

THE STRATEGIC MANAGEMENT PROCESS

CRAFTING AND IMPLEMENTING STRATEGY

Strategy development and execution is grounded in the broad range of business decisions and competitive moves management pursues in order to optimize successful performance consistent with its strategic plan's goals, objectives and business initiatives. A strategic plan is the output that comes through the strategic management process and discipline that involves a team approach encompassing all functional areas within a business. Strategic planning is the foundation activity within the strategic management process that helps produce the organization's strategic plan. The strategic plan reflects a company's choice of actions among numerous alternative courses of action. The strategic plan supports and directs management's attention toward implementing a unified and measured approach to the completion of its intended business, market and strategic results.

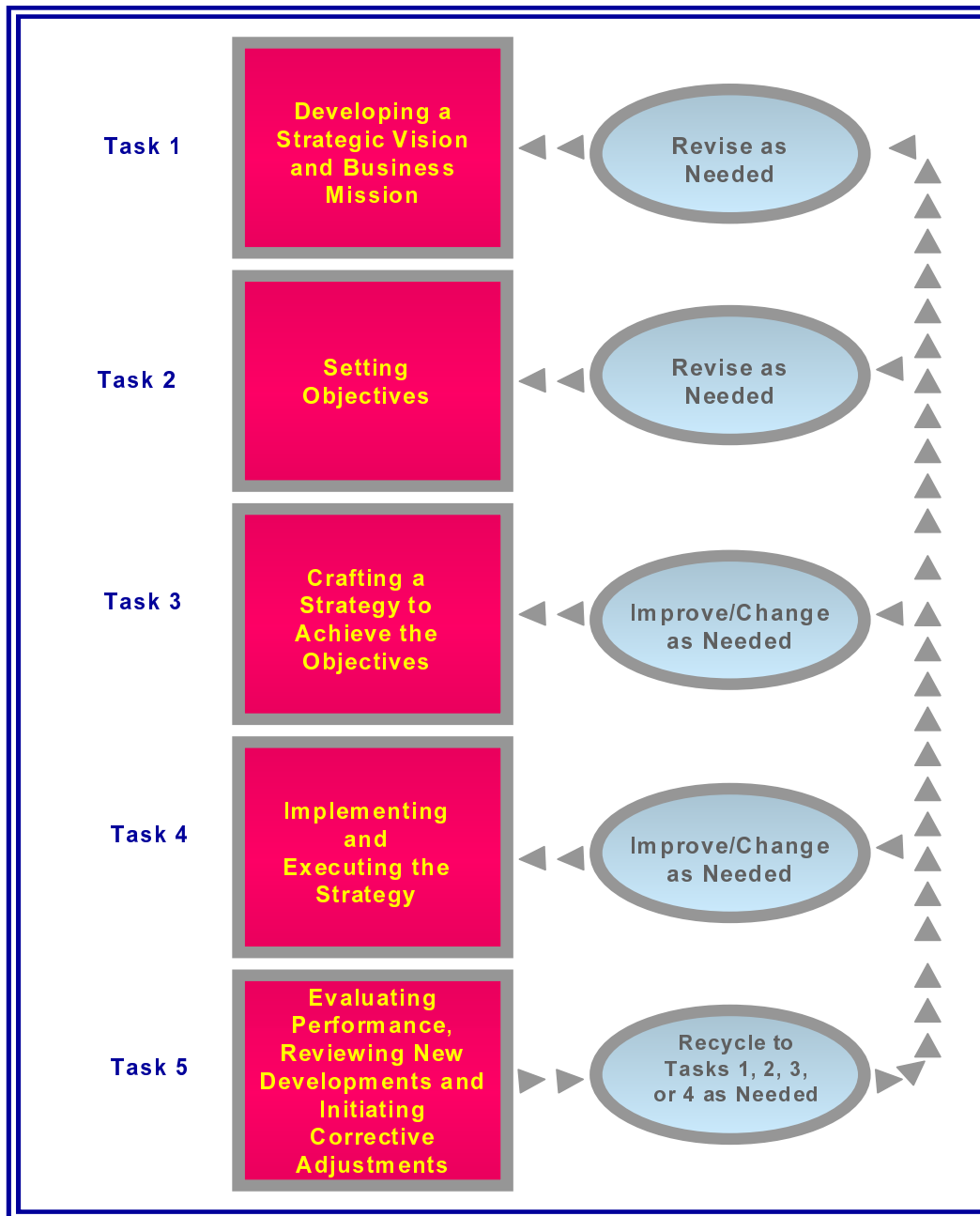
Crafting and implementing strategy should be core to every business and include all functional areas within the business. How well a strategic plan is executed has a direct influence on how successful a company will be in achieving its maximum potential. Execution of a powerful strategic plan through the strategic management process is both a proven recipe for business success and a reflection of excellent management.

There are five interrelated tasks associated with the strategic management process. The strategic plan is the document that incorporates all the elements developed through the strategic management process.

1. Defining what business the company is in today and where it is going. This is done through the formulation of a strategic vision; where the organization is headed, coupled with what the organization's purpose or mission is today.
2. Merging the company's strategic vision and mission into measurable objectives and performance targets.
3. Crafting strategies to achieve performance goals and objectives.
4. Effectively implementing and executing all elements of the strategic plan.
5. Evaluating ongoing strategic plan performance in conjunction with new business, market and strategic developments. Initiate appropriate adjustments and corrective actions for both short and long-term goals, objectives and strategies as a function of actual experience, dynamic environmental conditions, current thinking, new ideas, perceived risks, and potential opportunities.

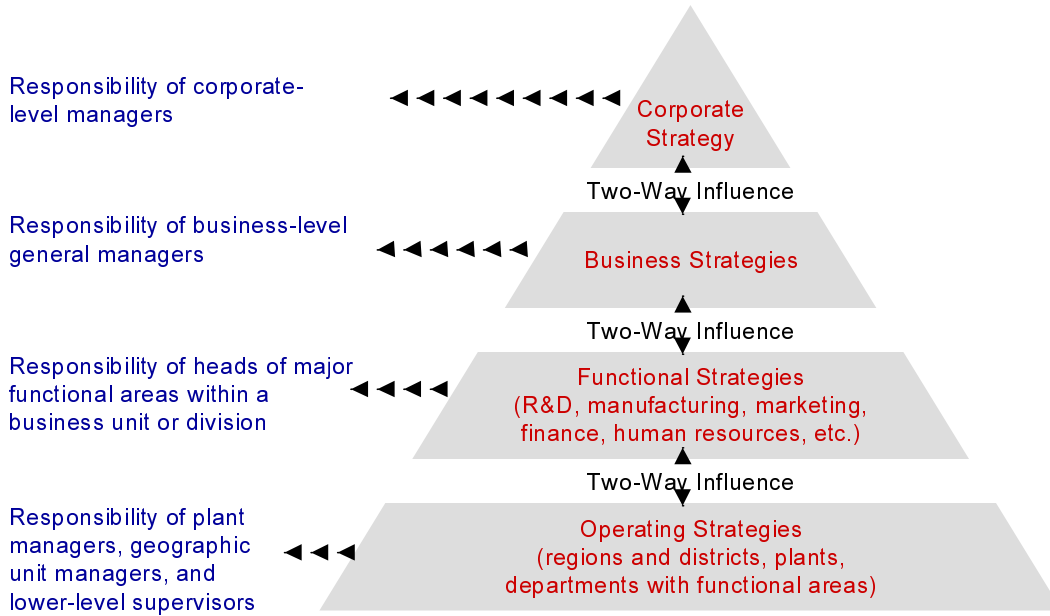
The following models reflect the key elements associated with strategic planning and the strategic management process.

THE FIVE TASKS OF STRATEGIC MANAGEMENT

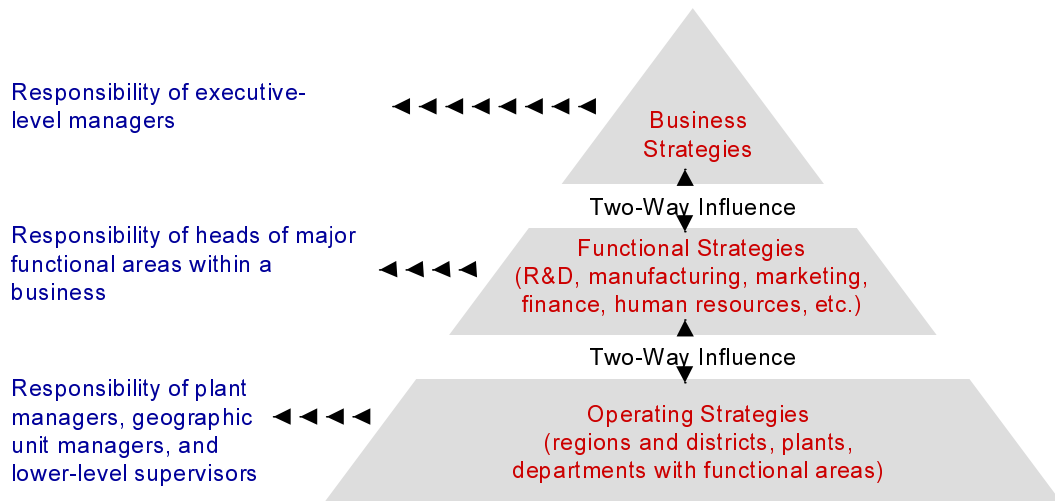


THE ENTERPRISE STRATEGY PYRAMID

A Diversified Company

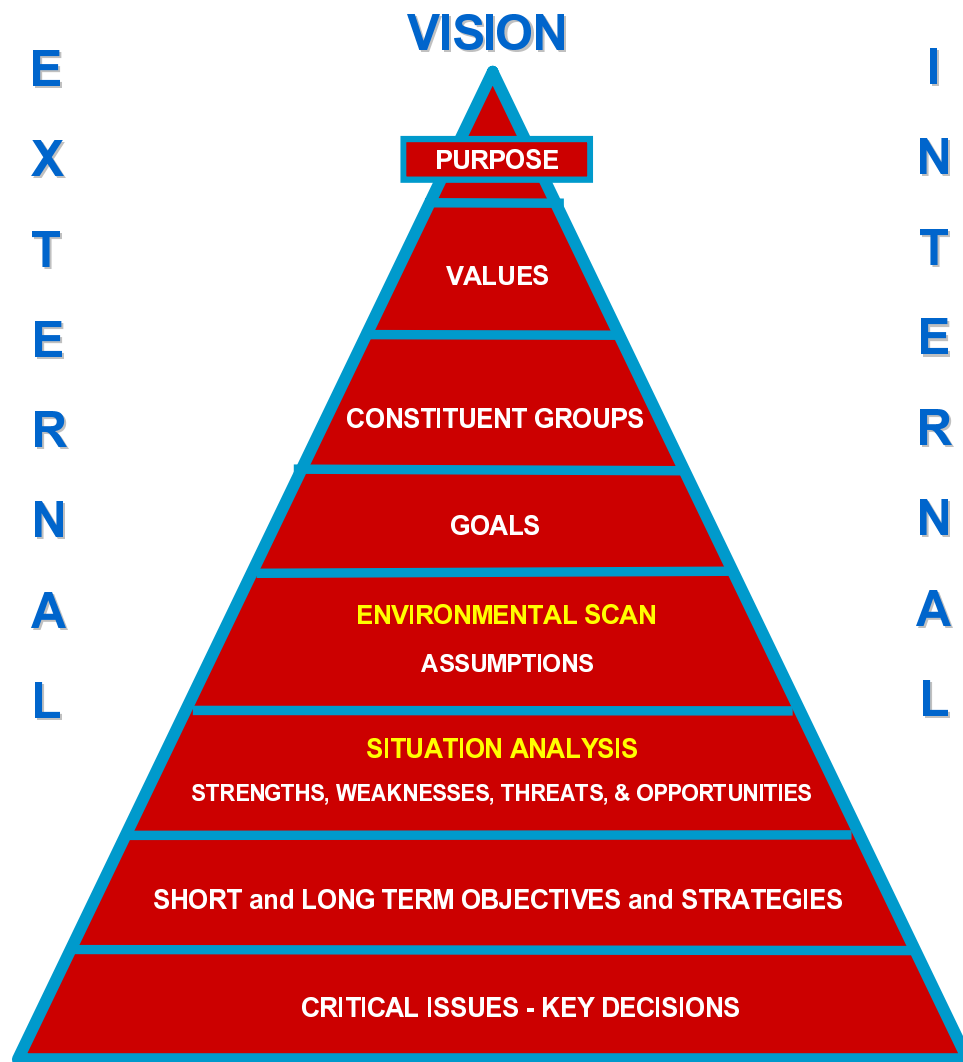


A Single-Business Company



THE STRATEGIC PLANNING PYRAMID

FUTURE BUSINESS



CURRENT BUSINESS