
THE BUSINESS STRATEGY CANVAS: FROM STRATEGIC PLANNING TO OPERATIONAL EXECUTION

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Abstract: This paper discusses the persistent and costly "strategy-execution gap" that affects modern organizations, especially in the post-digital economy. Although numerous strategic theories exist, recent industry data indicate that 53% of organizations fail to achieve their strategic objectives (Gartner, 2023) due to leadership fragmentation, resource allocation, cognitive overload, and the rigidity of traditional planning tools. As a result, the paper introduces and explains the testing results of the Business Strategy Canvas (BSC), a simplified, normative, and visual tool intended to synchronize enterprise goals with execution capabilities through visual management. This study applies a qualitative, integrative literature review and conceptual framework analysis grounded in Design Science Research (DSR) principles and three case studies in small businesses using the specifically designed software for the strategic planning process based on BSC. Seminal works on strategy formulation (Chandler, 1962; Schendel and Hofer, 1972) and contemporary research on dynamic capabilities and execution barriers (Teece, 2025; Krishna, 2024) were critically analyzed. By identifying the ontological disconnect between complex conceptual frameworks and practical business needs, the study synthesizes core strategic components into a unified visual canvas that can be integrated into strategic planning and execution processes at all levels, from top to bottom, across functional or process divisions within the organization. The BSC is presented as a one-page visual framework covering seven core components: Core Identity (vision, mission, and values), Environmental Analysis (internal and external - SWOT analysis), Strategic Goals, Key Initiatives, Essential Resources, Key Performance Indicators (KPIs), and Results Achieved (Reflection). Unlike traditional, static planning documents, the BSC operates more as a dynamic boundary object that can easily visualize dependencies among resources, goals, and actions, thus decreasing interpretive dissonance among relevant actors. The evidence shows that simplifying strategic planning into a visual format greatly improves stakeholder alignment and allocation of resources. The BSC provides a pragmatic response to the ambiguity in academic literature by delivering a structured, valid normative proposition for strategy formulation and execution. The case studies from the implementation of BSC in three companies show that the most important elements – core identity (vision, mission, and values) and internal and external environment - that impact strategic planning and execution at the same time are those most important for achieving goals or coming close to their achievement. Also, dishonesty in defining those elements can drastically reduce an organization's potential to achieve its strategic goals. Organizations, particularly solopreneurs, micro enterprises, SMEs, and agile teams, are recommended to implement visual frameworks such as the BSC to lower or totally eliminate the gap between corporate strategy and functional or process execution. Additional research is encouraged to conduct longitudinal empirical testing of the BSC throughout different industry sectors to quantify its impact on organizational agility and performance.

Keywords: Strategic Planning; Strategy Execution; Business Strategy Canvas; Organizational Performance; Management Tools

1. INTRODUCTION

The study of corporate and business strategy has been a significant focus within business schools for many years. With increasing globalization, global complexity, and the growing size of business firms, including the latest trends of increasing solopreneurs, the need for planning and the development of corporate strategy has become widely recognized. However, some of the recent industry analysis shows that the challenge of executing these strategies remains critical for achieving strategic goals. According to Krishna (2024), the continuous existence of the strategy planning-execution gap is commonly attributed to leadership fragmentation and inflexible organizational structures that prevent fast decision-making.

Despite this recognition, the field of strategy has often been identified by a commonsensical, judgmental approach, with a paucity of valid, normative propositions in the existing literature. Academic research has revealed a considerable lack of consensus and even a lack of clarity on the fundamental concept of strategy, with over 90

different definitions identified in the literature (Yu, 2021). This multiplicity of definitions and semantic ambiguity is capable of blocking the discipline's ability to guide industry and the corporate sector effectively.

Strategic management is generally understood as an ongoing process comprising several phases: diagnosis, formulation, and implementation (Cohen & Cyert, 1973). Formulation, the focus of this paper, covers developing strategies (initiatives or action steps) to achieve company goals, considering capabilities (strengths), constraints (weaknesses), and the external environment (opportunities and threats). However, traditional and conventional frameworks frequently do not consider the speed required in the modern digital economy, especially in industries where changes are much more faster. The Pulse of the Profession report (The Project Management Institute, 2024) emphasizes a significant transition toward more flexible, fit-for-purpose strategic practices to avoid over-engineering and over-thinking the planning process or unnecessary tasks developed today for the next 3-5 years, using iterative improvements as execution begins. The report suggests that rigid (unflexible) strategic planning documents are incompatible with the current need for agile execution in a dynamic business environment. Furthermore, as noted by Teece (2025), in an environment of deep uncertainty, dynamic capabilities—specifically the ability to sense, seize, and transform—are essential, yet few practical tools exist to help managers visualize these capabilities in real-time. This paper puts forward the Business Strategy Canvas (BSC) to close this gap.

2. MATERIALS AND METHODS

This research uses a conceptual modeling approach grounded in Design Science Research (DSR) to address the disconnect between strategy formulation and execution. The methodological approach adopted a critical review of strategic management literature, focusing on the evolution of strategic definitions and strategy elements starting from normative planning models (Chandler, 1962; Schendel & Hofer, 1979) to contemporary execution frameworks. The research was conducted in four phases:

- **Deconstruction:** Over 90 existing definitions of strategy were analyzed (Yu, 2021) to identify widely accepted components, including goals, allocation of resources, and competitive scope.
- **Gap Analysis:** The limitations of these classic approaches were examined in the context of the "strategy-execution gap" (Speculand, 2022). Recent studies by Mudavanhu and Emwanu (2025) argue that execution failures are often "ontological" design flaws, where essential requirements for execution are not clearly defined or visualized.
- **Synthesis:** Then these core components were synthesized into a visual framework. The design of the Business Strategy Canvas is based on the principle of parsimony in scientific modeling, seeking the simplest possible explanation that adequately accounts for the data, and on principles of Visual Management to reduce mental workload (Eppler & Platts, 2009). The constructed framework was then comparatively analyzed against Yu's structural elements and modern Digital Business Strategy (DBS) requirements to ensure academic validity.
- **Practical testing:** The constructed framework and BSC (a specifically designed software solution for collecting research data and for formulating and executing strategy) were then implemented in a real-world context to validate their effectiveness, identify friction points (the points that impact expanding or reducing the gap between goals and actual results), and assess the success rate of the strategic key initiatives executed.

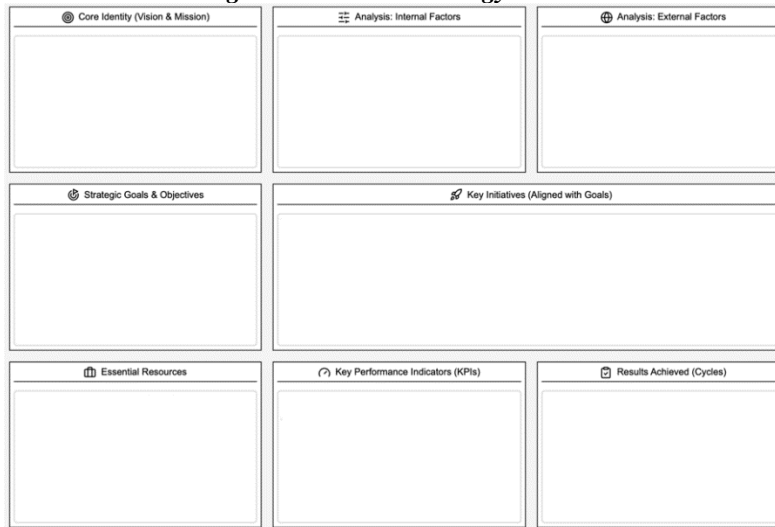
3. RESULTS

The main outcome of this research is the development of the Business Strategy Canvas (BSC) and finding some initial "big impact on achievements" elements of the strategy.

Strategic elements (BSC)

The BSC (figure 1) is a dynamic, one-page tool to simplify strategic formulation and implementation. The goal is to visualize and synchronize strategic goals, deliver clear insight, and what is also important to promote common understanding among involved parties.

Figure 1: Business Strategy Canvas



Source: Own work

The core components of the Business Strategy Canvas include:

- **Core Company's Identity:** Mission, vision, and values.
- **Analysis of Environments:** Assessing internal capabilities consists of reviewing current resources and competencies. The external environment analysis identifies opportunities and threats that impact or can impact the strategic vision.
- **Key Goals:** Essential for achieving the company's vision aligned on the basis of core identity and external and internal analysis.
- **Primary Actions:** - These are action steps consistent with SMART goals that also come from vision and SWOT analysis. As noted by recent research into agile management, initiatives must be prioritized based on resources at disposal (Project Management Institute, 2024).
- **Essential Resources:** - Important inputs required for achieving defined goals (human capital, know-how, financial resources, and technological assets).
- **Key Performance Indicators (KPIs):** Essential for measuring progress towards already defined strategic goals.
- **Results Achieved:** This section relates to ongoing enhancements to ensure adequate learning from outcomes, adaptability, and future growth.

The BSC emphasizes that defining essential principles and conducting environmental analysis are prerequisites for coordinating strategic goals. It offers a flexible architecture that can be adapted for a range of organizational levels, supporting managers to customize the canvas to their particular context.

On-field results

From July 2025 to September 2025, we tested the formulation and 90-day execution of the BSC in three small businesses for three different strategies, with the main goals to increase sales using the BSC framework. The results are summarized in Table 1, which is calculated by the main goal achievement milestone based on the KPI for the first 90 days, which tells us how close we are to the main goal. In such a way, we eliminate using a specific number of action steps from the total number of action steps as the vanity metric.

Table 1: Results of the BSC implementation in three small businesses

	Company #1	Company #2	Company #3
Core Identity	Clear	Clear	Clear
Environmental Analysis	SWOT Matrix	Swot matrix + priorities	Swot matrix + priorities
Key Goals	SMART	SMART	SMART + OKRs
Primary Actions	One Year	90 Days	90 Days
Essential Resources	Clear	Clear	Clear
KPIs	Clear	Clear	Clear
BSC	No	Yes	Yes
Results Achieved (90 Days)	51%	67%	79%

Source: Own work

For Company #1, the BSC framework was not utilized. Instead, the management relied on a traditional strategic document exceeding 50 pages, where the analysis section constituted nearly half the content. The action plan was static and annualized. Consequently, this company recorded the lowest performance (51% goal achievement). Our analysis suggests that the main source for this underperformance was a lack of objectivity (bias) in conducting the SWOT analysis that is translated into the SWOT matrix, specifically the omission of critical internal weaknesses and external threats. This resulted in an action plan that was misaligned with the company's actual operational reality. In contrast, **Company #2** and **Company #3** utilized the BSC software with an integrated AI-driven prioritization tool. This approach enforced a higher degree of transparency in the Environmental Analysis phase. **Company #3** achieved the highest performance (79%) by further integrating SMART goals with Objectives and Key Results (OKRs), creating a granular "line of sight" between the visual strategy and the company's daily operations. These findings indicate that errors in the **foundational elements** (Identity, Analysis, and Goals) are the strongest predictors of execution failure.

4. DISCUSSIONS

The comparative analysis of the BSC's elements with the current academic literature shows that the BSC's inclusion of Mission, Vision, and Goals totally aligns with the fundamental academic perspective on strategic planning. However, where established frameworks commonly leave these as static text, the BSC integrates them into a visual workflow and as the foundation for developing SMART goals and action steps with appropriate prioritization.

The Cognitive Science of Visual Strategy

The transition from text-based planning to visual canvases and software is validated by recent cognitive science research. Visual tools act as "boundary objects" that facilitate negotiation and common understanding between different communities of practice (e.g., executives and engineers). Eppler and Platts (2009) argue that visual strategy tools substantially decrease mental processing and team alignment. By displaying the strategy on a single page, the BSC reduces "cognitive effort," allowing decision-makers to process complex linkages between resources and goals faster than with traditional dossiers.

Traditional Strategy vs. BSC

A distinct contribution of this research is the differentiation between the BSC and the traditional strategic plan. As shown in Table 2, while the traditional approach focuses on long-term goals, the BSC focuses on the execution of that logic over time.

Table 2: BSC vs. Traditional Strategic Plan

Feature	Traditional Strategic Plan	Business Strategy Canvas (BSC)
Primary Focus	Comprehensive Documentation	Strategic Alignment & Execution
Time Horizon	Long-term (3-5 Years)	Dynamic (1-3 Years)
Key Components	Text-heavy analysis, financials	Goals, Initiatives, Resources
Main Utility	Corporate Governance	Closing Execution Gap

Source: Own work

Addressing the Execution Gap

The "Essential Resources" component of the BSC corresponds directly to Chandler's definition ("necessary allocation of resources"). However, the BSC explicitly links these resources to "Primary Actions." This link

addresses the findings of Mudavanhu and Emwanu (2025), that execution often fails because the "ontological requirements" (resources) are not strictly mapped to the "execution requirements" (initiatives). Furthermore, the inclusion of "Results Achieved" supports the "Transforming" aspect of Teece's (2025) dynamic capabilities framework, guaranteeing the organization learns and adapts.

An important distinction exists between the BSC and Yu's framework. Yu (2021) proposes "Major Development Issue" as a core element. While the BSC covers this through environmental analysis, the "Primary Actions" serve as the practical answer to these issues. This is consistent with Collis (2021), who argues that effective strategy requires defining a limited number of "corporate initiatives" or "must-win battles" to guide ongoing experimentation and resource allocation. This distinction also supports the BSC's visual focus on linking resources directly to specific initiatives, preventing the "strategy-execution gap" identified by Sull et al. (2015).

Strategic Execution Gap Elements

Based on the on-field research, even though the sample is still small, and the research is continuing, one of the most important insights we see is that all elements, the order, and the sequence of the BSC elements are essential for effective strategic execution.

The empirical success of Company #2 and Company #3 supports the required change toward "Agile Strategy Execution." While traditional approaches rely on annual (or two- or three-year) cycles, our data support the Project Management Institute's (2024) recommendation for flexible, purposeful practices. The 90-day execution cycle we used in the successful cases allowed for faster "sensing and seizing" (Teece, 2025) of market feedback, whereas the annualized plan of Company #1 created a "rigidity trap," preventing the organization from adapting to current performance data.

Also, this research shows that weekly and monthly reflections are crucial for continuous improvement and adjustment of the action plan based on real results achieved. In such a way, we transform traditional static strategic plans into dynamic, adaptive action plans that can respond to changes in the environment and internal conditions.

5. CONCLUSIONS

The BSC strategic framework delivers a realistic response to the complexity and conceptual ambiguity dominant in strategy literature. By putting strategy into a single page with a focused set of core components, the BSC improves clarity and facilitates communication.

The paper validates that while the components of strategy (goals, resources, actions) have remained consistent from Chandler to the present day, the method of their definition and delivery must evolve. The BSC addresses the "execution gap" identified by Krishna (2024) and Tawse and Tabesh (2021) by visually linking high-level goals to specific resources and initiatives.

Recommendations:

Organizations, particularly those implementing agile methodologies, are recommended to employ the BSC framework as a substitute or supplement to conventional strategic planning frameworks. This instrument proves particularly beneficial for solopreneurs and small to medium-sized enterprises (SMEs), where the necessity for rapid decision-making and limited resources necessitate efficient resource allocation in planning.

Second, the research shows that the first two elements (core identity and internal and external environment analysis) are the foundation of the entire strategy. Therefore, it is essential for strategic managers to be honest and transparent in defining core identity and conducting analysis.

Future Research:

While the present study validates the conceptual validity of the BSC, upcoming research needs to empirically test the tool across a range of industry sectors. Longitudinal studies are needed to measure the quantitative impact of the BSC on organizational performance and agility in contrast with conventional planning methods.

ACKNOWLEDGEMENTS

The authors would like to thank the academic staff at Euro College for their support in the preliminary review of the framework components and for using resources to develop software and start testing the hypothesis in a real-life business environment.

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