

Prioritizing Strategic Business Decisions

“The essence of strategy is choosing what not to do.”

Michael Porter

Prioritizing strategic decisions helps discover opportunities, allocate resources and develop new capabilities. Mistaking non-strategic for strategic determinations and vice versa can be disastrous.

All initiatives must be in a hierarchy that makes the most sense to ensure their achievement. Goals must be measurable, achievable, flexible and consistent with the organization’s long-term plans.

The six most important areas to take into consideration when making strategic choices are your core values, research, position, growth, profitability and change management.

Core Values

Your company vision and mission statements are derived from the core values of your business. They are a summary of the beliefs your organization exhibits regarding customer interaction, employee satisfaction, and community responsibility.

Research

Marketing involves understanding consumer buying trends, creating advertising and promotion; being able to anticipate product distribution needs; getting customer input on product changes and developing strategic partnerships.

Position

Understanding how your products and services are perceived in the marketplace determines how to improve your standing among your customers and increase your profitability. A comprehensive analysis of your positioning should be an ongoing objective of your company.

Growth

Growth and productivity must be planned based on historical data and future projections. It requires careful use of both physical and Human Resources (HR) to drive, maintain and measure performance.

Examples of physical assets include new software, equipment, and facilities as well as how they will improve operations. HR includes employee recruiting, training and development systems to make sure everyone is aligned with fulfilling the company’s goals.

Profitability

There are only two ways to increase profits. The first way is hold revenue levels constant and reduce expenses. The second way is keep expenses constant while increasing revenue. This means the profit margin on each product or service sold must go up. Being able to accurately measure the amount of increase is vital.

Change Management

“We don’t like their sound, and guitar music is on the way out.” This is the rationale the Decca Recording Company gave for rejecting the Beatles in 1962. It is a dramatic example of how a business can completely miss industry trends.

The objective of change management is to create a dynamic and vibrant organization that is adaptable enough to meet new challenges. It requires creating processes that deal effectively with a constantly changing, global marketplace.

One of the best ways to do this is to be considered a socially responsible, community partner. This involves improving your awareness and responsiveness to industry indicators and worldwide issues.

How We Can Help You

[Pacific Crest Group \(PCG\)](#) provides professional services that keep your business focused on your critical objectives. We provide strategic Accounting and Human Resource (HR) services created specifically to help you meet your goals. Through exemplary customer service, clearly defined policies and procedures as well as a forward-looking perspective, we provide the outsourced solutions your business needs to grow. A PCG professional is happy to meet with you to discuss solutions for your unique requirements designed to maximize all of your business opportunities.