STRATEGY DEVELOPMENT

Seven questions before the first slide is made

Strategy development is not a document but a sequence of decisions

MLI Leadership Institut · 2026

We talk a lot about strategy activation. Before a strategy can be communicated and brought to life, however, it has to be developed. And how it is developed determines how hard activation will be later on.

The reason is simple: only what you have helped to work out and understand in depth can you later represent credibly. Whoever is handed a finished strategy renegotiates it — openly in the best case, in the corridor in the worst.

Seven questions form the core. A fictitious delivery service, “Green Cuisine,” serves as a running example.

1 · The why

Behind every viable company there is a purpose that states what it wants to achieve. While the what appeals to logic, the why reaches the level at which people decide whether to come along.

With Starbucks, Howard Schultz did not want to serve coffee but to offer a retreat from hectic everyday life. Apple challenges the status quo and makes things simple — the product follows from that.

Green Cuisine: **Why** — so that city dwellers with little time can also eat healthily and with pleasure. **How** — by using ninety percent regional organic produce, processing it gently and delivering carbon-neutral within thirty minutes. **What** — a delivery service for organic food.

2 · Your sphere of influence

Two basic strategic directions can be distinguished. **Differentiation**: finding a reason for your target group to come to you rather than to the next best provider. **Scale**: designing processes so that you can offer at lower cost or earn more at the same price.

The worst option is a mediocre product at a high price. Then you are stuck in the middle and will not prevail.

Michael Porter's five forces model is well suited to market analysis. Take half an hour and go through the five forces for your area. Note down opportunities and risks.

3 · The target group

The German word for customer, *Kunde*, comes from the Middle High German *kundo* — an acquaintance, a confidant. So it is about people whose trust you want to win.

Many entrepreneurs believe they know their customers well. Do not imagine — ask. Concrete interviews, with these questions:

- Is the topic relevant to them at all?
- What concerns them about it? What sometimes keeps them awake at night?
- When in everyday life does the problem arise? Where are they then, and what happens?
- What would they wish for in those moments? How would they recognize a complete solution?

4 · Your what

Here market analysis and the customer's view come together. For this you need a BHAG — a big hairy audacious goal. The target state you want to reach: clear, coherent, convincing. Not a financial metric that even insiders barely understand.

The test question: if you had to sum up the desired success in one point, what would it be? By which number will you recognize objectively that you have arrived?

5 · The how

The question points inward: how is value created here? Following Porter, the activities can be grouped into five stages — procurement, production, customer acquisition, delivery, relationship management.

Distinguish the **must-haves** that customers expect anyway from the **nice-to-haves** that set you apart. And decide what you do yourself and what you buy in: what you buy in is a variable cost, what you make yourself is a fixed cost — but you have the quality in your own hands.

6 · With whom

A team that works enthusiastically on the same cause can make almost any strategy succeed. That is why these people belong in the development from the very beginning.

We have found five types again and again in many client projects, spanned between two poles: intrinsically or extrinsically motivated, people-oriented or fact-oriented.

- **The creative inventor** — understands customer needs and translates them into an experience
- **The analytical thinker** — can handle data and has the patience for details

- **The inspiring ambassador** — wins over stakeholders, investors and customers
- **The pragmatic implementer** — makes sure something actually hits the road
- **The team coach** — mediates and makes sure the other four play together

7 · When and who

The best strategy development is useless without an implementation plan. Yet much cannot be planned in advance. So what is needed is a plan with flexibility — for us, the OKR framework: no more than three objectives, plus acceptance criteria and the most important key results.

The logic: do not plan a year ahead, plan by priorities. Once one is done, the next follows. For the biggest brake on success is spreading yourself too thin.

Where this sequence reaches its limits

The seven questions assume that there is a level entitled to answer them. In corporate structures with a matrix and group guidelines, the sphere of influence is often smaller than the self-image of those involved. Question 2 then mainly clarifies what one does not decide at all — which is uncomfortable but useful.

And: the process creates participation, not consensus. Whoever involves seventy people gets seventy opinions. The decision remains the task of the leadership. Participation misunderstood as a vote ends in disappointment — and that is harder to repair than an unpopular decision.

SHARE THIS ARTICLE

Read, forward and share online:
leadership-munich.org/en/insights-seven-questions.html

More Leadership Insights: **leadership-munich.org/en/leadership-insights.html**