

## Business goals in Deep Tech start-up

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# Business goals in Deep Tech start-up

1. Startup = successful business ?
2. Top AI technology business strategies in 2023
3. Business strategies: the role and key terms
4. Business strategy process
5. Vision and mission in Deep Tech start-up

# Let's think about your startup in Deep Tech start-up



# Let's think about your startup in Deep Tech start-up

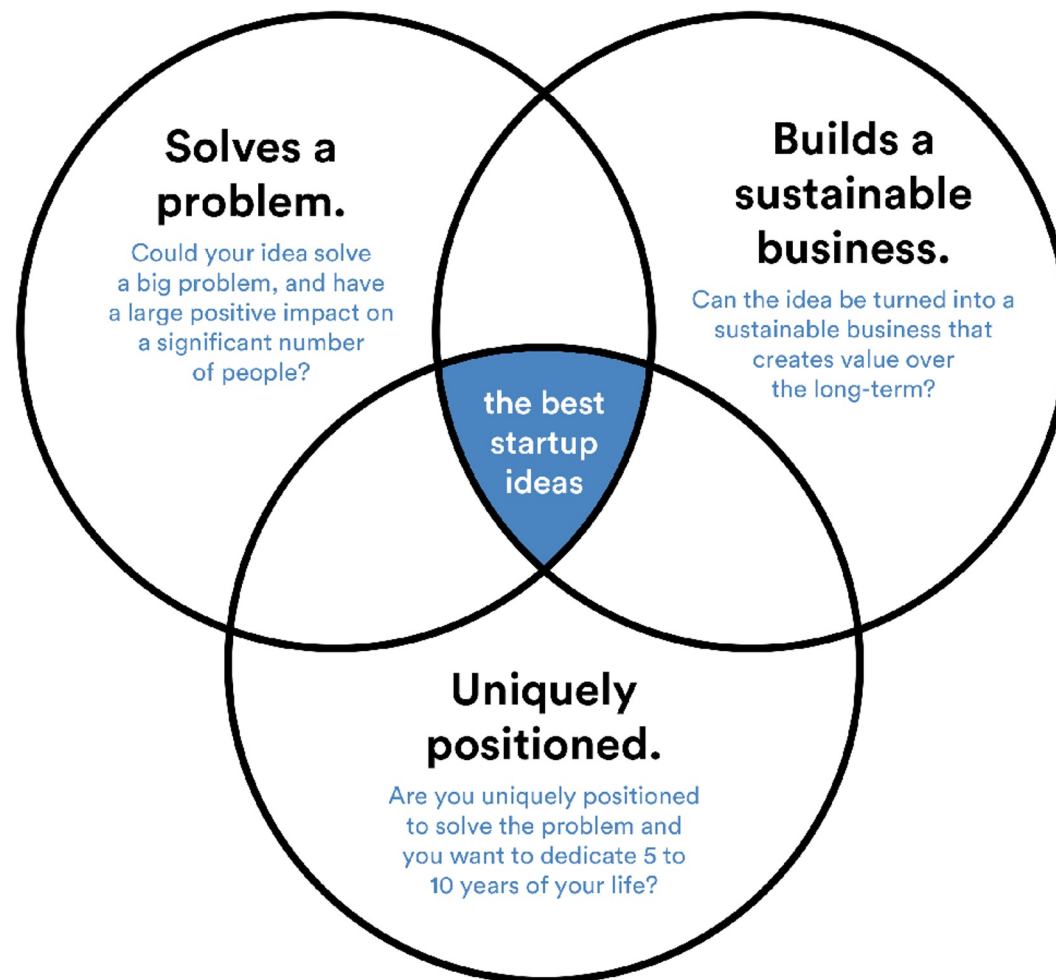
**90% of startups die**

**9% become operationally profitable companies without large growth multipliers**

**1% succeed in the understanding of venture capitalists**



# Let's think about your startup in Deep Tech start-up



## 3 Top AI business strategies in 2023

### OpenAI

In November 2022, OpenAI launched ChatGPT, a chat aimed at natural language answering questions, translating, and generating improvised text. It reached over a million signups within the first five days and projected a US\$200 million revenue for 2023 and US\$1 billion for 2024.



## 3 Top AI business strategies in 2023

### Observe.AI

**Observe.AI provides natural language tools to track voice and text conversations. Its Intelligent Workforce Platform transforms contact centers by embedding AI into customer conversations, optimizing agent performance, and automating repeatable processes that drive revenue and retention.**

**In March 2022, the company stated that ARR was up 150%, with customer interactions analysed by its AI up 3x, a 426% increase in AI-powered agent evaluations, and a 201% increase in AI-powered agent coaching sessions.**

**Observe.AI has raised US\$213mn in funding**

## 3 Top AI business strategies in 2023

### Deep 6 AI

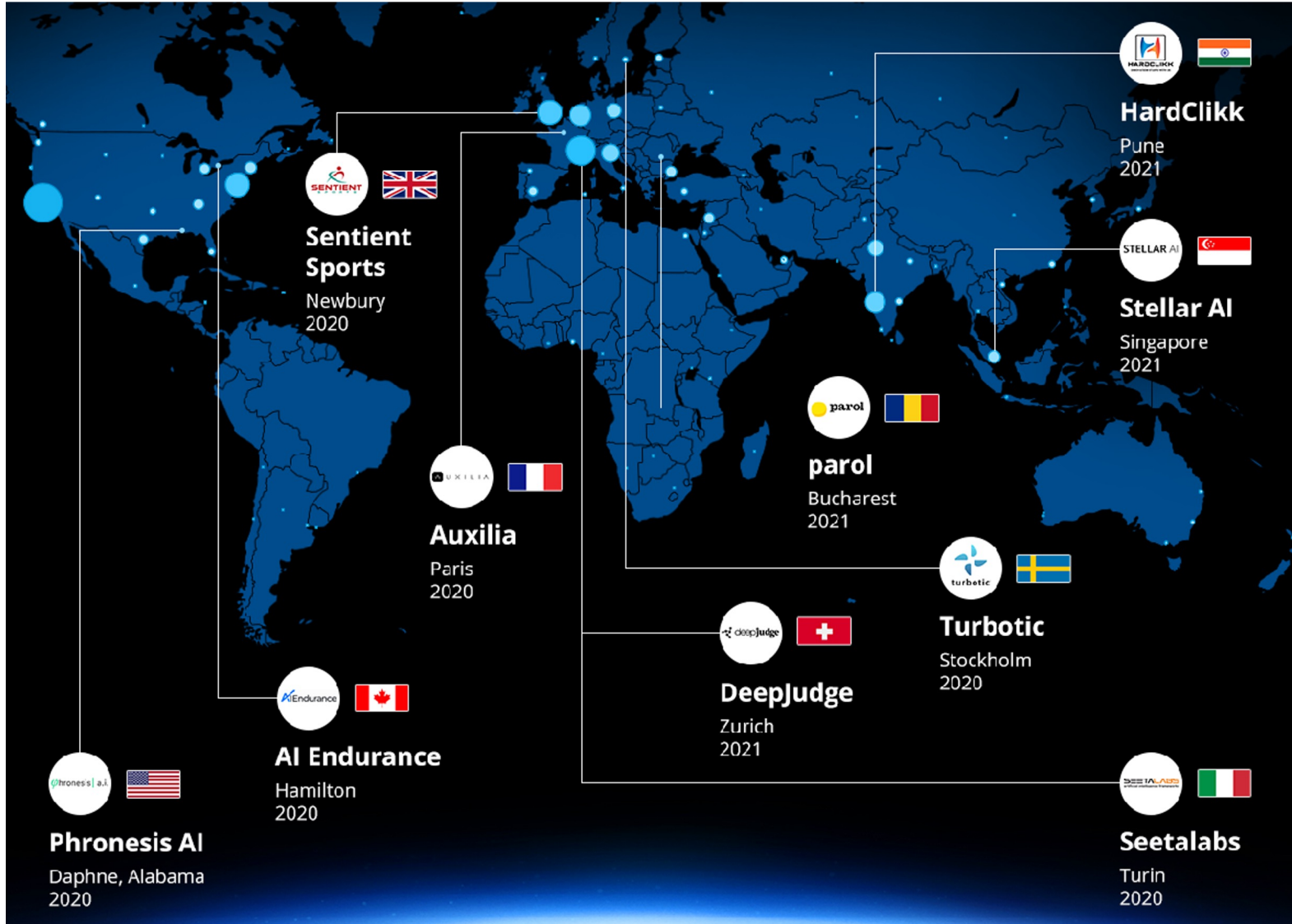
Deep 6 AI is a healthcare AI startup that is revolutionizing the way medical professionals diagnose and treat patients. The company's AI algorithms can analyze large amounts of medical data, helping medical professionals make more informed decisions and improve patient outcomes.

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DEEP 6 AI



# 3 Top AI business strategies in 2023



# Business strategies: the role and key terms

The term “strategy” originated in the Greek military lexicon. The Greek word “strategos” (στρατηγία) consists of “stratos”, i.e. “army, and “ago”, i.e. “leading”. At that time the term meant the art of understanding the nature of war and the principles of leading an army.





The modern meaning of strategy in business appeared in the middle of the 20th century. In 1962, the economist Alfred Chandler Jr. used the term “strategy” in his work “Strategy and Structure” with reference to running a company/a business. He proved that business structure is determined by its strategy, and that environmental changes lead to strategic alternatives, which may, in turn, cause changes in organizational structure.

# Strategy – is The Five Ps

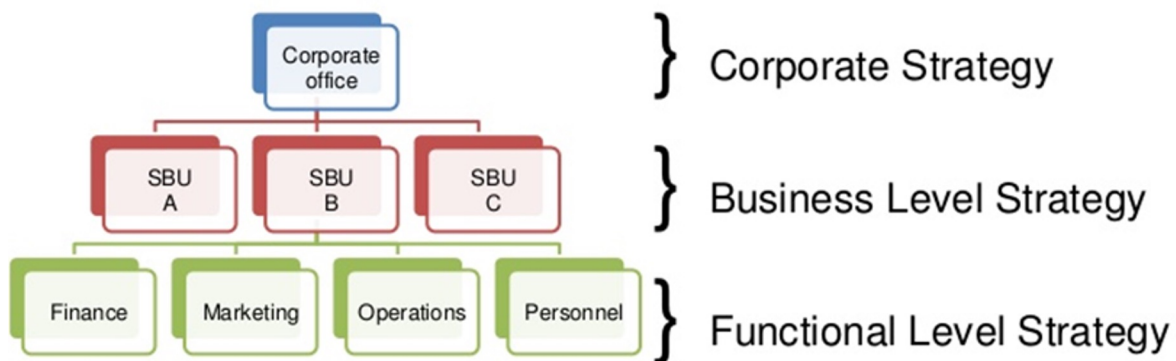
Figure 1.1 Defining Strategy: The Five Ps

Understanding different ways of thinking about strategy is the first step toward mastering the art and science of strategic management. The five Ps of strategy, developed from the work of Henry Mintzberg, help to provide an overview of the most commonly used definitions of strategy.

<p>Plan – a carefully crafted set of steps that a firm intends to follow in order to be successful</p>	<p>Virtually every firm creates a strategic plan to guide its future. Plans are important to individuals too. If you are reading this, you probably have a career plan that requires a college degree.</p>	
<p>Ploy – a specific move designed to outwit or trick competitors</p>	<p>A pizzeria owner in Pennsylvania once tried to sabotage his competitors by placing mice in their shops. Although most strategic ploys are legal, this one was not and the perpetrator was arrested.</p>	
<p>Pattern – the degree of consistency in a firm's strategic actions</p>	<p>Apple always responds to competitive challenges by innovating. Some of these innovations are complete busts, but enough are successful that Apple's overall performance is excellent.</p>	
<p>Position – a firm's place in the industry relative to its competitors</p>	<p>Old Navy offers fashionable clothes at competitive prices. Old Navy is owned by the same corporation as the Gap and Banana Republic; each brand is positioned at a different pricing level.</p>	
<p>Perspective – how executives interpret the competitive landscape around them</p>	<p>In the mid-1990s, the Internet was mainly a communication tool for academics and government. Jeff Bezos viewed the Internet as a sales channel and he began selling books online. Today, the company he created—Amazon.com—is a dominant retailer.</p>	

# Business strategies: the role and key terms

## Strategy at different levels



# Business strategies: the role and key terms

- **competitive advantage**
- **strategists**
- **vision and mission statements**
- **external opportunities and threats**
- **internal strengths and weaknesses**
- **long-term objectives**
- **strategies**
- **annual objectives**
- **policies**



# Competitive Advantage

Strategic management is all about gaining and maintaining competitive advantage

This term can be defined as “anything that a firm does especially well compared to rival firms” When a firm can do something that rival firms cannot do, or owns something that rival firms desire, that can represent a competitive advantage.

**SONY**



# Strategists



**Strategists are the individuals who are most responsible for the success or failure of an organization.**

**They track industry and competitive trends, develop forecasting models and scenario analyses, evaluate corporate and divisional performance, spot emerging market opportunities, identify business threats, and develop creative action plans.**

**Strategists differ as much as organizations themselves, and these differences must be considered in the formulation, implementation, and evaluation of strategies. Some strategists will not consider some types of strategies because of their personal philosophies.**

**Strategists differ in their attitudes, values, ethics, willingness to take risks, concern for social responsibility, concern for profitability, concern for short-run versus long-run aims, and management style.**



# Vision and Mission Statements

**Mission statements are “enduring statements of purpose that distinguish one business from other similar firms. A mission statement identifies the scope of a firm’s operations in product and market terms.”**

**A mission statement is a constant reminder to its employees of why the organization exists and what the founders envisioned when they put their fame and fortune at risk to breathe life into their dreams.**





# External Opportunities and Threats

**External Opportunities and Threats** refer to economic, social, cultural, demographic, environmental, political, legal, governmental, technological, and competitive trends and events that could significantly benefit or harm an organization in the future.



# Internal Strengths and Weaknesses

**Internal Strengths and Weaknesses** are an organization's controllable activities that are performed especially well or poorly.

**Strengths and weaknesses** are determined relative to competitors.

**Internal factors** can be determined in a number of ways, including computing ratios, measuring performance, and comparing to past periods and industry averages. Various types of surveys also can be developed and administered to examine internal factors such as employee morale, production efficiency, advertising effectiveness, and customer loyalty.



# Long-Term Objectives

**Objectives can be defined as specific results that an organization seeks to achieve in pursuing its basic mission.**

**Objectives should be challenging, measurable, consistent, reasonable, and clear. In a multidimensional firm, objectives should be established for the overall company and for each division.**



# Strategies

**Strategies are the means by which long-term objectives will be achieved.**

**Business strategies may include geographic expansion, diversification, acquisition, product development, market penetration, retrenchment, divestiture, liquidation, and joint ventures.**

**In addition, strategies affect an organization's long-term prosperity, typically for at least five years, and thus are future-oriented.**



# Annual Objectives

**Annual Objectives** are short-term milestones that organizations must achieve to reach long-term objectives. Like long-term objectives, annual objectives should be measurable, quantitative, challenging, realistic, consistent, and prioritized. They should be established at the corporate, divisional, and functional levels in a large organization.

Annual objectives should be stated in terms of management, marketing, finance/accounting, production/operations, research and development, and management information systems (MIS) accomplishments.

A set of annual objectives is needed for each long-term objective.



# Policies

**Policies are the means by which annual objectives will be achieved. Policies include guidelines, rules, and procedures established to support efforts to achieve stated objectives.**

**Policies are guides to decision making and address repetitive or recurring situations.**

**Policies allow consistency and coordination within and between organizational departments.**



# Business strategy process

**“Business strategy process is a method by which managers conceive of and implement a strategy that can lead to a sustainable competitive advantage”**

**“It is a process by which an organization establishes its objectives, formulates actions (strategies) designed to meet these objectives in the desired timescale, implements the actions, and assesses progress and results”**



# Business strategy process

Business strategies often fail. This is well-known by now: According to [studies](#), some [60–90% of strategic plans never fully launch](#).

A circular infographic with a gold-to-orange gradient. The number '7%' is displayed in white. A white arc at the top indicates the percentage of the circle filled.

7%

Only **7%** of respondents believe their organization is excellent in its ability to implement strategy. This can translate into a market differentiator for leaders who can achieve excellence in implementation.

A circular infographic with a gold-to-orange gradient. The number '28%' is displayed in white. A white arc on the left side indicates the percentage of the circle filled.

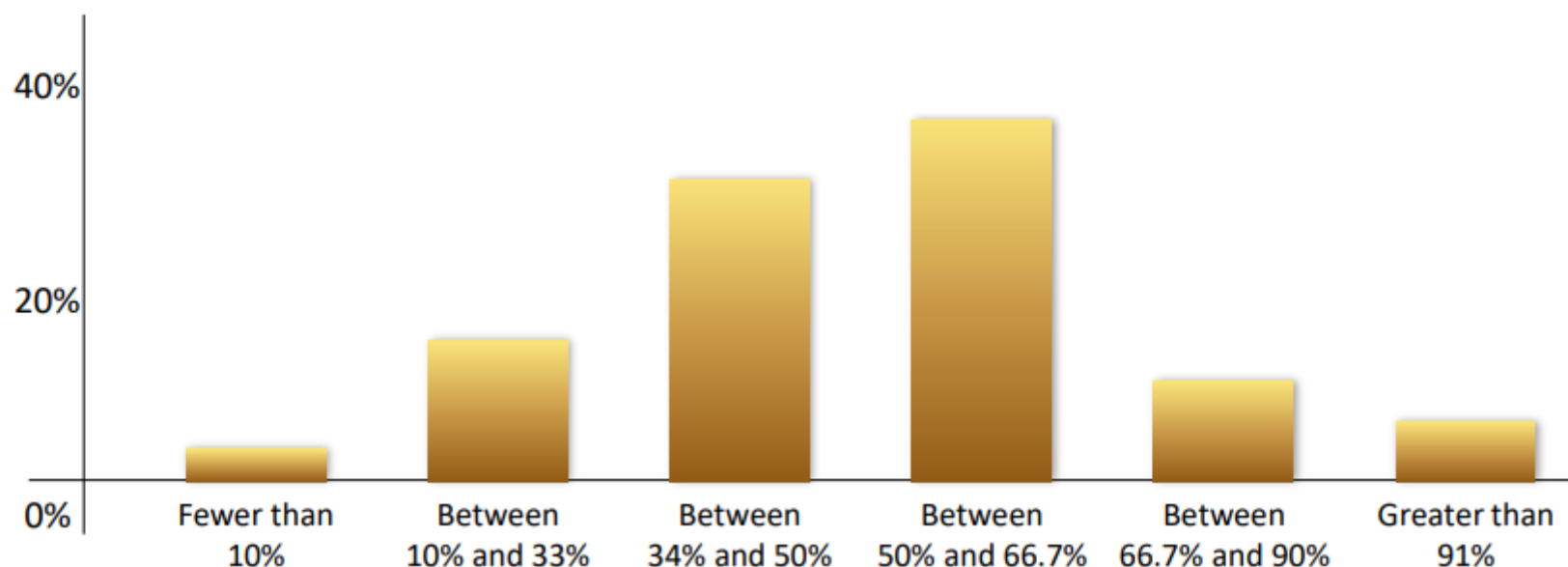
28%

Based on this year's survey, it is concerning that only **28%** of the organizations have an effective measurement system in place for tracking strategy implementation. That is a decline from 2016. Without the right measures in place, leaders do not know whether they're on the right track and what, if any, corrective action needs to be taken.



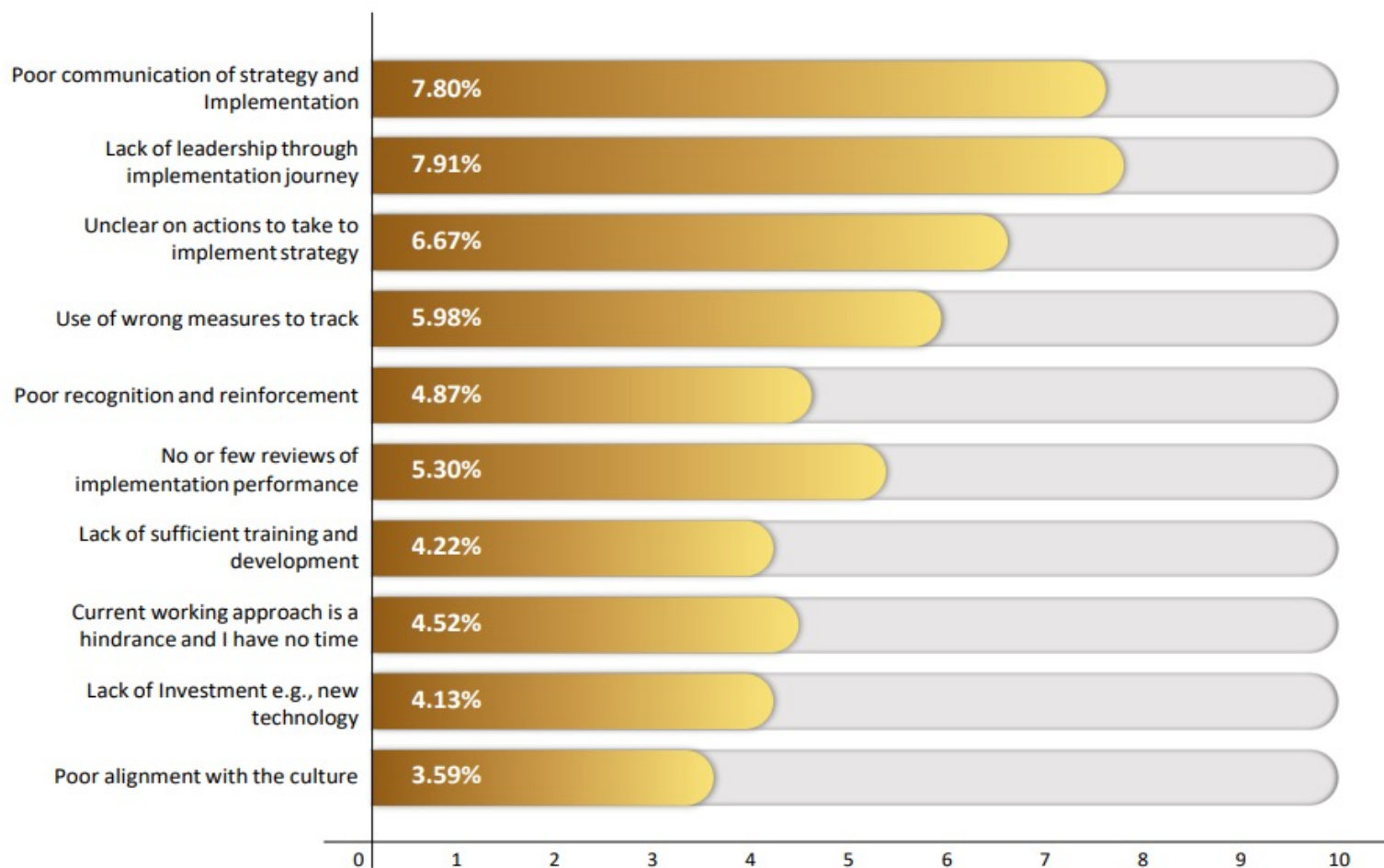
# Business strategy process

**Q4:** What percentage of strategy implementations are successful in your organization?



# Business strategy process

**20-Year Results of Q11:** Please rank the reasons you think implementation fails, with number one being the top reason.

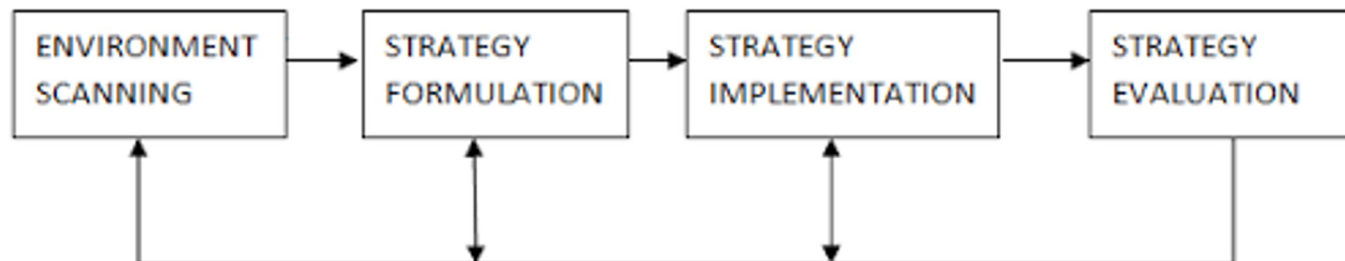


# Business strategy process

There are many components of the process which are spread throughout strategic planning stages.

Most often, the strategic planning process has 4 common phases:

- **Situation Analysis**
- **Strategy Formulation**
- **Strategy Implementation**
- **Strategy Monitoring**



# The second phase - Strategy Formulation

The starting point of the process is initial assessment of the firm. At this phase managers must clearly identify the company's **vision and mission**.

Vision is the ultimate **goal** for the firm and the direction for its employees.

In addition, mission describes company's business.





# Step 1. STRATEGY FORMULATION

## *Benefits*

- Motivates and inspires employees
- Provides one purpose to work for
- Sets the stretch goals (goals that are impossible to achieve with current resources and capabilities)
- Guides managers in effectively allocating resources



# Vision statement

An effective vision statement must have following features

- It must be unambiguous.
- It must be clear.
- It must harmonize with organization's culture and values.
- The dreams and aspirations must be rational/realistic.
- Vision statements should be shorter so that they are easier to memorize.



Vision & Mission

# These *steps* and guidelines to help you write an effective **Vision statement**

**Step 1. Gather a team of managers, employees and shareholders.**

**Step 2. Ask everyone to write their own version of vision.**

**Step 3. Revise the statement and present the final version.**





# Practical skills “HOW TO WRITE A GOOD VISION STATEMENT”

There are a few common rules that pretty much all good Vision Statements should follow:

- short
- specific to your business
- do not use words that are open to interpretation
- simple
- ambitious
- align to the Values



# Vision statement examples

## *Good examples*

**Chevron:** To be the global energy company most admired for its people, partnership and performance.

**Habitat for Humanity:** A world where everyone has a decent place to live.

**Microsoft:** A computer on every desk and in every home

**Save the Children:** Our vision is a world in which every child attains the right to survival, protection, development and participation.



# Step 1. STRATEGY FORMULATION

**Mission statement** is the statement of the role by which an organization intends to serve it's stakeholders.

It describes why an organization is operating and thus provides a framework within which strategies are formulated.

It describes what the organization does (i.e., present capabilities), who all it serves (i.e., stakeholders) and what makes an organization unique (i.e., reason for existence).



# Step 1. STRATEGY FORMULATION

## *Definition*

“**Mission statement** is a description of what an organization actually does – what its business is – and why it does it.”

The **Mission statement** concentrates on the present; it defines the customer(s), critical processes and it informs you about the desired level of performance.



# Why creating a mission is important?

## Benefits:

Informs organization's stakeholders about its plans and goals;  
Unifies employees' efforts in pursuing company goals;  
Serves as an effective public relations tool;  
Provides basis for allocating resources;  
Guides strategic or daily decision making;  
Shows that a company is proactive.



## Features of a Mission

- Mission must be **feasible** and attainable. It should be possible to achieve it.
- Mission should be **clear** enough so that any action can be taken.
- It should be **inspiring** for the management, staff and society at large.
- It should be **precise** enough, i.e., it should be neither too broad nor too narrow.
- It should be **unique** and distinctive to leave an impact in everyone's mind.
- It should be **analytical**, i.e., it should analyze the key components of the strategy.
- It should be **credible**, i.e., all stakeholders should be able to believe it.

# What to Include in a Mission Statement?

When developing a **mission statement**, it should be seen that the following questions are answered:

- **What do we do today?**
- **For whom do we do it?**
- **How we do it?**



# Mission statement examples

## Facebook

Facebook's mission is to give people the power to share and make the world more open and connected.



# Mission statement examples

## Google

Google's mission is to organize the world's information and make it universally accessible and useful.





# Mission statement examples

## Microsoft

Microsoft's mission is to enable people and businesses throughout the world to realize their full potential.



# Mission statement examples

Yahoo!

Yahoo!’s mission is to be the most essential global Internet service for consumers and businesses



# Mission statement examples

## Apple

Apple is committed to bringing the best personal computing experience to students, educators, creative professionals and consumers around the world through its innovative hardware, software and Internet offerings.



# GPT example

## **Vision Statement:**

"To be the leading innovator in conversational AI technology with CPT Chat, empowering businesses and individuals to communicate seamlessly and intelligently with machines. Our vision is a world where human-machine interactions are natural, efficient, and personalized, driving enhanced user experiences and transforming industries through the power of AI."



# GPT example

## Mission Statement:

"At CPT Chat, our mission is to create and deliver state-of-the-art conversational AI solutions that set new standards for human-computer interactions. We are committed to:

- Advancing the capabilities of CPT Chat to understand and respond to natural language in a wide range of contexts.
- Enabling businesses to leverage CPT Chat for improved customer support, productivity, and insights.
- Ensuring the privacy and security of user data while delivering highly personalized and efficient interactions.



## Step 3. STRATEGY FORMULATION

A **goal** is a desired future state or objective that an organization tries to achieve.

Goals specify in particular what must be done if an organization is to attain mission or vision.

Goals make mission more prominent and concrete.

They co-ordinate and integrate various functional and departmental areas in an organization.



# PURSUING THE GOALS THROUGH SMART



# PURSUING THE GOALS THROUGH SMART

S

**Specific** goals are well defined and clear on what needs to be accomplished. What outcomes do you need to see in order to consider the goal accomplished?

M

**Measurable** goals enable you to evaluate whether or not the goal was achieved or not. How will you decide whether the goal is completed or not?

A

**Attainable** goals are realistic about what is possible given the availability of resources, knowledge, and time. How likely is it that you can accomplish this goal?

R

**Relevant** goals are important to you and will make a material impact on achieving your larger objectives. Does it make a difference to your overall objectives if this goal is met?

T

**Time-Based** goals lock goals into a specific timeframe and specify when they will be completed by. When do you need the goal completed by?



# Example of a SMART goals

## Examples of Business Smart Goals

- Reduce overtime in the department from 150 hours per month to 50 hours per month by the end of the fiscal year with no increase in incident reports.
- Identify, execute and run 5 customer education webinars this quarter with 10+ attendees and 80%+ satisfied/very satisfied rate
- Prepare for product launch by developing launch checklist of activity, tasks, due-dates and drive approval by all stakeholders by April 1
- Conduct at least 10 phone screens and 3 on-site interviews to achieve the goal of hiring new finance manager by end of quarter
- Gain four new clients for my business this quarter by conducting 3 or more customer meetings each week

# Tips of Smart Goals

1. **Choose goals that are important to you**
2. **Be specific**
3. **Ask yourself why**
4. **Set goals that are measurable**
5. **Set goals you can control**
6. **Create goals with a positive tone**
7. **Create an action plan**
8. **Focus on the process**
9. **Review and reassess your goals**



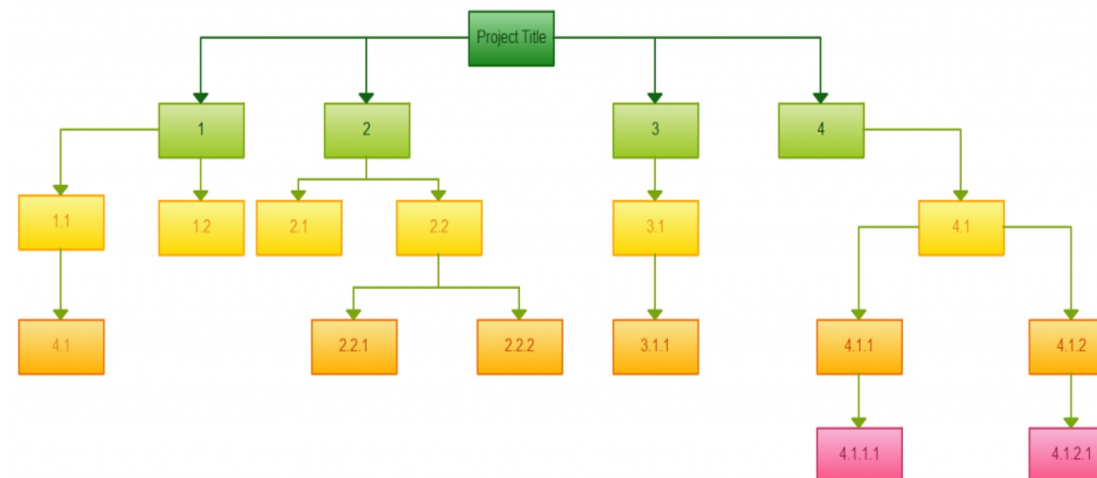
# Strategy Road Map or Work breakdown structure (WBS)

A tool used to define and group a project's discrete work elements (tasks) in a way that helps organize and define the total work scope of the project.

The project is divided into hierarchical groups of tasks (work packages, and work units).

Tasks, work packages and work units should be budgetable (money, labour hours, and other resources).

The technique of creating a WBS is non-uniform.



# Road Map in business strategy

Possible levels in a Road Map:

Goals

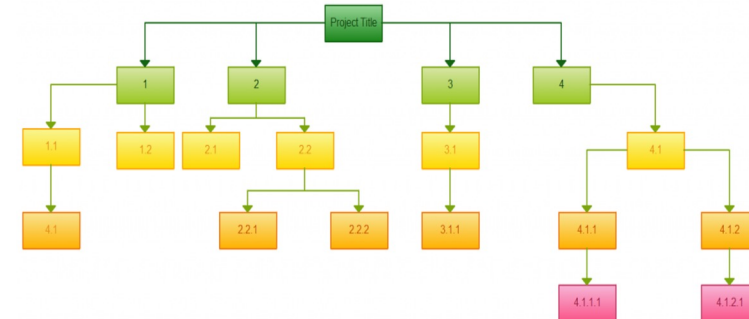
Sub-goals

Deliverables

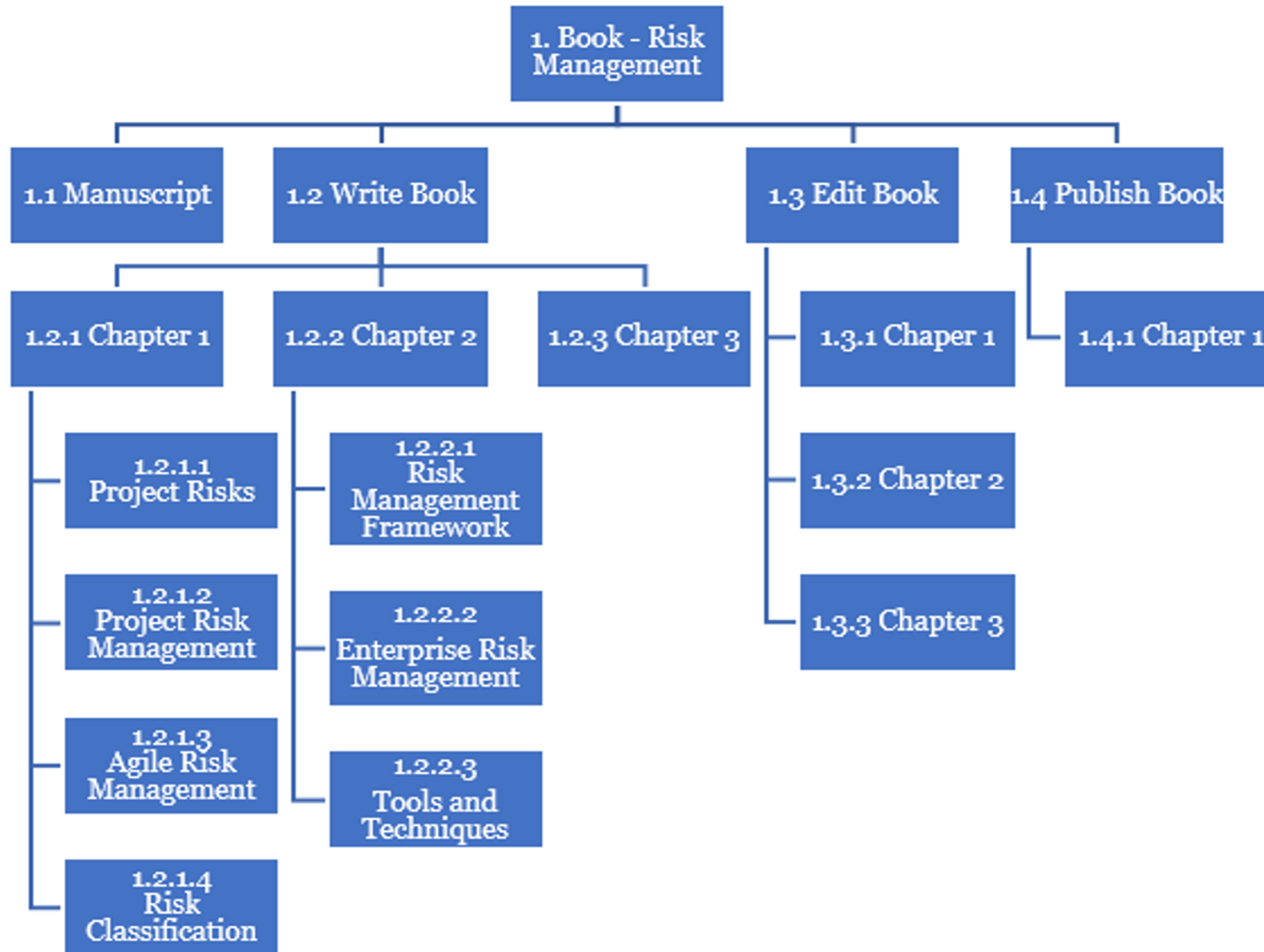
Sub-deliverables

Work packages

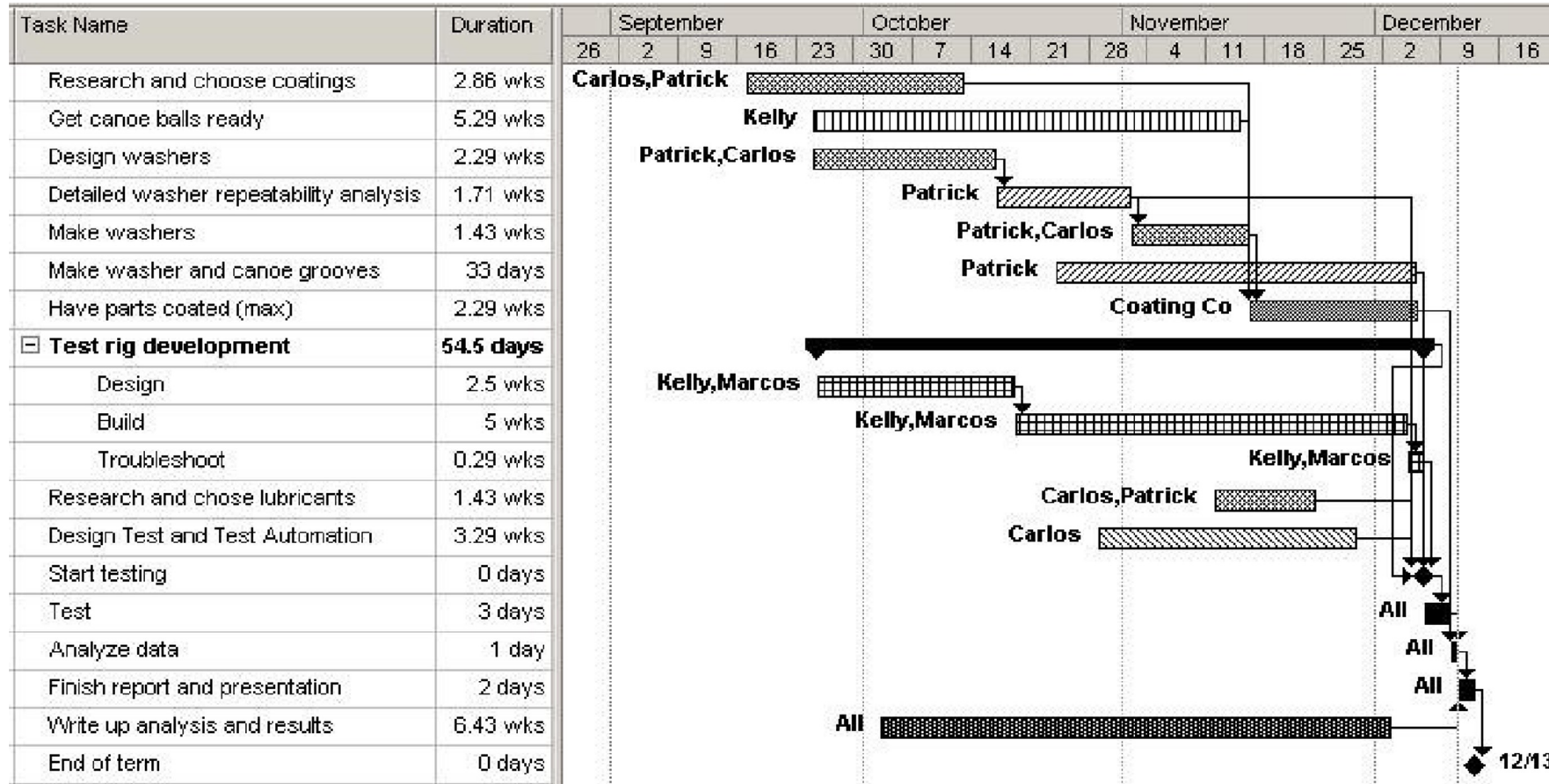
Work units



# Road Map example



# GANNT chart example



# Efficiency of the Strategic-Planning Process



# Deerhdmbx ne sg d Rsq sdf hb, Ok mhmf Oqnbdr r







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Thank you

Valentyna Yakubiv

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