

Strategy Versus Tactics: How To Leverage Your Unique Contribution

By

Linda D. Henman, Ph.D.

“It is not enough to be busy—the question is, what are we busy about?”

Henry David Thoreau

In most corporate or military organizations, you’ll find more people who understand how to run fast than there are people who can decide which race they should enter...more people with well-honed skills for producing results in the short run than visionary strategists. Certainly, you need both to succeed, but most organizations are replete with those who can plug ahead and lacking on those who can plan ahead. Your tactical “to do list” (plugging away) will often keep you in the game today, but only a clear strategy can ensure your success tomorrow. Therefore, as the senior leader, you must understand the nature of strategy, embrace the changes it brings, set priorities for achieving it, and choose the right people to drive your vision. Only then will you outwit your rivals and claim your unique position.

The Foundations of Strategy: Mission, Vision, and Values

What is strategy? The definitions vary slightly, but the common elements and their effects on the realities of organizational life are apparent. According to three long-standing experts in the field, strategy is

“a framework of choices that determine the nature and direction of an organization.”¹

“those policies and key decisions adopted by management that have *major* impacts on financial performance. These policies and decisions usually involve significant resource commitments and are not easily reversible.”²

“the *key* factors that dictate the...direction of an organization together with the *process* that the CEO...uses to set direction.”³

Every organization is headed somewhere. Too often, however, that direction is not the result of a conscious choice. Instead, leaders engage in *perceived* potential, reactive decision making, or short-term gains designed to placate shareholders and analysts.

Conversely, an effective strategy provides a way to create and capture value while serving the customer. It offers the winning formula for an organization’s purpose, direction, goals, and standards: the organization’s mission, vision, and values. People often talk about mission, vision, and values as if they were all the same thing. However, we should think of them distinctly; each plays a complementary but separate role in the success of any strategy.

Mission

A mission statement should play the same role in your organization that the Holy Grail did in the Crusades. Your mission defines your reason for being, the touchstone against which you evaluate your strategy, activities, and expectations for overcoming the competition. Without one, you will diffuse resources, enable individual units of the organization to operate in silos, create conflicting tactics, and confuse customers, suppliers, financiers, and employees. Conversely, when you have a well articulated sense of purpose, you will build a firm foundation that provides clear guidance for all significant decisions and establishes a point of reference for setting strategy and planning its execution. Those are some of the reasons the Air Force changed its mission statement to read, “The mission of the United States Air Force is to fly, fight, and win in air, space, and cyberspace.” A mission statement answers these questions:

Why do we exist?
 What is our business?
 Who are our customers?
 What do our customers value?

In addition to defining the organization’s identity, the mission guides its development over time. Although it should be resistant to capriciousness, as the external landscape changes, the leaders must recognize how to translate purpose into practice, as the Air Force leadership did in 2005. The Air Force mission statement has not changed in its essence, but it now includes two new concepts, "sovereign options," which are not limited by distance, the urgency of time, or the strength of our enemy’s defenses and “cyberspace” which includes network security, data transmission, and the sharing of information.

Not responding to change often has detrimental, if not devastating repercussions. For example, in 1979 Americans experienced long lines at the gas pumps. Gas prices soared (or at least we thought so then) while supply dwindled. The writing had been on the wall years earlier, but not everyone at the Ford Motor Company read it. Henry Ford II was the chairman of Ford. Lee Iacocca headed Ford US, and Hal Sperlich served as Iacocca’s deputy of product design.

In 1976, realizing the needs of the American car buyer to respond to gas shortages and certain the American market would demand smaller cars, Hal Sperlich recommended Ford downsize its cars, advocating smaller, more fuel-efficient cars to compete with foreign imports. Henry Ford disagreed. He pontificated from the outset that he did not want a small, new, front-wheel-drive car because he didn’t think the market would change that much. He advocated taking an existing middle-level Ford car, stripping it down, and making it lighter. That car became known in the debate as the “Panther,” Henry’s favorite.

Even before this debate, in late 1975, after hearing the arguments about how costly a new small line would be, Iacocca offered what he considered an inspirational

idea. Honda had impressed him with its engineering and front-wheel-drive technology. After a surreptitious trip to Japan to discuss a joint venture, Iacocca presented his idea to Henry: build the Fiesta within eighteen months with a Honda engine and transmission in it. Henry was indignant, “No Jap engine is going under the hood of a car with my name on it” he announced. “Small cars mean small profits” became his mantra. For years key leaders at Ford disagreed about the fundamentals of strategy: a shared purpose that responds to change. Iacocca and Sperlich agreed with each other about what they wanted the mission to be—to respond to customer demands—but Henry disagreed. The stalemate led to dire consequences. Ford fired Sperlich, and the American car buyer punished Ford Motor Company. Failure to make decisions based on the mission of the organization cost Ford dearly, yet more than 30 years later, organizations still miss the boat when it comes to putting purpose into practice.⁴ How can your mission serve as the foundation of your strategy and help you know where you’re going if your people don’t know what it is and how it can help you define your vision?

Vision

Once you have considered your mission, the next step in strategy formation is a clear vision statement. A vision statement paints a clear picture of what you intend to do and what you will commit to do. It is a concise statement that defines what success will look like in one, three, and five years, sometimes beyond that. A well-crafted vision statement should include a “big, hairy, audacious goal (BHAG)”⁵ that challenges even well-performing organizations to become better. The classic example of a BHAG is Jack Welch’s challenge for every GE business unit to become one or two in its industry. Other components of a vision statement should be a definition of focus and a timeline for execution.

For example, in 1961, everyone understood the vision of NASA to “land a man on the moon and return him safely to earth” within the decade. In the summer of 1969 Americans glued themselves to televisions as Neil Armstrong took his famous one small step for man and giant leap for mankind. Because of the clarity of this vision, legend suggests that during NASA’s Apollo initiative a reporter couldn’t find anyone to interview about the upcoming launch so decided to talk to the man vacuuming the floor. The reporter asked the janitor what his job was. The janitor answered: “My job is to put a man on the moon,” clearly communicating his understanding that he played a vital role in accomplishing NASA’s vision.

The mission of an organization tends to remain constant, even when the vision changes. Nike’s vision in the 1980s was to annihilate Adidas and then in the 1990s to annihilate Reebok. The mission of annihilation of the competition remained a constant; only the object of the obliteration changed.

During World War II Churchill had a bold, unwavering vision that England would not just survive the war but that it would prevail as a great nation. In spite of the grim reality that the Nazis controlled much of Europe and North Africa and the United States had not entered the fray, Churchill held to his vision, which he shared with his countrymen:

We are resolved to destroy Hitler and every vestige of the Nazi regime. From this, nothing will turn us. Nothing! We will never parley. We will never negotiate with Hitler or any of his gang. We shall fight him by land. We shall fight him by sea. We shall fight him in the air. Until, with God's help, we have rid the earth of his shadow.⁶

Prior to the war, Britain had never had a mission to destroy Hitler, but with the stark realities facing him, Churchill knew he needed to unite the country to support this difficult vision. To this end, he created a department outside the normal chain of command, the Statistical Office, which had the primary function of providing him continuous, updated, unfiltered information.

As Churchill illustrated, and Ford failed to illustrate, a simple but clear vision statement helps you decide where you're going, a critical first step in formulating strategy. It defines something significant you want to do in the future; it inspires, motivates, and challenges. When used in conjunction with your values, it also helps you take a stand on ethical issues.

Values

Organizational values describe the principles and standards that will guide your ethical decisions. Organizations typically list as their values things like leadership, integrity, quality, customer satisfaction, people working together, and a diverse and involved team. While all of these are laudable, which would a successful organization *not* value? In other words, a list of ideals that *any* organization would promote doesn't really distinguish you, and you're not likely to have any arguments about the importance of embracing these ideals. But how? How do you translate value on paper into value in practice?

Values discussions should address the thorny issues and provide a compass for navigating uncharted seas, even when the price of doing so is significant. For example, in 1987 CEO Robert Haas, the great-great-nephew of founder Levi Strauss implemented corporate values that have helped the clothing organization produce loyal employees and customers, but not without a cost. Because the organization values included a stated desire to be an "organization that our people are proud of and committed to," the leadership at Levi Strauss decided not to do business in countries that have unsatisfactory labor conditions. Therefore, they decided not to use suppliers in mainland China, an expensive decision for a organization that needed to reduce manufacturing costs but one that supported their values.⁷ For the Levi Strauss Organization, their values on paper became their values in practice.

In 1992 the United States Navy faced a similar test of its values when the Kuwaiti government purchased F/A 18s and needed to have them ferried to Egypt. The Navy named then Lieutenant Commander Trish Beckman, who was doing acceptance and operational testing at McDonnell Douglas, to fly in the back seat to deliver one of the planes. In spite of fears that the Kuwaiti government would object to accepting a plane a woman had operated, Beckman, who had over 3,000 flying hours in 66 different types of

aircraft, flew the mission. Even though decision makers knew the customer was likely to protest Beckman's involvement, based solely on the fact that she is a woman, the Navy leadership decided to put Beckman in the rotation. The decision makers insisted she fly the mission indicated a willingness to compromise with the customer to address their concerns that a woman would have sat on the ejection seat that their Kuwaiti male pilots would eventually have to use. As each crew before them had done, the pilot and Beckman flew the F/A18 into Egypt, but on this delivery mission, an additional procedure seems to have been added to the acceptance checklist: changing the cushions on the ejection seat. (This change to the checklist was never verified).⁸

Like Strauss and the US Navy, your organization needs to live its principles, not just write them. Your values should mean something and serve as criteria for making decisions. Will you fire your most valued, high potential person for a violation of these values? Will you put your own career in jeopardy to uphold them? When you grapple with these kinds of questions, you will be able to develop a list of standards that will become more than a nice poster in your foyer; these values will serve as the bedrock of your strategy.

The Nature of Strategy

As the senior leader, you are the architect, steward, and guardian of the strategy. It is a job that cannot be outsourced, completed, or scheduled. It is the most uncertain thing leaders do because it involves speculation about unknowns and requires a journey into murky waters. However, coupled with hiring and developing talent, it ranks as the most important thing you do...and makes success more certain. Effective strategy formulation concentrates actions and resources on critical issues, gains commitment, provides rationale for allocation of resources, and enhances communication. Yet, it is neither automatic nor self-evident. Therefore, I typically encounter a three-fold problem among my clients relative to strategy: they confuse strategy with tactics; they don't hire enough strategic thinkers who can handle the situational and episodic nature of strategy; and they make strategy an annual event, not an ongoing process.

Strategy is "what" you are trying to do, not "how" you'll do it. It involves setting the destination for the organization, not planning the way to get there. In fact, premature tactical planning often kills strategy development because planning, by its nature, works bottom up; strategy functions top down. Planning relies on facts, operations, and budgets, whereas strategy demands the synthesis of these data and creative thinking about how to leverage your unique contribution. Obviously, both strategy and execution are important, but too many organizations mistakenly concentrate on the tactics before they have a clear strategy. Strategies are few; tactics are many. Strategy comes first, tactics second.

In the past decade, however, many organizations have confused operational effectiveness and its merits with strategy. The importance of operational effectiveness became apparent in the 1980s when it formed the core of the Japanese challenge to Western companies. The Japanese were so far ahead of their rivals that they could offer lower cost and superior quality at the same time. Therefore, the success of operational

effectiveness and its tools unwittingly drew organizations toward imitation, homogeneity, and benchmarking. Operations, tactics, and execution are crucial to success, but only when leaders lose their preoccupation with improving them can they focus on their unique contribution and deliberately choose to deliver an inimitable mix of value.⁹

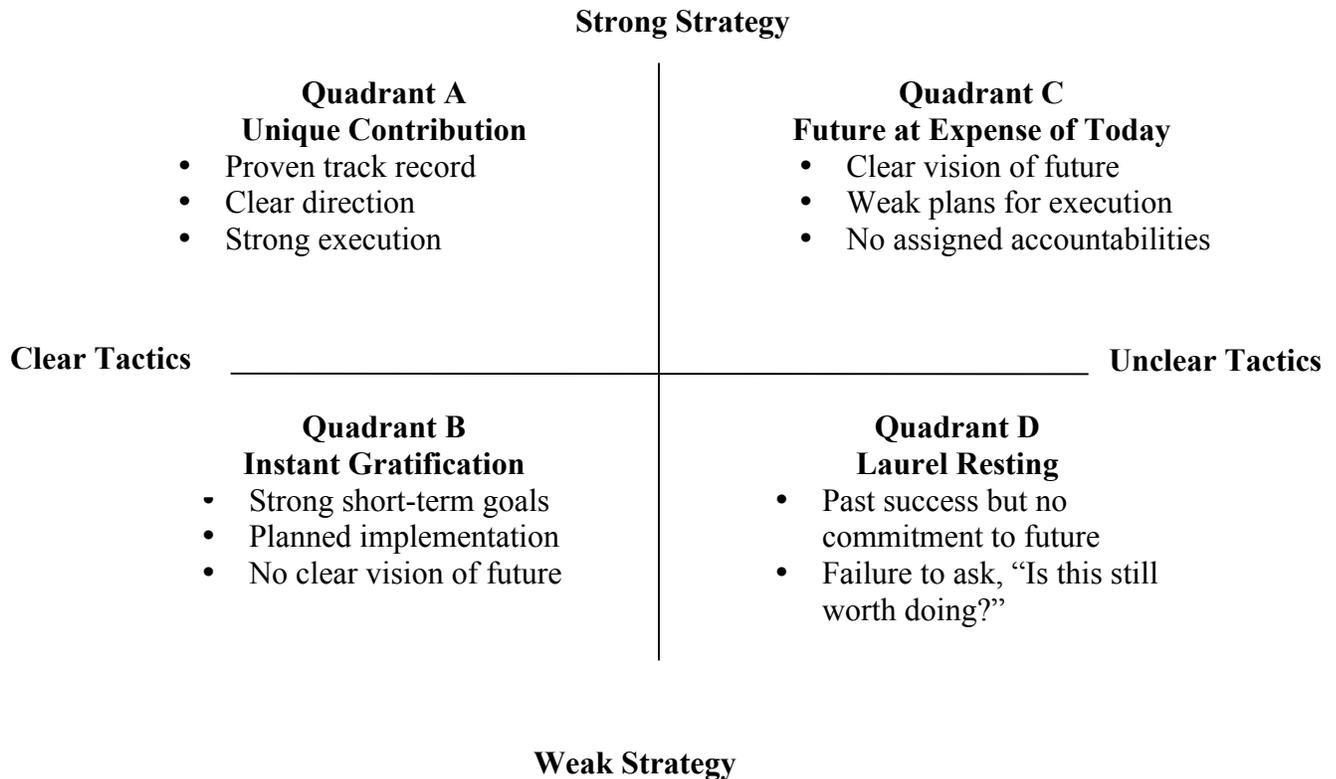
Generic solutions, best practices, and benchmarking cannot succeed in the long run because each organization is an incomparable system. A system is a collection of parts that interact with each other to function as a whole. Systems thinking is a discipline for seeing wholes rather than parts. It is the framework for noticing interrelationships rather than things, for seeing patterns of change rather than static snapshots. If something is made up of a number of parts that do not interact, and the arrangement of these parts is irrelevant, this is a pile of materials rather than a system.¹⁰ For example, a pile of bricks is a pile of bricks whether we add to it or subtract from it. Cutting it in half gives two piles of bricks and adding to it yields a bigger pile of bricks. Essentially, however, the mound of material remains unchanged; but cutting a car, which is a system, in half does not produce two smaller cars nor does adding additional parts to it make a bigger car. Instead, the entire altered system, the car, would cease to perform.

If experts could determine the best parts of each type of automobile, could they manufacture a preeminent automobile by taking disparate parts and putting them together? Taking an engine from one type of car, a transmission from another model, and a carburetor from yet another would not combine to create a system that works. The parts would not be compatible, nor would they create a functioning machine, much less a superlative mode of transportation. Therefore, competitors that want to match another organization's activities and operations gain little by imitating some tactics but not incorporating the entire system, provided that system is based on a sustainable strategy.

Organizations that embrace systems thinking tend to be more strategy-driven. In the civilian sector, they separate themselves from the herd behavior that drives organizations to imitate one another in an attempt to be all things to all customers. Continuous improvement in activities is not the enemy of strategy. In fact, it is essential for achieving superior performance, but it isn't enough. As a leader, you need to go beyond the orchestration of operations to define your organization's matchless position and make the tough calls about trade-offs. You can't import your strategy from another organization because your system is unmatched. Instead, you must define your distinctiveness and leverage it in new ways—the only path to a unique contribution.

Distraction occurs easily, however. In a recent strategy setting session with a client in the technology business, the business leaders were eager to jump to the tactics before any discussion of strategy. When they reviewed the data from the customer surveys and discussed the various metrics, they immediately started to talk about “how” they could fix those problems. They had no clear direction about where they wanted to go, yet they were certain of the modes of transportation to get them there. Making good time in a vehicle that you enjoy driving on a highway that offers numerous amenities is still non-productive if you haven't established your destination. Yet organizations decide daily to do the equivalent of that.

In working with this particular client, I began to write down their suggestions and to ask, “Is this a ‘what’ or a ‘how?’” They quickly realized they were concentrating on the tactics and did not have a clear strategy. As they learned, strategies are few; tactics are many, and discussing tactics too soon encourages people to keep the argumentative shuttlecock in the air. To illustrate the differences in approach, consider this model, an adaptation of the Tregoe Model: ¹¹



Each quadrant represents desirable or undesirable ways for companies to operate.

Quadrant A represents an organization that has established a unique contribution that includes a strong strategy and the clear tactics to support it. Based on a proven track record, this organization has identified those decisions that have led to success in the past and that promise success in the future. By responding to customer needs, developing talent, implementing effective operations, and defining sound financial objectives this organization has acknowledged what it must do to beat the competition and has identified ways to implement this strategy. An organization that has clarified its unique contribution commits itself to excellence, the foundation of strategy. High-performance organizations that have stood the test of time and promise to continue productivity in the future provide examples of this. When a commitment to excellence exists, passion and profitability often follow.

Quadrant B organizations often succeed in the short term. Despite current profitability, they lack a strong strategy. They engage in effective operations that have accounted for their success in the past, but success is doubtful in the future. In the long run, rivals for shared resources take over, but for a period of time, these organizations can stay afloat with hard work. Quadrant B organizations frequently offer good products or services and are passionate about what they do, but they lack excellence or financial strength.

Members of these organizations frequently resist discussions of strategy because what they're doing seems to be working. In a Quadrant B kind of organization, I often encounter a significant commitment to lean processes, Six Sigma, or Total Quality Management, all tactics for driving a strategy. The leadership makes solving immediate problems their primary focus, and strategy formulation seems like a distraction from that priority. Investing the time to engage in a strategy formulation process will lead them to fewer wasted hours and distracted efforts in the future, but for an organization accustomed to instant gratification, the future seems too far off and too abstract. Yet, most failed organizations get buried strategically, not tactically. They may have been making the best horse-drawn buggy in the world when they went under. They may have had strong day-to-day tactics, but they picked the wrong direction or chose too many directions simultaneously. In other words, the problem usually isn't an inability to produce a quality product or service; it's knowing what customers will want more of in the future.

Quadrant C depicts an organization that has invested the time and energy to write and develop a strong, clear strategy. However, they have failed to formulate the ways they will execute. Some of the high-tech companies and pharmaceutical manufacturers offer examples of how an organization might operate in Quadrant C. This kind of situation most often occurs when leaders have left the strategy setting session with no accountabilities for each of the initiatives. When no one has a vested, personal interest in the outcome, you risk tactics, execution, and implementation, not to mention your overall success.

Quadrant D companies are resting on their laurels. Most of the major airlines exemplify this quadrant. At one time they may have had some clear direction, perhaps some strong leadership and committed employees who developed the processes and systems for driving the business. But, for whatever reason, these best practices have eroded. Apparently no one has asked recently, "Is this still worth doing?" Usually companies that operate in quadrant D for very long don't stay companies for very long.

If your organization is operating in Quadrants B, C, or D, first leadership must rid itself of the strategies and tactics that no longer produce results, to begin sloughing off the decisions of yesterday in order to make the pivotal ones for tomorrow. To limit your servitude to the past, try asking the critical question: "If we did not already do this, based on what we know today, would we start doing it?" If the answer is "no," stopping the initiative, curtailing it sharply, or limiting resource allocation to it can alert you to opportunities to respond to today's demands and to commit today's resources to the future. Deciding what you will *not* do

often becomes as important as deciding what you *will* do. Sometimes this means a change in strategy; often it requires a change in tactics; and occasionally, it even demands a different strategy, because, in fact, there may not always be a market for the world's best horse-drawn buggy or even an effective buggy-whip.

The key to a successful strategy is to make enough good decisions—not to avoid mistakes. Strategy looks to the future, which by its nature is unpredictable. Your most successful strategies will align commitments that you have to make *now* with future uncertain, unpredictable circumstances. No one knows what those circumstances will be, and the future is fickle. Successful leaders *do* make mistakes, often significant mistakes, but they keep a strategic perspective. Therefore, the most successful leaders are curious about tomorrow, leverage their organization's unique contribution, and build on a position that others cannot readily replicate. These give them their strategic focus and help them take the first step toward improving their strategy formulation.

Strategic Focus

The strategic focus of a given organization decisively affects its nature and direction; it is the driving force that defines its excellence, value, and passion. Collins calls the intersection of these three dimensions the “hedgehog concept.”¹² It's a single organizing idea, a basic principle or concept that unifies and guides everything you do. The driving force is the foundation of your unique contribution, those strategic areas that exert the greatest influence on your outcomes. Clarifying what it is and leveraging it to its fullest allow you to do something exceptional and explain your unique contribution.

Another way to think about the intersection of your passion, excellence, and value is to consider the world with your organization versus without it. The difference defines your unique added value—what would be lost to the world if your organization disappeared. In The Harvard Business School management programs, facilitators ask participants to consider variations of the following:

- If you stopped doing what you're doing, to whom would it matter?
- Who would miss you most?
- How long would it take another organization to step into the void?
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The answers to these questions will help you understand and recognize the unique contribution your organization makes.¹³

The challenge of senior leadership is to offer a disciplined approach to strategy—an intellectual framework to guide decisions and serve as a counterweight to the quick and easy fixes. This requires an examination of which changes and requests the organization will respond to and which ones it will reject.

Leaders at lower levels lack the perspective, confidence, and authority to decide about, much less oversee strategy. Constant pressure for results will entice them to

compromise and relax trade-offs. Your job, as the senior leader, is to teach others in the organization about strategy and to choose what *not* to do as often as what to do.

Ways to Improve Strategy

In the civilian world, today's uncompromising, competitive environment leaves corporate leaders little choice other than to develop a disciplined approach to improving strategic performance. In the Air Force, limited resources do the same thing. How can leaders in both arenas improve their approach to strategy formulation?

- Determine your driving forces, those dimensions of your organization that define your excellence, value, and passion. Realize that some activities are incompatible; therefore, often gain in one area of your organization can be achieved only at the expense of another. The failure to make difficult trade-offs leads to failure in general.
- Consider four main perspectives:
 1. Fiscal responsibility—How do we protect and utilize financial resources? What should we be doing to ensure our continued fiscal success?
 2. Customer demands—How do we create value? Which of our customers is most satisfied? Which important ones are not?
 3. Internal processes and goals for sustaining improvement—In what internal processes and technologies do we need to excel to satisfy customers?
 4. Growth—What knowledge, core competencies, and talent must we have to sustain our ability to change and improve?¹⁵
- Separate “what” you’re trying to do from “how” you’ll do it. Concentrate on “what.” “How” comes later.
- Gather and analyze data to determine your strategic vision. Consider SWOT (strengths, weaknesses, opportunities, threats) and take into account any other salient information about what you should and should not do.
- Know that strategy should focus on change, not corrective action. Strategy allows you to exploit the unexpected, make the most of opportunities, and innovate your way to success, but it doesn't allow for stagnation, scapegoating, or excuse making.
- Encourage prudent risks. Strategy exists not to minimize possibilities but to encourage sensible risk taking. Changes to the status quo demand clear direction and deliberate choices that you base on your driving forces.
- Look at strategy constantly, not annually or sequentially.
- Embrace ambiguity. It is the norm, and only by living in harmony with it can you lead others through it. Although many appreciate certainty, leaders are paid to make sense of ambiguity. But they must hold others to concrete accountabilities. Based on the information you have, explore the “what ifs?”
- Assign accountability. Strategy works best when each person on the team has a stake in the ground and when each initiative is related to one of those stakes.
- Understand, and help others understand, that strategy hurts. It's about creative destruction of the status quo.
- Align your strategy to your customer's priorities. Which priorities match? Which ones are not well served?

How to Identify Top Strategists

Aardvarks are really good at one thing: eating bugs—sometimes 50,000 in one night! No other creature on the planet can match their appetites. Star performers in their own corner of the jungle, when they tuck a napkin under their aardvark chins, they produce impressive results, just like your hard-working people can in their jobs. Too often, however, in an attempt to do the aardvark and the organization a favor, a decision maker will insist the aardvark fly. There are no flying aardvarks. You can certainly throw an aardvark out of an airplane midair, but you won't end up with a flying aardvark; you will just have a very unhappy aardvark. The damage to the splattered aardvark cannot be underrepresented, but destruction to the organization can be notable too. Being splattered doesn't motivate your people, either the one who just failed or those who witnessed the crash. Pretty soon you have neither productive aardvarks nor soaring eagles.

But how do you know the difference? Psychologists continue to rage about the role of the nature / nurture relationship in the development of cognitive talents. Are we born with the ability to think analytically, for example, or do we inherit it? Can you develop it over time with experience? (For the purpose of this discussion, the words “strategic” “analytical” and “critical” are synonymous).

My work with thousands of leaders suggests by the time you retire, you will have the same strategic abilities you brought with you on your first day. Education and experience can polish them up, provide some new and useful information, and bring previously unused talent to the fore, but nothing can create what isn't there. Aardvarks cannot fly, just as some people cannot soar beyond certain capabilities. However, many with fervent hope fail to grasp this reality. Decision makers often conclude that coaching, mentoring, and experience can recast an aardvark into an eagle's mold. It doesn't happen. What you see is what you get. Your job as the decision maker is to ensure the newly vaulted has the wings to venture into unknown realms.

What does it take to be an eagle in the organization? Strategy work is not for the fainthearted or the tactical thinker. It demands courage, experience, innate abilities, and discipline. Only those who possess these traits can ensure aspirations are not guillotined by limitations.

But how can you recognize those who can and will engage in this critical but difficult work? When making a hiring or promotion decision, based on the individual's proven record of success, ask yourself the following:

- Does this person understand how to separate strategy from tactics, the “what” from the “how”? Can he or she keep the strategy clearly in focus while executing only those tactics that are relevant?
- Can this person keep a global perspective? Or does she or he become mired in the details and tactics? “Analysis paralysis” has caused more than one otherwise top performer to allow opportunity to slip away.

- Do obstacles stop this person? Or do they represent challenges, not threats? The ability to bounce back from setbacks and disappointments frequently separates the strong strategist from the effective tactician.
- Can he or she create order during chaos? Top strategists don't manufacture catastrophes. Instead they keep problems in perspective and realize very few things are truly as dire as they first seem.
- Does this person have the ability to see patterns, make logical connections, resolve contradictions, and anticipate consequences? Or, is she or he unaware of trends?
- What success has this person had with multi-tasking? Often the ability to handle a number of things at once implies good prioritizing and flexibility.
- Can this person think on his / her feet? Or does this person miss opportunities because of an inability to respond? Quickness does not guarantee effective critical thinking skills, however. Some people rush to make mistakes; others take their time and then err. Look at the overall track record. What caliber of decisions prevails? And how much time did the person take in making the good ones, because, after all, there is some merit in having the ability to make effective decisions fast.
- Can this person prioritize seemingly conflicting goals? Is this person able to zero in on the critical few and put aside the trivial many when allocating time and resources?
- When facing a complicated or unfamiliar problem, can this individual get to the core of the issue and immediately begin to formulate possible solutions? Or is he or she distracted by inconsequential factors or ones that are immaterial to your mission and vision?
- Is this person future oriented and able to paint credible pictures of possibilities and likelihoods? Can he / she interpret past experiences from new vantage points? Creativity and analytical reasoning don't always go hand in hand, but when they do, a top strategist is often at the controls. However, often strong strategic thinkers are concrete and practical, but agile. The key question remains, "Can this person solve complicated, unfamiliar problems?"
- How do unexpected and unpleasant changes affect this person's performance? If their analytical reasoning is well-honed, organized, systematic decision makers can respond favorably to change, even if they don't like to.
- When in positions of leadership, does this person serve as a source of advice and wisdom? Can she or he act as an effective sounding board to others who struggle with complex issues?

The core competencies that drive a particular organization may differ, but the ability to think analytically and dispassionately remains constant. The overarching question is this: "When acting in a strategic role, has his person typically performed as needed?" If the answer is "yes," the person probably has the innate talent to be a strategic thinker and will just need to improve requisite skills to support the talent. If the answer is "no," don't gamble by putting this person in a more demanding position. As valuable as the aardvarks of the organization can be, virtually all organizations need more eagles, strong critical thinkers who can learn from mistakes and make bold decisions. Only then can you succeed and be ready to launch a strategy initiative.

Ten Steps for Launching a Strategy Initiative

Understanding your organizational direction and the innovative nature of strategy, accepting the risks associated with making future-based decisions, and identifying and developing talent are all essential for ensuring you have a strong enough strategy to drive operations. But you also need to take the time to engage in a strategy setting process. As Dwight Eisenhower pointed out, “Our plans may be useless, but the process is indispensable.” The *process* of walking your team through a strategy session will create focus and discipline, two of the hallmarks of successful organizations. Follow these ten steps:

1. Have the right people in the room. In general, only the senior leadership team of the organization or division should be involved in a strategy session.
2. Create or revisit the organization’s mission, vision, and values. Based on what we set as our foundation, what does success look like?
3. Analyze the current situation, critical issues, and allocation of resources. Do a SWOT analysis and examine how your tactics support the current strategy. Identify those issues that can jeopardize implementation of the strategy and throw the organization off course.
4. Discuss the driving forces of the organization, customer feedback, and other information relevant to setting goals.
5. Based on the analysis of the current situation and all relevant data, set the year’s strategic objectives and make sure they align with the three and five year plans. Look for cause / effect relationships among the data. What patterns emerge?
6. Prioritize the objectives.
7. Identify the core competencies you will need to support the strategy. Ask yourself what talent is not currently in the organization.
8. Define performance measures. How will you know when you have succeeded?
9. Set timelines and deadlines for each initiative.
10. Assign areas of accountability for strategy deployment. Each member of the leadership team should “own” one of the objectives and be responsible for its execution.

Conclusion

“Strategic” is probably one of the most overused and misrepresented words in today’s organizations. Leaders use it to denote anything they consider important, yet true strategy is limited to those situations that are likely to affect critical outcomes. Strategy identifies your unique contribution—something you can do that others cannot match. It defines the nature of your organization, impacts financial responsibility, and guides your choices. Done well, it allows you to survive, not only to endure but to prosper in the fickle future that lies ahead.

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