20 Formulating and approving the strategic documents

20.1 Basic reflections on strategic documents

Step Six is the final step in fixing the content of the new strategies, but for practical reasons it would be wrong to conclude the process with the final assessment of strategies and implementation programs. For successful implementation of the strategies and programs, the decisions taken and the underlying thinking must be carefully summarized in comprehensible and well presented documents. Such strategic management documents are also the basis of strategic control.

20.2 Process of formulating and approving the strategic documents

20.2.1 Overview

Formulating and approving the strategic documents is Step Seven in the process of strategic planning. As Figure 20.1 shows, it is divided here into five sub-steps, and these are explained in the following section.

20.2.2 Steps of formulating and approving the strategic documents

Before starting on the formulation of the documents, the first step is to produce a list of the required documents with a specification of what should be in each one. This is sub-step 7.1, which generally has a very beneficial effect on the quality of the documents produced afterwards and also makes the production more efficient. So it is a step which offers excellent value.

As to which documents will be required, this depends largely on the
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Figure 20.1: Process of formulating and approving strategic documents

heterogeneity of products and services, on the number of different industries and on the number of geographical markets for the company or strategic business in question. Based on the considerations presented earlier in Chapter 4, we can identify three levels of complexity, as follows:

- Complexity is low where a single product group is marketed in one industry market and region.
- Complexity is at the medium level in cases where a number of different product groups are sold in a single industry market and regional market, or where a single product group is marketed in a number of different regions.
- A high level of complexity is reached in situations where more than one product group is offered in a number of industry markets and/or regions.