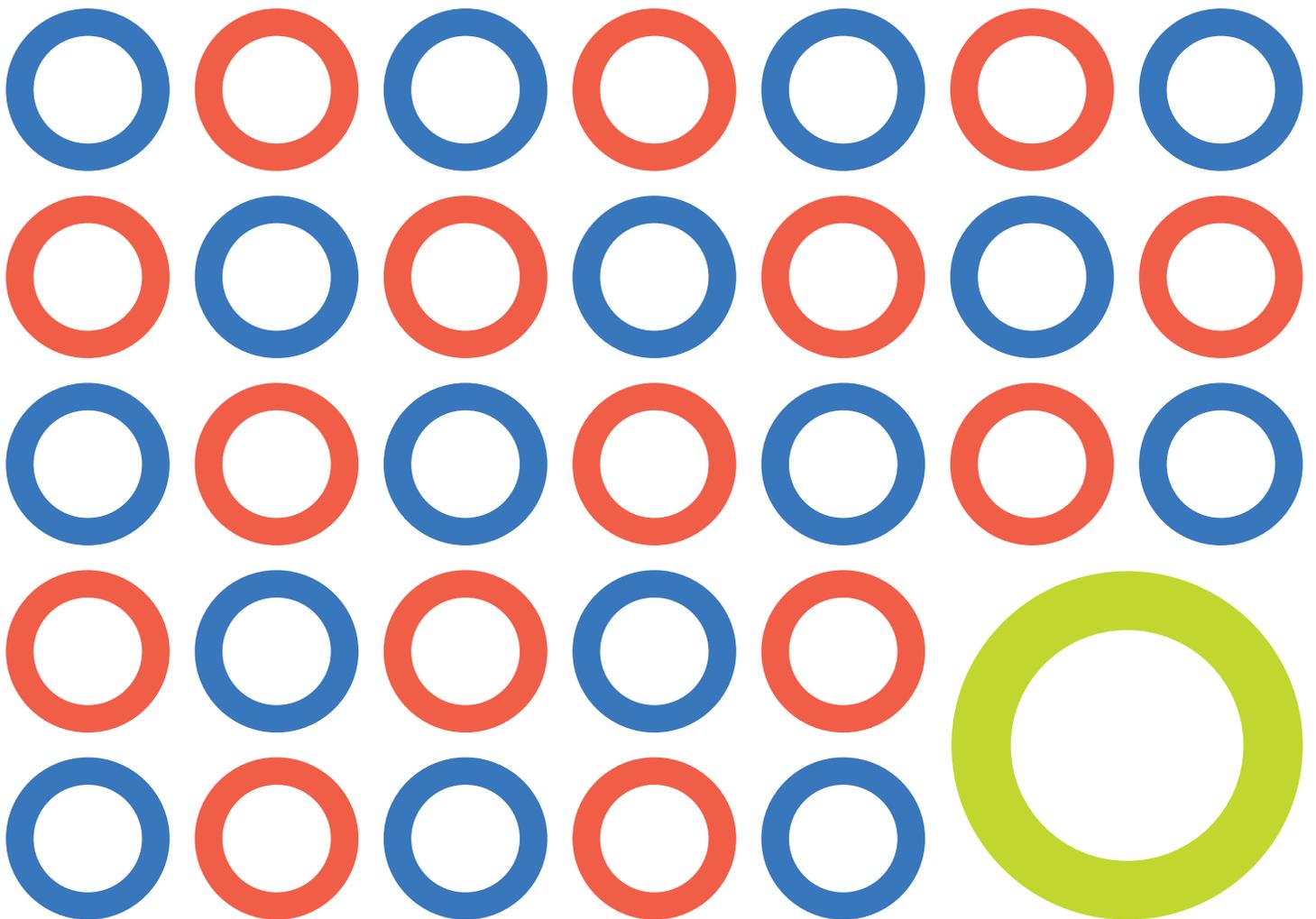


How do I do it?

Developing Strategic Thinking in Small, New or Growing Organisations



oasis

School of Human Relations

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Preface

This is a practical manual for those who have to come to grips with planning, strategy and thinking about what they have to do in relation to other groups in an organisation.

It is meant to be practical and useful, not theoretical and 'interesting'. The first part outlines how strategy works: how we can do it – even though most of us find it all beyond us when we begin. In that sense, the purpose of Part One is to demystify something that, whilst complicated at times, is not necessarily complicated *per se*.

The second part looks at strategy and organisations. It helps give an overview and perspective about the kinds of questions that strategy raises and how these can be related to the themes and questions of the organisation's development.

The manual would be of use at different times for different purposes and like any other manual is meant to be referred to when needed, not considered a 'text' that has to be absorbed.

Introduction

At some point, strategic thinking becomes important in any activity, whether it be an individual, a group, or an organisational activity. If a strategy is nothing more than a *means to get you somewhere* – a way of accomplishing something – then any task that is repetitive will, sooner or later, end up having a strategy attached to it. In other words, repetition generates strategy.

Human beings are creatures of habit and it is more *efficient* (time-saving) and *effective* (productive), to develop a streamlined way of doing something rather than to approach an activity as though it were the first time it has ever been attempted on each occasion. But such strategies are anything but *flexible*. They are not selected because they are the most *responsive* ways to manage situations, especially situations that change. A strategy that is useful for one time period or one set of circumstances will not necessarily be useful for another context or a changed set of circumstances.

Also, as the above implies, individuals develop strategies without consciously recognising that they are doing so, and they develop strategies that meet their 'preferences'. Most individual strategies are largely unconscious and though they work, it is hard to say why or to be explicit and clear about them. By the very nature of how we acquire and use them, being explicit is not essential. They have to work for what they do and they have to work 'well enough'. However, they are often limited in their effectiveness and efficiency – even for what they were designed to accomplish.

So, for example, someone may be an extremely good planner of holidays, but hopelessly chaotic in their working life. Clearly they have a strategy for managing one task – holidays – and it doesn't translate to another task – their work. Now sometimes the strategy simply won't translate, the elements are too foreign and a new strategy has to be devised. Or the strategy in one activity, holidays, is related to an individual's motivation – they want to get the most out of their holidays so they plan them well. When it comes to their work, they feel no such individual control and influence over their role so they never think to bring the same degree of strategic thinking to it. They may well feel that their work has too many variables controlled by others to be worth their while planning so well. It would only get interfered with. All of us develop rationales as to why one strategy will not travel to another place. Sometimes we are right and often we are not.

In the same way, organisations develop ways of doing things that are related to their state of development, their culture and their way of operating. Such a way of conducting themselves may succeed for a time, but sooner or later it is likely to become inadequate. At such a point, the need for a more formalised way of working out how to move things forward will appear, usually in widespread ways and across the organisation as a whole. Suddenly, everything will need to be thought about *strategically* and consciously. This is not to imply that there has been no strategy up to this point, only that the strategy has been acquired without any careful or ordered process having been undertaken.

The days when each unit could be left to get on with its own activity, in pretty much its own way, and the annual budget meeting or the quarterly review would suffice to ensure that everything was moving along in some sort of common way, are over.

This is no longer enough. Decisions in one area of the organisation may have major effects upon the opportunities and plans of another. Arrangements for spending on one form of provision may mean other units' plans are now severely curtailed. The effect of one part of the organisation upon others is suddenly apparent and mechanisms must be found to ensure that this is done with a degree of rationality and thought, rather than by default or by those 'in the know' getting in first. This creates a period of disconcerting turmoil in the organisation. Internal competition may have been low or high, it may have had little force, but now it has to be faced. It also has to be put within a framework that transcends the individual interests of departments or of sections and placed within a wider organisational context.

A strategic view is required for the development of the organisation as a whole. The rudimentary mechanisms and procedures in use up to this point are suddenly inadequate and a new mode of thinking is required. From this stage on the strategic dimension of the work of those managing the organisation becomes increasingly important.

The separation of those leading the organisation from those managing it (the middle management) increases and the organisation develops a level of sophistication that it has not known before.

This manual outlines a way for an individual to make the strategic shift from their *own role*, to that of the *unit*, and then to that of the *organisation*, considering what the term 'strategy' means at each stage. It is, for example, of little use asking someone to prepare a 'strategic document' on the implications of their area of work at an organisational level, if they cannot describe the strategy they are using to manage themselves in the role they occupy. Strategic thinking is best developed from the individual upwards and outwards.

It also helps move the individual from doing what they do to learning *how* they do what they do. As operational competence is gained and a greater understanding of the wider way of doing things is gained, a further stage is reached. This can entail more of a process perspective and a less direct operational one, possibly amongst a group of people with similar process and team responsibilities. The next step would be to have a co-ordinating role of several people each having responsibilities for teams of people. The responsibilities now include maintaining a certain level of efficiency and effectiveness across a number of groups or teams. In this sense the individual moves from a practitioner to a supervisory to a managerial perspective.

The method and the style of this work and how it is described throughout this manual is capable of adoption and modification by any individual or group that faces a similar need – given some of the cautions that are scattered throughout the document. But as important as the steps, it is the pace of development that is important in such a venture. People have to be ready for it and have to be managed with some degree of sensitivity and firmness as the situation arises. When a group or an individual begins to develop a strategy they may be in for some surprises about what they learn about themselves. They may also be surprised by the assumptions they make about their work, their role, the future of the organisation and the contribution that they may expect to make.

Part One: Getting Started

“Until one is committed, there is hesitancy, the chance to draw back – always ineffectiveness. Concerning all acts of initiative and creation, there is one elementary truth the ignorance of which kills countless ideas and endless plans: that the moment one definitely commits oneself, then providence moves too. All sorts of things occur to help in one that would never otherwise have occurred. A whole stream of events issues from the decision, raising in one’s favour all manner of unforeseen incidents, meetings and material assistance which no man could have dreamed would come his way. Whatever you can do or dream you can, begin it. Boldness has genius, power and magic in it. Begin it now.”

Goethe

How do I do it?

1: Strategy and its Value

The Use of Strategy

The word strategy derives from military campaigns and is increasingly in use in organisational planning.

“The art of a commander in chief; the art of projecting and directing the larger military movements and operations of a campaign. (Differs materially from tactic; the latter belonging only to the mechanical movements and operations of bodies set in motion by the former.)” *Shorter Oxford Dictionary*

Few organisations can work with any degree of sophistication without a strategic document of some kind; few managers could hope to work effectively without their own strategy worked out and regularly reviewed.

A strategy is a way to accomplish something: something that involves a series of steps or a number of variables that require reflection to assess their relative importance and potential impact. On a day-to-day basis it may be evident what needs to be done, but without the opportunity to stand back and consider where things are going and the influences on what is happening, the strategic aspect of an activity may become lost in operational considerations. Military campaigns are the activity *par excellence* where planning and co-ordination and the inter-relationship of the parts need to work together if lives are to be saved, let alone victory to be won.

Strategies for Other Things

People can devise strategies to accomplish many things. In an everyday sense a strategy is simply a way to get something done that involves a number of steps and involves a number of variables. In this document *getting warm* and *walking* are used as examples.

1. Getting warm: I want to get warm. I light a match. I turn on the gas fire. I build a fire. These are all ways to get warm. The strategy to get warm will depend upon where I am and what is available. Some strategies will work fine to get me warm, but they may bring unwanted side effects: lighting a match when the gas is switched on or building a fire in a tinder dry wood are risky strategies. To get warm, I may be better off asking to borrow your jacket.

2. Walking

Stage one: I take a walk. I decide I like this walking thing. I do it regularly. I don't go far and I don't attempt to be adventurous. I keep within a safe set of limits and nothing happens out of the ordinary. After a while I decide I would like to walk in a different kind of terrain. I buy a map; I get a compass. I realise I may well need some boots and better equipment if I am to take walking seriously.

However, before doing all this I decide to borrow some equipment and take a short trip first. There is no point in investing in all this if I might not like it. At this point strategy is involved. I am weighing my options, considering my choices and working out the implications of this activity against others that I might want to pursue. I am also taking into account the economic effects of the decisions I might make.

Stage two: Stage two arrives when, after a considerable period of being a 'walker', I decide I want to not only join a group (I might have done that a while ago), but I decide I will *lead* a group on a walking trip. The level of strategic thinking this involves is a quantum leap, or a *step change* to ensure I get my act together. The decisions and information required to plan and manage a group of walkers is not simply a function of how well the leader can walk, read a map, or follow a compass.

There is a set of *other* skills involved that have nothing to do with walking itself but with planning and managing a situation and a set of people. The best walker in the world may fail miserably at setting up a walking trip for others; often someone who is extremely good at something has little patience with the pace most of us want to go at.

Stage three: however, if all this goes well enough and I fancy my chances at this work – because it is work, enjoyable perhaps, but still work – then I might decide to set up a *walking holiday business*. No longer am I managing groups of walkers that I lead. I no longer go out at all. I arrange all the variables: routes, equipment, accommodation, transport and everything else that is required for those who manage the groups and those who do the walking. This is stage three.

If all goes well and I am good at this activity, it all runs smoothly; if things do go wrong there are questions to be asked:

- Is this something to do with my planning and organising at the level of the strategic planning?
- Is it an operational problem?
- Is it an individual mess-up?

Individual mess-ups can sometimes help inform future strategy. Realising, for example, that people who have just had major surgery would not think to cancel their trip may mean that we put an advisory note on all booking forms to warn people to think again. Sometimes an operational issue leads to new strategic considerations. Learning that the hotel we have used as the starting point for one of our most popular trips is now under new management and has dropped its standards considerably will require a different response. It may lead to a new strategy because this may be the last in a number of developments that lead us to decide to review the whole way we operate in relation to a particular trip or an area we cover.

A strategy can be modified and revised by information of sufficient seriousness coming from any source. The only questions are, 'Is it serious enough?' and, 'Is it time to modify it?' The answers require judgement; and a strategy, in the end, is about gathering information together in the right amounts about the 'right' (meaning 'pertinent') things to have an informed judgement about.

The Need for a Strategic Document

The need for a *strategic document* often becomes apparent by its absence. When an organisation needs to make a decision it might discover that an area of work or an area of activity has not been sufficiently considered because there is no strategy which refers to it or the information to hand is insufficient to make an informed judgement. There is, therefore, no informed way of assessing the impact of what is being proposed. We are in the land of guesswork. At this point, the organisation has to make do with other documentation and thinking to get a hasty sense of what the implications might be. This is not a good way, for an organisation that wants to have a long-term future, to operate.

Until a strategy is needed there's no point in having one, when it's required it is usually too late; it is difficult to know when to have a strategy ready. If the work you are doing is in an early stage of development then getting things to happen, learning what fits where and when – *the operational element* – is all-consuming. Until you know what the important elements of the equation are, it is all a bit nebulous.

However, *learning to think strategically is a crucial part of managing any operation*. It is about thinking ahead, not about what we do and how we do it, but about those things that *will or might affect what we do and how we do it*. It is also about considering what we will do when the things that we know now, but which are going to affect us in the future have had their effect and we have to manage the result. In other words, it is about creating likely pictures of the future shape of things that *we are intending to work toward*.

It might involve creative fantasies of what we would like. It might, and usually does, involve developing the worst case scenario and thinking about how to avert it, but *it must involve the most realistic appraisal of where the activity is expected to be*, given all that is known whilst leaving room for new information to up-date the strategy as time goes by.

The strategy doesn't dictate what we do, but it does *inform* what we do and gives us a clear picture of what we expect and how we intend to meet what we expect. It also illustrates the quality of thinking that is being put to the questions of:

1. Where are we going?
2. How will we get there?

Strategy and Planning

In the past, strategic thinking has been essentially a form of planning, analysing and working things out. There has been little room for guesswork, the informed hunch, the imaginative possibility or synthesis. Increasingly, strategic work will have to take into account these 'soft' forms of thinking, if for no other reason than that the world is not going to remain still long enough for us to plan what to do, let alone implement it. Whilst strategic work has as its overall contribution a way of direction-setting and action planning to get there, it is a much more flexible and variable process capable of and requiring continuous modification in the light of ever-changing realities. Those who find this kind of uncertainty not to their taste need go no further, though how long they will survive in organisations of the future is open to doubt.

Summary

A strategy is a way to do something, get somewhere, and accomplish something. If that something is not a useful task then the strategy, however good, won't be useful. The strategy and the task have to match. A poor strategy for an important task is, similarly, not much use. But the decision about what the strategy is needed for is the most important element in the setting-out stage of building a strategy. The task the strategy may be required to accomplish may be varied and diffuse: it may be clear and specific. It may relate to an aspect of the work, or the whole. It may relate to the present or the future. All these things need to be worked out before the strategy is fully underway.

Having said that, it may be that in setting out to generate a strategy about one aspect of the work of an organisation, one only highlights that other information is needed about other aspects. What began as one specific task then generates a number of other strategic requirements; this is not unusual in a complex organisation that is attempting to get a strategic hold of all that it does. Knowing where to start and knowing what to do in what order can confuse and deflate even the most willing manager. These issues are taken up in more detail in later chapters of this manual.

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