box. Your job is to fit the pieces together until they match the expected outcome. This calls for convergent thinking, which is a focused, analytical process that moves step by step toward a single, correct solution.



Problems do not have one clear answer; there are multiple acceptable ways to address them. Solving a problem requires divergent thinking, which involves exploring a range of possibilities, welcoming different perspectives, and holding space for competing ideas.

Mysteries are the most complex. There is no known solution, and often no clear picture of what success even looks like. You are dealing with incomplete information and high levels of uncertainty. Solving a mystery requires judgment, pattern recognition, and a willingness to make your best call even when the outcome is unclear.

The Foundation of Strategic Thinking

Now that we've explored how different situations require different thinking styles, we can move into the actual process of thinking strategically. The following framework is a progression of five levels that build on each other. Try to skip a level, and you risk making decisions without the depth or clarity that great strategy demands.

Level I: Business Acumen

To think strategically, you need a solid understanding of how business works in general. That includes the basics of cash flow, revenue models, cost structure, pricing, margins, and profitability. You need to understand how products and services are marketed, how customers make buying decisions, and how value is delivered and perceived.

You also need a clear, practical understanding of your organization. That includes how the business is structured, how day-to-day operations are managed, how financial performance is tracked, and how it creates and sustains competitive advantage.

But internal knowledge isn't enough. A strong strategist also studies the broader landscape. This includes competitors, customers, trends, technology, regulation, and anything else that might reshape the business's future. Strategic thinking requires a wide-angle view grounded in how the business works and how it fits into the world around it.

Level II: Experience

I read over 100 business books a year, and I know this: not all the answers are in books. A strong strategist blends formal learning with real-world experience. Time on the job matters, especially when paired with active reflection. The insight you gain after 10, 20, or 30 years in the field comes from the decisions you've made, the teams you've led, and the changes you've had to navigate. Books teach you what might work. Experience teaches you what actually does.

Level III: Pattern Recognition

The foundation of strategic thinking is pattern recognition.

Good strategists spot patterns in data, markets, and behavior. They understand what those patterns mean. Many people can make sense of things in hindsight. Fewer can see what is coming next, and fewer still can drive what comes next by recognizing the pattern early.

Chess offers a powerful way to understand strategic thinking. A beginner plays one move at a time, reacting to their opponent without any clear sense of direction. A mid-level player starts to grasp the basics of chess strategy. They can think several moves ahead, but still struggle to have foresight and anticipate where the game is going.



A grandmaster, on the other hand, has studied and played thousands of games. They recognize how each move connects to a larger sequence and anticipate what will happen next. They don't just respond to the game, they shape it.

As Garry Kasparov, former world chess champion and one of the greatest players in history, once said, "The difference between weak players and world champions is the number of positions, or patterns, they can recognize."

Level IV: Strategic Insight

This is where great strategists begin to separate themselves. Insight emerges when learning, experience, and pattern recognition come together. At this level, you start to see what others don't.

You notice anomalies in the data that others overlook. You hear early signals from customers or competitors that hint at a shift. You spot small exceptions that point to larger trends. You begin to anticipate what might come next.

This is the point where strategy begins to take shape. A strong insight does more than explain the present. It suggests a clear course of action and gives the organization a meaningful reason to move forward.

Sometimes, this insight gives you just a few weeks' head start. In other cases, it might give you years. Either way, it offers a strategic advantage if you successfully apply the next level.

Level V: Disciplined Execution

Even the best strategies fail if they are not effectively executed.

You can have deep insight, clear priorities, and a brilliant plan. However, if your team cannot follow through consistently over time, the strategy will not deliver results. This is where most organizations struggle. The problem is rarely in the thinking. It is almost always in the doing.

That is why disciplined execution is the final level of strategic thinking. It is the link between intention and outcome. I will have more to say about this below.

Section 3: The Formula for Effective Strategy

If there is one idea that captures my entire approach to strategy, this is it:

Strategy = Valued Differentiation × Disciplined Execution

What Is Valued Differentiation?

Valued differentiation means your offering is:

- 1. Unique and compelling**
- 2. Highly valued by your target customer**
- 3. Difficult or impossible to copy**
- 4. Consistently executed with excellence**



Let's take a moment to understand what each element means.

Unique and compelling means your product or service stands out in the marketplace. That doesn't mean it needs to be flashy or filled with extras. It just needs to be different in a way that matters.

This ties directly into the second element: it must be **highly valued by your target customer**. In other words, the people you most want to work with, the ones who are loyal, easy to serve, willing to pay fairly, and likely to refer you to others, must see your offering as clearly worth the investment.

Next, your strategy must be **difficult, or impossible, to copy**. This is the most challenging hurdle. Some organizations have patents, proprietary technology, or a unique location. But most don't. You need something about how you operate that's not easily replicated. And keep in mind: even if something is hard to copy, competitors will still try. So the more built-in protection you have, the stronger your position will be.

Finally, you must be able to **deliver consistently with excellence**. Your customers need to experience your value every time they interact with you. That means systems, discipline, and a culture that does not cut corners. Differentiation means nothing if you can't back it up in the real world.

Where Differentiation Really Comes From

When I look at these four criteria, there are a handful of things that allow any company to create valued differentiation in the marketplace.

People: If you genuinely have the best people, who are highly talented and loyal to your organization, it becomes extremely difficult for competitors to lure them away. Engaged and committed talent is one of the most potent forms of competitive advantage.

Culture: Closely related to people is culture. As the saying goes, culture eats strategy for breakfast. In most organizations, culture is the most powerful driver of performance, positive or negative. You might gain some efficiency, expand market share, or launch a new product. But the most significant gains, or losses, are likely to come from the kind of culture you build.

Culture is now also a recruiting advantage and is increasingly a reason customers choose to do business with a company. All else being equal—product, price, delivery, warranty—people prefer to buy from companies that care for their employees, contribute to their communities, and operate responsibly.

Customer Relationships: Whoever owns the voice of the customer owns the marketplace. Organizations that build a customer-centric strategy and consistently get closer to their customers than the competition create a significant advantage. True loyalty is hard to copy. Once your customers love your company, they become your best advocates.

Brand: A strong, well-respected brand is also difficult to copy. No one is going to out-Starbucks Starbucks. When people are loyal to a brand, they won't even consider alternatives.

Data: Most companies sit on a gold mine of information they're not using well. You gain a real advantage if you've gathered unique data about your customers or marketplace, or if you simply use available data more effectively than your competitors.



Section 4: Execution – From Clarity to Consistency

In the last section, we defined strategy as Valued Differentiation × Disciplined Execution. Now we turn to the second half of that equation.

Most strategies don't fail because the idea was wrong. They fail because the organization couldn't follow through. A lack of consistency. Goals that drift. Priorities that compete. Reviews that don't happen. Execution breaks down not all at once, but a little at a time, until the strategy that looked so good on paper fades into the background.

Disciplined execution means taking the strategy and translating it into aligned action across the organization.

Why Execution Breaks Down

In my work with organizations, I see a familiar pattern when execution fails. The strategy has been approved and announced, but the teams are unclear on what it means for their daily work. Goals multiply instead of narrowing. There's no shared system for tracking progress. Review meetings are irregular or unfocused. These are not issues of effort or intelligence. They are breakdowns in focus, follow-up, and internal systems.

Accountability Is the Engine of Execution

At the center of disciplined execution is accountability. The most reliable way to ensure your strategy is executed is to build a culture where everyone knows exactly what's expected of them and is equipped to deliver. Here are six steps to make sure that happens:

100% Clarity Plus Appropriate Authority and Resources

Set expectations with extreme clarity. Define what success looks like, how it will be measured, the timeline for results, who else is involved, what resources are needed, and what decisions the person has the authority to make. Where possible, make the goals binary. Either they achieved the goal or they did not. Ambiguity breeds mediocrity. No guessing.

100% Agreement

Make sure the person responsible understands and accepts their role. Ask them to write out their understanding of the goal, the expectations, and their commitment to delivering. Then, at the end of the page, have them write: "I believe these goals are reasonable and I accept 100% accountability." Then you both sign it. This is not a legal document. It is a way to ensure the person takes ownership of the goals.

Track Progress Knowing where people stand on their goals is essential, both for the employee and the manager. Use clear, easy-to-understand tracking systems such as green/yellow/red indicators. Keep a close eye on the metrics. Not to micromanage but to ensure consistent progress.

Coach and Support

If a team member falls behind, the response isn't punishment, it's support. That might mean extra resources, a one-on-one check-in, or a clearer path forward. What matters is that people feel they can ask for help without fear. That's what builds trust and accountability. After all, the objective is for everyone to be successful.



Celebrate Success

When people deliver results, recognize it. Celebration doesn't always mean bonuses or big events. Sometimes a handwritten note, a public thank-you, or a word of appreciation has more impact. What matters is that people know their efforts are seen and valued. Recognition reinforces the right behavior.

Refuse to Tolerate Mediocrity

When someone consistently underperforms despite coaching and support, it has to be addressed. Not to punish but to protect the culture. If you tolerate poor performance, you teach everyone that results don't matter. A strong strategy requires strong execution, which means setting a clear standard and holding the line.

Leadership Makes It Real

Ultimately, execution rises and falls with leadership. If you want a culture of follow-through, you need leaders who set expectations clearly, reinforce them regularly, and show that results matter. That means creating the conditions where people can succeed.

When the strategy is clear, the expectations are specific, and accountability is real, execution becomes part of how the organization works.

Section 5: Strategic Cadence – Keeping the Strategy Alive

Strong organizations don't treat strategy as a one-time exercise. They build a defined cadence to monitor progress, resolve issues, and reinforce priorities. These reviews are supported by clear dashboards and performance metrics that show how the organization is doing and what needs attention.

An effective cadence typically includes:

Monthly Strategic Reviews

These sessions involve the senior leadership team and last a few hours. Their purpose is to evaluate progress on key strategic initiatives, ensure continued alignment, and identify any blockers that need to be removed. These meetings should include specific metrics tied to the strategic plan and ensure each initiative has a clear owner and timeline. The review process should lead to real-time adjustments, not just reporting.

Adding these monthly reviews into existing operational meetings can help integrate strategic thinking into day-to-day work without overloading the calendar.

Quarterly Strategy Sessions

Each quarter, the leadership team sets aside one or two full days to reassess the strategy and update the plan. These meetings should be independently facilitated to ensure all team members are participants, not just spectators. The focus should be on reviewing 90-day goals, assessing lessons learned, updating priorities based on performance and market changes, and reconfirming ownership. This meeting disrupts the normal flow of business and builds in a cadence of reflection, recommitment, and accountability.

Annual Strategy Sessions

These are more comprehensive, multi-day off-site sessions designed to step back from day-to-day operations and refocus on long-term vision and positioning. These meetings should reexamine vision, purpose, values, strategic intent, and 3–5-year strategic moves. They should also address external changes (market, competition, technology).



An outside expert should facilitate these sessions to ensure full participation and avoid the influence of internal dynamics. The meeting should end with a refreshed plan that includes updated 12-month priorities and clear 90-day action plans. A crucial aspect is visible alignment from all senior leaders, reinforcing strategy as the organization's top priority.

This cadence provides structure without adding unnecessary weight. It gives the strategy room to adapt while maintaining clear focus and alignment.

Section 6: Common Pitfalls and Strategic Misconceptions

Going with the First Right Answer

In school, we're trained to look for the one correct answer. But strategy doesn't work that way. In most cases, there isn't a single "right" solution. Several paths could work.

Too often, teams land on a decent answer and stop there. They get excited, rally behind it, and move to execution. But experienced strategists don't stop at the first good idea. They set it aside and keep thinking. They compare options, challenge assumptions, and look for another strong approach. The best strategies are usually combinations of several solid ideas, not a single stroke of genius.

Making Up Numbers

This one still surprises me. I've been in high-level strategy sessions where leaders throw out revenue targets without any grounding in reality.

"Mary, what do you think we'll do in Europe next year?"

"Well, we did \$15 million this year. Maybe \$17?"

"Okay, let's push that to \$22. That feels like a good stretch."

And just like that, a number ends up in the strategic plan. But that isn't a strategy. It's wishful thinking. A real strategy requires real inputs.

Confusing Strategy with Planning or Budgeting

Opposite but equally flawed is using only the numbers. Leaders take their annual budgeting cycle, wrap it in a few PowerPoint slides, and call it "strategy."

They analyze financials, assign revenue goals, align resources and believe they've been strategic. But they've really built a spreadsheet of priorities based on last year's performance. It's forward-looking accounting, not forward-looking thinking.

Making Up Numbers is optimism without rigor.

Using only the numbers is rigor without imagination.



Putting the Wrong People in the Room

Who you invite into a strategy discussion matters. Another mistake I see is including people who aren't strategic thinkers or don't understand the business deeply enough to contribute meaningfully. Everyone at the table should bring expertise and judgment. Those who build the strategy do not fight it; they commit to it.

One CEO I work with never invites his CFO to strategy meetings. The CFO is excellent with numbers, but she doesn't think long-term. On the other hand, the head of HR is always included because he brings valuable insight into culture, talent, and workforce dynamics that directly affect the strategy. It's not about rank, it's about relevance.

Overcomplicating the Strategy

A great strategy should be very easy to understand. Too many organizations create dense, jargon-filled, and overly complex plans. They include nine strategic pillars, 18 priorities and 27 goals, and then wonder why nothing gets done.

If your strategy can't be explained clearly in a few sentences, it won't get executed. Focus on a few big ideas. Tie them to specific outcomes. Keep it simple enough that everyone can act on it with confidence.

Changing Strategy Too Often

One of the worst mistakes is shifting your strategy every year because you want to do something new, bold, and exciting. That's not always a good idea.

If your strategy is working, stay with it. I work with one organization that has kept the same general strategy for nine years. It's not flashy, but it delivers results. They make smart adjustments when needed, but the core focus remains the same. That consistency is a big part of their success.

When you pivot too often, you create confusion. Teams lose direction. Customers lose trust. Unless there's a real shift in the market or customer behavior, stay the course and keep executing.

Trying to Be the Best

Declaring that you want to be the best in the world or number one in your market can sound inspiring. It grabs attention and feels like a bold move. But is it realistic?

Becoming number one requires significant investment: time, money, talent, and long-term focus. Very few companies achieve this, and even fewer stay there. For most organizations, setting a goal to be number two, three, or four and being highly profitable can be a smarter and more sustainable strategy.

If you have the resources and momentum to aim for the top, that's excellent. But don't make "being the best" your strategy just because it sounds ambitious. Sometimes, being "among" the best is more realistic and achievable.

Mistaking Operational Efficiency for Strategy

Getting more efficient is a good thing, but it's not a strategy. It helps you deliver more value, more consistently, but it doesn't differentiate you. Efficiency is important, but it's rarely the reason a customer chooses you over someone else.



Ignoring the Internal Side of Strategy

Many organizations focus only on market-facing strategies, such as new products, pricing, and advertising programs. But internal strategies matter just as much. You need a strategy for culture, talent development, operational improvement, and leadership. External growth won't stick without strong internal foundations.

Lack of Candor

The best strategic conversations are grounded in reality. That only happens when people feel safe enough to speak the truth. If team members don't feel they can raise concerns, challenge assumptions, or surface inconvenient truths, your strategy will be built on false confidence.

Trying to Win on Price Alone

It's tempting to lower your price to win more deals. But price wars rarely lead to lasting success. They squeeze margins, train customers to devalue your offering, and leave you vulnerable to any competitor who's willing to go lower. Competing on price is a race to the bottom.

The Truth Behind Business Failure

Many years ago, I attended a conference for bankruptcy attorneys. At the end of the event, a panel of some of the top lawyers in the country took the stage for Q&A. I raised my hand, and when I was picked, I asked them, "What's the pattern? What are the things you see over and over again that cause businesses to go under?" One of the most seasoned attorneys paused, then said, "I've been doing this for 33 years, and it's almost always one of the Four I's."

Ignorance

Not paying attention to the marketplace, the competition, or the customer. The way I phrase this is: not doing your homework. These organizations are unaware of what's happening around them, and as a result, they don't make informed decisions or develop relevant strategies. They're not learning, not listening, and not looking forward.

Indifference

Some companies believe they don't need to change. "We're number one in our industry. We've been around for 60 years. Other companies may need to adapt, but we don't." This is usually the last thing the CEO says before being shown the door. Another word for this is arrogance, the belief that past success guarantees future results.

Inflexibility

This is when the organization knows it needs to change, but can't get people to move. You see this in the "not invented here" syndrome, in resistance to new ideas, and in silos that block collaboration. Teams are stuck in their ways. They see the train coming, but they won't get off the tracks. It's comfortable where they are, and they'd rather stay there than face the unknown, even if staying put leads to disaster.



Inconsistency

This is when strategy shifts so frequently that the organization never gains traction. The CEO attends a conference or reads a book and decides to take a new direction. A competitor launches something new, and leadership reacts instead of staying focused. The buzzword here is “pivot,” which I’ve come to dislike. Change is good, but only when the market demands it. If you have a compelling vision, an important purpose, a clear strategy, and measurable goals, don’t change for the sake of change. Stay the course until reality tells you otherwise.

Section 7: Real-World Strategies That Work

The strategies that follow work in organizations of any size. I’ve chosen well-known global brands, so the examples are easily recognizable. What matters is not the scale of the organization. The key is choosing the right strategy and executing it with discipline.

1. Focus on the Core

Do one thing exceptionally well. Get known for it. Build around it, but never stray from what made you great.

Example:

IKEA became one of the most trusted furniture brands in the world by focusing on one clear idea: stylish, functional furniture at affordable prices. They don’t try to be everything to everyone. They don’t sell luxury goods or chase trends. Instead, they keep refining the same core concept—flat-packed, self-assembled furniture that looks good, works well, and fits everyday life.

Why it works:

Focus leads to clarity. Customers know what to expect. Teams know what to deliver. Every improvement builds on the same foundation, which creates consistency, loyalty, and operational strength.

2. Strategic Adjacency

Grow by expanding into areas closely related to what you already do well. Not big leaps, just logical next steps.

Example:

Apple began with computers, but its growth exploded when it extended its strengths in design, software, and hardware integration into adjacent categories. The iPod, iPhone, iPad, and Apple Watch were all natural extensions of the same core capabilities. Each product made the others more valuable.

Why it works:

When you grow through adjacency, you reduce risk and increase credibility. You’re building on what customers already trust you to do, which creates momentum and confidence.



3. Me-Too Plus One Twist

Offer something similar to what your competitors do, but add one clear improvement that customers care about.

Example:

JetBlue entered a competitive airline market offering similar routes and prices. But it added extra legroom, free seatback entertainment, and a genuinely friendly flying experience. That small set of upgrades created strong word-of-mouth and long-term loyalty.

Why it works:

You don't need to be completely different to stand out. If it matters to your customer, one thoughtful improvement can turn an ordinary offer into a preferred one.

4. Disrupt from Below

Offer a simpler, more affordable, and more accessible version of what the big players provide.

Example:

Zoom broke into the crowded video conferencing space by focusing on ease of use and consistent performance. While other platforms were bloated or unreliable, Zoom was quick to launch, easy to navigate, and free to start. It became the default tool for millions of users during the pandemic and remains a dominant player today.

Why it works:

Many customers don't need the most complex solution. They need something that works well, costs less, and is easy to adopt. Simplicity, when done right, can be a powerful disruptor.

5. Product is the Experience

Make the way people feel while using your product the most memorable part.

Example:

Disney is a global entertainment leader, not just because of movies or theme parks but because of how it makes people feel. Every touchpoint, from music to branding to the smallest detail in a theme park, is designed to create a joyful, magical experience. People don't just buy a product from Disney; they buy a feeling.

Why it works:

Products can be copied, but experiences are much harder to duplicate. When you make your customers feel something positive and consistent, you build emotional loyalty that lasts.



6. Own the Channel

Control how customers buy from you. Eliminate friction. Create a direct, end-to-end experience.

Example:

Tesla changed the way people buy cars by selling directly through its website and showrooms. There are no dealerships, no haggling, just a consistent, brand-controlled process that puts the customer in charge. From configuration to delivery, Tesla controls every step.

Why it works:

When you own the channel, you control the customer experience, the margins, and the message. That builds trust, eliminates confusion, and strengthens your brand.

7. Brand as Shortcut

Build so much trust that customers choose you without hesitation.

Example:

Samsung is one of the most trusted technology brands in the world. Whether it's smartphones, TVs, or appliances, customers often choose Samsung simply because of the name. It signals quality, innovation, and reliability. Even in markets with intense competition, the brand carries real weight.

Why it works:

A strong brand simplifies decision-making. It becomes a shortcut for trust. When customers believe in your name, they stop comparing features and start choosing based on confidence.

8. Be the Ingredient Brand

Make your product essential to someone else's product. Let your value travel inside theirs.

Example:

Intel made microchips, which are an invisible part of most people's lives. But by branding them with "Intel Inside," they became a reason to buy a computer. Consumers who didn't understand processors still looked for the sticker, which was a signal of quality.

Why it works:

Your influence expands when your product is embedded in someone else's success. You reach new customers without having to sell to them directly.

9. Create a Flywheel

Design your business so that every part reinforces the next. Let momentum build on itself.

Example:

Amazon Prime ties together fast shipping, exclusive content, special deals, and customer loyalty. Each benefit makes the others more valuable. It's a self-reinforcing system.

Why it works:

Flywheels reduce the need for constant re-selling. When everything works together, the business gains speed and efficiency. Momentum becomes a competitive advantage.



10. Design for a Niche

Don't try to please everyone. Serve one group so well that they become your best advocates.

Example:

Spotify's early growth was achieved by focusing on passionate music listeners who wanted more control and better curation. It didn't try to replace radio or compete with all media. It focused on one kind of listener, served them brilliantly, and let that loyalty spread.

Why it works:

Niche customers feel seen. They tell others. And their loyalty gives you the space and time to grow strategically instead of chasing mass appeal too early.

11. Platform Strategy

Create a marketplace or ecosystem where others connect, transact, or innovate so value grows exponentially as more participants join.

Example:

Airbnb doesn't own real estate. It created a platform that connects travelers and hosts, growing its value with each new user. The more listings and guests, the better the experience for everyone.

Why it works:

Platforms scale faster than traditional businesses. By enabling others to create value within your system, you benefit from network effects and lower the cost of growth.

These strategy models can work for organizations of any size. You can adjust them to fit your unique situation or even combine elements to create your own hybrid approach. The most important thing is to use everything you've learned in this book to choose the best possible strategy that aligns with your vision, builds on your strengths, and sets your organization up for lasting success.

Final Thoughts

Strategy is one of the most critical drivers of organizational success. It shapes priorities, focuses resources, and strengthens decisions across every level of the business.

My hope is that this guide has provided a practical framework to approach strategy more effectively. Whether you are starting fresh or refining an existing plan, the ideas here are intended to support stronger thinking and more meaningful outcomes.

I wish you every possible happiness, good health, and success – John Spence



Appendix

Here, you'll find three practical tools designed to help you turn insight into action. First, the Five Dimensions of Organizational Excellence framework provides a blueprint for building a world-class company. Next, you'll find a set of questions to help you identify your core strategies with clarity and focus. Finally, the strategic stress test will help you evaluate your strategies once they're developed, ensuring they are strong, coherent, and ready to be executed. These resources will help you build thoughtful strategies, test them rigorously, and lay a solid foundation for lasting success.



The Five Dimensions of Organizational Excellence

For more than three decades, I've worked closely with a wide range of companies, always looking for what the best organizations do differently. That search led to an initial framework I created in 2009, built around four pillars: people, culture, customer focus, and disciplined execution. Those ideas remain foundational. But with the arrival of advanced AI tools, I realized I could expand that work by tapping into a far larger universe of knowledge.

To strengthen and validate what I've observed, I created a custom-built AI agent explicitly designed to help construct this updated model. I loaded it with millions of pages of content, including the best business books, academic research, top-tier articles, and frameworks from leading strategy and leadership thinkers. The result is a framework that combines real-world insights with a deep foundation of research. It's practical, evidence-based, and grounded in what actually works.

The following framework highlights five essential areas that every organization should integrate into its strategy.

Organizational Excellence Framework

1. Purpose-Centered Leadership

Purpose serves as the heartbeat of an organization, driving alignment and inspiration for long-term success. A compelling purpose unites employees, engages stakeholders, and supports prudent decision-making across the organization..

Defining the Purpose: Clearly articulate an authentic purpose that transcends profit and reflects the organization's commitment to meaningful impact. Purpose should resonate deeply, providing a clear "why" that motivates employees to do their best work.

- **Alignment through Values:** Use purpose and values as a compass to unify employees and guide decisions and actions toward the vision.
- **Leading with Integrity:** Demonstrate ethical behavior and an unwavering commitment to the values. Integrity builds trust and credibility.
- **Connection to Purpose:** Tie every role to the organization's broader purpose. When employees see the value of their contributions, they are inspired to engage more deeply and work toward shared success.



2. People-First Culture

Organizations with a people-first culture prioritize people over profits, recognizing that taking exceptional care of employees ultimately leads to greater success. By genuinely caring for their talent, they create an environment where individuals feel valued, supported, and motivated to contribute their best.

- **Building Trust and Respect:** Create a culture where people are treated with dignity, their voices are heard, and they feel safe to share ideas and opinions.
- **Work-Life Balance and Mental Health:** Provide flexible work arrangements and meaningful mental health support. Helping employees balance personal and professional demands reduces stress and creates a healthier, more productive workforce.
- **Investing in Growth:** Offer learning opportunities, mentorship, and clear career advancement paths. Empowering employees to grow personally and professionally strengthens their commitment to the organization.
- **Recognizing Contributions:** Celebrate achievements and individual contributions to create a sense of belonging and pride in shared success. Recognition reinforces a culture of appreciation and motivates ongoing excellence.

The customer's experience will never exceed the employees' experience.

3. Customer-Centric Strategy

- **Feedback-Driven Refinement:** Actively listen to customers to refine offerings, address pain points, and anticipate future needs. Customer feedback is a critical tool for staying ahead of the competition.
- **Aligned Experiences:** Deliver seamless experiences that surpass customer expectations at every touchpoint. This approach builds trust and strengthens loyalty.
- **Personalized Connections:** Develop tailored strategies that address the unique needs of diverse customer groups. Personalization deepens connections and enhances customer satisfaction.
- **Beyond Transactions:** Build loyalty by being a trusted partner, providing real value, and consistently striving for excellence in every interaction. Going beyond transactional relationships creates long-term customer advocates.



4. Focused Innovation

Strategic innovation balances focus and flexibility, enabling organizations to excel in their strengths while remaining agile in the face of changing customer and market demands.

- **Relentless Focus on Strengths:** Define and prioritize the organization's core competencies, where it creates valued differentiation in the marketplace.
- **Targeted Innovation:** Channel innovation efforts toward enhancing core strengths. Develop new solutions that elevate expertise and improve outcomes for customers.
- **Continuous Improvement:** Embed a culture of refinement and evolution. Regularly optimize processes and capabilities to maintain leadership in your key areas of expertise.
- **Strategic Adaptability:** Use market signals and customer feedback to recognize when a shift is required, guaranteeing that updates remain consistent with emerging requirements and future ambitions

5. Operational Simplicity

Operational simplicity is the foundation of disciplined execution. Streamlined operations enable organizations to implement strategies effectively by reducing friction and empowering teams to take consistent action.

- **Streamlining Workflows:** Eliminate unnecessary complexity to improve clarity and focus. Simplified workflows reduce barriers and free employees to focus on high-impact tasks.
- **Role Clarity:** Clearly define responsibilities to promote accountability and eliminate redundancies. When everyone knows their role, collaboration becomes more seamless and effective.
- **Streamlined Decision-Making:** Minimize bureaucracy and abolish unnecessary rules to enable faster, more effective decisions. Speed and simplicity are critical.
- **Metrics and Feedback:** Use measurable outcomes to track progress, identify inefficiencies, and continuously refine operations. Metrics provide insight and steer improvement.



Questions for Identifying Strategies

This worksheet is designed to help your management team identify the core strategies your organization will pursue. It provides a structured, step-by-step set of reflective questions to assist you through the process of analyzing your purpose, customers, strengths, and market realities so you can confidently define three to five focused, effective strategies. Use this tool as a working guide in leadership discussions. It will help you ask the right questions, surface the best insights, and make disciplined choices that move your organization toward its vision.

1) Establishing Vision and Purpose

- 1. What is the long-term vision of our organization?**
Describe in detail where you want your organization to go. This helps ensure your strategy moves you closer to that outcome.
- 2. What is our organization's purpose?**
Clarifying purpose keeps your strategy grounded in why your organization exists, not just what you sell. This is the fulcrum for keeping your people engaged and loyal.
- 3. What should our organization look like at the end of our strategic horizon?**
Define what success will look like three to five years from now. This will help you set realistic expectations for your strategy.

2) Understanding Customers, Strengths, and Market Dynamics

- 4. Why specifically do our best customers buy from us?**
Ask your ideal customers directly: "Why do you do business with us? What are the top three or four reasons?" Patterns in their answers will reveal what your market values most and give you vital data to shape your strategies.
- 5. What are our core strengths today?**
Use customer feedback and internal knowledge to identify what you do exceptionally well. To gain deeper insight, consider applying tools like a SWOT analysis (Strengths, Weaknesses, Opportunities, Threats) or a PESTLE analysis (Political, Economic, Social, Technological, Legal, Environmental).
- 6. What patterns do we see in our sales and market data?**
Look for recurring themes in sales performance, customer behavior, or market dynamics that indicate opportunities or challenges.



7. **What strategies are our key competitors pursuing, and where are they strong or weak?**

Understanding your competitors' strategies helps you find opportunities to differentiate or spot threats you must address.

8. **What assumptions are we making about our customers, market, or competition?**

Identify the key bets on which your future success depends so you can test them or gather evidence.

9. **What evidence supports our assumptions?**

Make sure your assumptions are backed by accurate data and facts, not optimism or wishful thinking.

10. **What gaps exist between where we are now and where we want to be?**

A gap analysis focuses your strategies on bridging the distance between your current state and your desired future state.

11. **What critical data do we still need, and how can we collect it accurately?**

Strong strategies depend on timely, reliable data. Know what's missing and how to get it.

12. **How long can we wait for better data before making decisions?**

Balance the need for accuracy with the urgency to act. Waiting too long can erode your competitive advantage.

Transition: Defining Your Core Strategies

Up to this point, you have explored your purpose, vision, customers, market realities, strengths, and gaps. You now have the insights you need to define your strategies. The following question marks the turning point: it asks you to commit to your three to five core strategies. Once defined, the remaining questions will help you test, clarify, and communicate them effectively.

What three to five core strategies will move us from where we are now to where we want to be?

This question is the foundation of your strategy work. Based on your analysis, clearly articulate your strategic paths to achieve your vision.



3) Analyzing and Refining Your Core Strategies

13. **What is the primary goal of each core strategy, and how does it directly support our vision and purpose?**
Ensures each strategy is connected to a meaningful outcome and aligned with your long-term direction.
14. **How does each strategy leverage our unique strengths or address our biggest opportunities?**
Tests whether strategies are grounded in what sets you apart or what your market most needs.
15. **Are our core strategies distinct and complementary?**
Each strategy should address a unique way to achieve your vision, avoiding overlapping or redundant strategies that compete for resources or cause confusion. Complementary strategies should reinforce each other by serving different needs, segments, or timeframes, creating a stronger overall approach.
16. **Do we have too many strategies?**
Most organizations benefit from three to five core strategies. Having more creates confusion and dilutes focus, making execution difficult.
17. **What key strategic choices must we make now to activate these strategies?**
Focusing on a few clear decisions creates momentum and avoids confusion.
18. **What should we stop doing to free up resources for these strategies?**
Saying “no” is a core part of strategy. It keeps you focused and prevents you from spreading your efforts too thin.
19. **What will we intentionally not do as part of these strategies, and why?**
Clarifies trade-offs and helps protect focus by defining boundaries where you will not invest time, money, or attention.
20. **How will our strategies affect customers, employees, vendors, and other stakeholders?**
Considering the ripple effects of decisions helps you anticipate unintended consequences and ensure alignment.
21. **What internal strategies around talent, culture, or operations will support our external strategies?**
A strong internal foundation ensures your external strategies can be executed effectively and sustainably.



Strategic Stress Test: Is Your Strategy Ready?

This worksheet is designed to stress test your strategy once it has been completed. It serves as a final checkup before moving to the next phase of creating a detailed strategic plan. By thoughtfully answering these questions, your management team can ensure that your strategies are focused, realistic, and actionable. This process will give you the confidence that your core strategies are solidly developed and ready to drive effective execution.

1. Is the thinking behind the strategy rigorous and clear?

Have you taken the time to reflect, test your assumptions, welcome multiple perspectives, and apply the right mental model to the challenge at hand?

2. Does it create a distinct advantage?

Your strategy needs to define how you will stand out in the marketplace in a way that matters to your ideal customer. It should be valuable, hard to replicate, and built on your strengths.

3. Is it focused and prioritized?

With limited time, money, and energy, your strategy should concentrate on what matters most. It must identify a few critical bets and give them disproportionate attention.

4. Is it grounded in reality?

A strong strategy is achievable. It reflects your current capabilities and identifies what needs to improve. It does not rely on best-case scenarios or wishful thinking.

5. Are all parts internally consistent?

Each element of your strategy should support the others. Goals, initiatives, metrics, and messages should align. Mixed signals or competing priorities weaken focus and execution.

6. Are trade-offs clear?

Every strategic choice has a cost. A sound strategy explicitly outlines these trade-offs and ensures everyone understands what will not be done.

7. Is it easy to understand and repeat?

If your team cannot explain it, they cannot execute it. Everyone, from senior leaders to frontline teams, should be able to articulate the strategy and what it means for their work.

8. Is it informed by real insight?

The strategy should reflect insight from data, customers, market signals, and operational experience, not just instinct or tradition.



9. Is it flexible enough to adapt?

Your strategy should have a clear direction but allow room for adjustment based on new information or changing conditions.

10. Does it translate to specific action?

It must lead directly to initiatives with clear ownership, resourcing, and timelines. A strategy that does not drive execution is not a strategy.

11. Is progress measured and tracked?

Key outcomes should be tracked with clear metrics. Your team should review results regularly and use the data to stay on course.

12. Is there a clear sense of urgency and discipline?

Timelines matter. Strategy must move from talk to traction. Regular check-ins and clear deadlines keep the work real.

13. Is it properly resourced?

Do you have the people, funding, systems, and attention necessary to succeed? A strategy that is not resourced is just a wish.

14. Is it owned at every level?

Strategy is not just for the top team. Everyone in the organization should understand how their role supports the bigger picture.

15. Are leaders modeling the strategy?

Leaders should reflect the strategy in their priorities, language, and behaviors. People watch what leaders emphasize, and they follow that lead.

16. Is there a cadence to sustain it?

Strategy is not a one-time event. Do you have the right rhythm of meetings, reviews, and leadership attention to keep the strategy alive, visible, and adaptive over time?