STRATEGY GUIDEMAP

How Strategy Drives Economic Impact

A Guide for Organizations Supporting Small Business Growth

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Strategy-based vs Opportunistic

Small businesses often originate from an individual's entrepreneurial vision, spurred by opportunities to capitalize on existing skills, resources, or favorable circumstances. These opportunistic beginnings frequently lack strategic direction, operating solely on seizing immediate opportunities rather than a growth-oriented strategy. While seizing opportunities isn't inherently negative, it often sacrifices the sustainability and potential growth that strategy-based decision making offers.

This shift from opportunistic to strategic decision-making transforms the business trajectory. A clear understanding of concepts such as core strategy and the rules that govern success for a company’s chosen strategy type allows business owners to make well-informed decisions that propel them to unprecedented success.

Strategy and Tactics

Strategy begins with direction. It illuminates the rules that govern success in a given business situation. It enables growth because it points toward the peak. By comparison, tactics are the skills and efforts that must be applied to maintain viability by being competitive.

Most business training and counseling focus on tactical business issues. Tactical skills often keep a small business ahead of the competition.

Tactics will keep you on the hike. But Strategy will get you to the peak. Strategy supports and enhances the effectiveness of tactics. Most businesses are good at many tactical activities. That is why they stay afloat, or even experience growth. But, a few small improvements to strategy will enhance the results of the time, money, and effort they are already spending.

A simple question that illustrates the relationship is this: If you are in the forest and you need to get out, what do you do first - start moving or figure out which direction to go? The obvious answer is to figure out the right direction first. Then start moving. Movement is tactical. It is necessary. But it should follow direction-setting. Direction-setting is strategic. Strategy before tactics. Always.

> *Tactics will keep you on the hike.*
> *Strategy will get you to the peak!*

Small Businesses and Strategy

Small businesses are vital to our communities. Small business owners assume risk and put in a great deal of effort to provide needed services. They provide jobs. Strategy Guidemap supports their efforts in a significant way.

“Over two decades of counseling and training hundreds, if not thousands, of small business managers, I have discovered that most small businesses don’t have a clear understanding of strategy. From small start-ups to businesses that have grown in fits and spurts for decades and have several million in annual sales, I’ve worked with all types. Most can improve significantly with small improvements to strategy. Understanding strategy and how to gain the insights needed for strategic decision-making is the key. When they get that, they grow!” (Alan Christensen, founder of Strategy Guidemap)

Businesses without a strategy, or whose strategy is broken, can make huge improvements with small strategic adjustments.

What is Strategy Guidemap Training?

Three important aspects of Strategy Guidemap training are:

- Clear insights into the principles of business strategy and how those principles apply to them.
- Before and after assessments of individual participant understanding of key principles.
- Action steps based on a strategy guidemap customized to the participant company.

The Strategy Guidemap document is crafted at the conclusion of the training to help them implement what they've learned and is customized to their specific situation. It takes into account where they are, where they want to be, and the rules that govern success in achieving that destination. They may use the guidemap on their own or seek business counseling assistance to help them follow its guidance.

Strategy Guidemap does not sell post-training consulting or assistance. Instead, we encourage utilizing resources such as the nationwide network of Small Business Development Centers.

Foundational Concepts

The purpose of this paper is not to detail every aspect of the training curriculum. However, it may be useful to understand some of the background for the content of the training.

We teach clear principles in plain English so it is easy to understand, and the application is clear. However, they are based on or related to more complex theories, such as the following:

> *Although the foundational theories are complex, we teach basic principles in plain English so it is easy to understand and the application is clear.*

Endogenous Growth Theory

Paul Romer, an Economist and professor at Boston College, is best known for receiving the 2018 Nobel Memorial Prize in Economic Sciences for his work on Endogenous Growth Theory. Christian Gibbons, Founder of the National Center of Economic Gardening, quotes Romer as saying, "Economic growth occurs whenever people take resources and rearrange them in ways that are more valuable. Economic growth springs from better recipes, not just from more cooking." (Gibbons, Christian. Economic Gardening. Self-published, Chris Gibbons, 2019) Innovation is an important part of understanding and applying strategy. In this case, "better recipes" is the strategic component that leads to improvement.

Complexity Theory and Complex Adaptive Systems

While Complexity Theory spans a wide variety of disciplines in the physical, biological, and social sciences, it has important implications for understanding organizations and change. Complexity theory and complex adaptive systems provide a framework for understanding the dynamics of adaptation and evolution within fitness landscapes. This “evolution” is a helpful basis for understanding how and when to change directions strategically.

Academic Theories of Strategy

Michael E. Porter, a professor at Harvard Business School, developed influential frameworks explaining how firms achieve competitive advantage. Porter’s Five Forces analyzes industry structure—competitive rivalry, supplier power, buyer power, threat of substitutes, and threat of new entrants—to determine profitability. Porter also introduced Generic Strategies, arguing companies must choose a clear strategic position: cost leadership, differentiation, or focus. Roger L. Martin, former Dean of the Rotman School of Management and noted strategy practitioner, built upon Porter’s work by emphasizing strategy as a set of integrated choices, highlighting where to play, how to win, and the capabilities needed to sustain advantage.

Core Strategy

Christian Gibbons spent over 30 years helping thousands of successful stage-two businesses take their growth to the next level. He is the founder of the National Center for Economic Gardening. Gibbons distilled a concept he calls Core Strategy largely from the aforementioned scholars. He is recognized for his ability to articulate the Core Strategy concept as a starting point for strategic growth.

Innovation Theory

Clayton Christensen has been recognized as one of the most influential business theorists of our time. He is recognized throughout the world for his work on disruptive innovation. His explanation of the three types of innovation is directly applicable to understanding the rules that govern success in the two most common Core Strategy quadrants identified by Gibbons.

Ansoff Matrix

Known as one of the fathers of strategic management, Harry Igor Ansoff was an applied mathematician and business manager. In addition to being known for his ability in real-time strategic management, he is remembered for the Ansoff Matrix, a tool he created to plot strategies for a growing business.

The Pareto Principle

Vilfredo Federico Damaso Pareto’s observations in 1896 in Italy have impacted mathematics, economics, sociology, and more. His theory has proven strategically invaluable for small businesses seeking higher leverage in their growth efforts. Knowing how to apply the Pareto Principle helps managers make strategic decisions that maximize impact.

Volatility

Contrasting stability with volatility helps inform strategic business decisions. Drawing on the evolutionary biology insights of Sewall Wright, who introduced the concept of the fitness landscape, and the theory of punctuated equilibrium developed by Stephen Jay Gould and Niles Eldredge, periods of volatility can signal pending opportunities for significantly more effective sales efforts and strategic growth.

Trim Tab

Small, strategic interventions or changes at critical points in a system can lead to significant transformation. A trim tab is a small, auxiliary control surface attached to the trailing edge of a larger control surface, such as a rudder on a ship. A small trim tab adjustment turns a huge ship.

What Makes Us Different?

The Strategy Guidemap process is different from most other training programs in several ways:

- Strategy Guidemap training focuses on strategy. Other programs commonly focus on tactics.
- Our focus on strategy supports, rather than competing with, other training programs that provide valuable practical business skill training.
- Our focus on strategy can significantly elevate the outcome of tactical skills and activities the business already uses. They are no longer just hiking skillfully; they are hiking toward the peak.
- Our approach is a blend of consulting and training, but requires less cost or time than either of these normally requires, yet still provides measurably significant outcomes.

Most strategic training falls into one of two categories. The first, and most common, is pre-recorded online content. The second consists of costly, semester-long university programs that demand significant time and financial investment. **Strategy Guidemap** fills the gap by delivering top-tier growth strategy training to small businesses, combining clarity with practical customization so participants can immediately apply concepts to their unique situations. Our approach is unique: we leverage locally-trusted sponsors and/or host validate to the program's effectiveness and keep it affordable, ensuring businesses can trust the content while making it widely accessible.

Supporting Partners

Strategy Guidemap seeks to enhance our reach and effectiveness by partnering with organizations that have a similar goal—helping small businesses grow. For example, business counseling and training programs host or sponsor to encourage participation in Strategy Guidemap training. Because Strategy Guidemap is strategic, as opposed to tactical, it generally does not compete with the most popular business improvement training programs currently offered. Rather, it supports them.

> *Our focus on strategy is in support of, not competition with, other training programs.*

Partner benefits include support for mission-critical activities, potential revenue generation, and adding value to current offerings. For example, Small Business Development Center (SBDC) programs may receive an increased number of higher-impact counseling clients in the form of post-training participants who have action items in the form of a sound Strategy Guidemap but seek help implementing it.

We share cost-saving vouchers with sponsors and hosts to pass along to small business clients and encourage their participation. Their support of the local business growth is publicly visible.

Why it Works

Strategy Guidemap's instructional method is effective and inspires change. The principles are powerful but taught in a simple, easy-to-apply process. Busy business owners come away with a prioritized list of next steps. Generally, the training reduces their stress and workload, while increasing the results of their current efforts. Strategy is most often the missing aspect of small business efforts. Yet, the nature of strategy means that even small strategic changes make a big difference. Strategy, understood and applied properly, accelerates growth every time.

Small Changes

The trim tab principle suggests that a very small adjustment—like the trim tab on a ship's rudder—can produce a major change in the direction of an entire system. In business, a small strategic shift can dramatically alter a company's trajectory.

A long-range marksman offers another analogy. They refine tactics like stance, grip, and breathing, but the smallest adjustment—less than a millimeter in the sights—creates a huge difference at the point of impact. All those tactical efforts pay off only when the direction is right.

Businesses often focus on tactical improvements, such as changing advertising. These can help. But when a company adjusts its strategy, the improvement can be broad, lasting, and transformative.

That is the power behind the Strategy Guidemap approach: small strategic adjustments that help businesses achieve more sales, better return on investment, and accelerate growth—creating jobs and improving the economy.

About the Trainer

Alan Christensen has led strategic growth consulting engagements for more than 400 small businesses across 20 states and a wide range of industries. Over the past decade, he has also provided strategic guidance to multi-million-dollar companies as a team leader for the National Strategic Research Team at NCEG.

As a professional trainer, he has helped hundreds of small business owners grow their companies and improve profitability. He has also trained leaders in leadership, managers in management, and consultants in consulting—delivering programs locally and across the United States.

> ***...your participation in particular helped make this year's Annual Conference one of the largest and most successful in the Association's history.***
>
> Charles E. "Tee" Rowe (President ASBDC National Conference)

As an educator and business advisor, Alan Christensen has developed business curricula for multiple colleges and universities. He previously served for 15 years as a regional director in the Small Business Development Center (SBDC) network, where his work received local, state, and national recognition. Christensen now serves as a tenured member of the business faculty at Snow College and is the founder of Strategy Guidemap, which trains business advisors to strengthen their consulting and helps small businesses accelerate growth. Numerous statewide SBDC networks have benefited from this professional development, along with hundreds of small businesses participating in training events hosted or sponsored by economic development offices, SBDCs, chambers of commerce, and university outreach programs.

Additional Resources

- About partnering
- Hosting an event
- Sponsoring an event
- Training programs
- Partner Examples
  - Business Outreach Programs
  - Chamber of Commerce
  - Economic Development
  - Educational Institution
  - Small Business Development Center
- Customer Reviews of Grow Your Business Strategy Masterclass
- Reach the Peak blog
- Base Camp (free membership)
- Print Book: Smarter, Not Louder: Upstream Signal Marketing for Strategic Growth
- Audio Book: Smarter, Not Louder: Upstream Signal Marketing for Strategic Growth
- Media resources