

BOOK REVIEW

**STRATEGIC PLANNING FOR NEW & EMERGING BUSINESSES:
A CONSULTING APPROACH**

**Fred L. Fry
Charles R. Stoner
Laurence G. Weinzimmer**
Dearborn Financial Publishing, second edition, 1999

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Strategic Planning For New And Emerging Businesses: A Consulting Approach is well described by its title. It is, first and foremost, a business strategy textbook. Its focus is the world of small business with a particular emphasis on growing businesses, what the authors term "emerging" businesses. And throughout the book, the authors examine strategic planning through the eyes of a consultant.

The book is well organized in its coverage of strategic planning, even though the table of contents fails to provide clues as to its overall organization. Chapters 1-3 are basically an introductory section. This section is followed by Chapters 4-7, which treat the analytical steps needed to provide the foundation for a strategic plan. The final section, Chapters 8-11, presents the action stage of formulating company strategy.

The heart of the text is the second section, the chapters on strategic analysis and development, that cover processes common to that field. Two chapters explain analysis of the environment--the general environment and the industry environment. The other two chapters look internally at the firm as it faces the challenges and opportunities of that environment. One part of the internal analysis considers the firm's resources as they relate to environmental factors. The discussion also highlights the distinctive competencies and competitive weaknesses that emerge from the internal analysis. The objective of the entire process, of course, is to match competencies with environmental opportunities while recognizing dangers that may stem from competitive weaknesses.

Following the section on strategic analysis, the authors proceed to the application or action stage of formulating a strategic plan. In this, the final section of the book, readers would apply the tools of strategic analysis to specific business situations. Prospective entrepreneurs would develop strategies for new ventures. Consultants would critique and/or assist in modifying or developing strategic plans of client companies. Included for consideration are such strategies as focus strategies, market development strategies, and product development strategies. Other

chapters cover goal setting and unit strategies. The final chapter recaps the strategy development process in the context of preparing a business plan. A sample plan follows the final chapter.

Most chapters of the book conclude with a section entitled "The Consultant's Viewpoint." In these parts, the authors alert consultants to the crux or primary focus of the topic under discussion and provide hints for getting on well with business clients. In Chapter 9 (Setting Goals), for example, they explain to consultants that goal setting is not easy, that the process should not be rushed, that consultants should communicate extensively with clients, and that they should focus on the characteristics of "good" goals. Such commentary is probably most helpful to student consulting teams. Most chapters of the book also include two or three one- or two-page well-chosen profiles of real businesses whose characteristics or strategy illustrate the chapter topic.

The book as a whole deals with the issues of strategy and planning at a relatively elementary level. (It could hardly do otherwise in view of its brevity--242 pages.) Its sample business plan, for example, includes the broad statements related to mission and environment but does not contain financials.

The textbook would be relevant for courses that are intended to focus on the basics of business strategy and then apply those concepts to new, small, and/or growing firms. The consulting emphasis makes it particularly appropriate for the use of student consulting teams. The roles of consultant and potential entrepreneur would merge in the case of students who prepare their own new venture plans.

The authors write from their areas of academic specialization in management and strategy and from backgrounds of consulting with business firms. They are members of the faculty of Bradley University and are known for their work in small business and entrepreneurship.

*Justin G. Longenecker, a pioneer in the field of small business and entrepreneurship, received his Ph.D. from the University of Washington. He authored several books on the subject, including the popular small business management text *Small Business Management*. He has also published numerous articles in such journals as *Academy of Management Review*, *Journal of Small Business Management*, and *Business Horizons*.*