

Why Strategy Matters Now More Than Ever



By Gary A. Smith, Ivy Planning Group

We are in the midst of a world-wide pandemic. There is no longer business as usual. For many, working from home is the new normal. Businesses are in every range of flux from high performing, to reinventing themselves, to closed and never reopening. The challenge of leadership today is the tension between competing priorities. Keep people safe or open the economy that fuels our society? Is it reasonable to even consider tie breaking in a situation like this? Human life has to prevail, unless an underperforming economy is also a slow death, right? How do you reconcile the advice of subject matter experts against those competing priorities? How do leaders lead?

Strategic Thinking (ST) is the tool that fosters creativity, innovation, growth, effective problem solving, and high performance. Each of these is a critical outcome in normal times, but in crisis, these outcomes are the difference

between surviving and thriving, and living and dying. ST is the job of leadership. It's the thing that distinguishes best in class organizations.

Our society has become more tactical in nature. We want more immediate gratification. We live in the world of the return that can be realized right now. That transactional short term reality hinders the art of the long view. Let me be clear though. I'm not suggesting that we don't need results or that we shouldn't drive real time outcomes. I am saying that ST is a critical activity on the path to those results. I'm not as worried about the duration of the plan as I am ensuring that there is a process to connect more open ended thinking to decision making that drives performance outcomes.

This starts with evaluating who you are as a leader. An honest assessment

“This starts with evaluating who you are as a leader”

of what you're trying to do. Is your goal to optimize and fine tune the current business model; to get the last drop of juice from that which is? Or are you trying to create the new model, the new business, the new approach --- in other words are you looking to be disruptive? There is a big difference between improving the taxi business and creating Uber. The goal at Ivy is to unleash the elements that allow ST to thrive. To remind the entire organization that the job of thinking belongs to everyone. It's embedding the capacity for ST into the systems we use to run the organization. So what are the questions we need to answer? What are the ties that need to be broken?

Decision Criteria

Competing priorities are the reality of the day. No organization exists to optimize a single issue. There are going to be tradeoffs. The ability to compete, and then to prioritize those options is the reason decision criteria exist. You create them in advance of there even being a decision on the table. You establish what matters most, acknowledge that you value things differently, and admit that all things in your world are not equal. Getting the right decision criteria at the start of ST will assist in avoiding

unnecessary conflict later. Letting the natural bias that exists in decision making come out and discussing it openly and honestly goes a long way to improving the outcomes as well as the buy-in of the process.



Identity, Ownership, and Leverage

The question that every organization must periodically answer is, "Who are we?" What business are we in, who are our customers, what is our value proposition and why do people pick us? As straightforward as that may sound many organizations operate in ways that demonstrate uncertainty, ambiguity and a lack of clarity around those foundational questions. That requires understanding and clearly articulating your identity. Is the United Way a service provider or a

fundraising organization that funds organizations that provide services? Is FedEx in the business of logistics or delivering packages? They are different and it matters. Every decision you make gets easier when you know the answers to questions like that.

If there's a problem knowing your identity, imagine the challenge of not knowing who in the organization owns what and is responsible for ensuring that things get done? The

insufficient compared to unleashing creativity and innovation.

ST provides the path to understanding Identity, Ownership and Leverage.

The Process

You've established your decision criteria. Now it's time to start the process. It starts with assembling the right team to participate. Who are the best thinkers you can assemble inside or potentially outside your

“Who are the best thinkers you can assemble inside or potentially outside your organization? They must be willing to separate themselves from how things work today.”

functional redundancy and inefficiency that exists in many organizations is amazing. The lack of clarity that impacts how organizations go to market and the associated channel contention that results in customer confusion is prevalent today. Role confusion impacts execution, and hinders accountability.

Finally, the concept of leverage is just a given in today's organizational reality. Everyone is resource constrained, so how do you ensure the best use of the resources you do have? How do you also continue to invest in growth? Most organizations are looking to be more efficient, but simply cutting costs may be

organization? They must be willing to separate themselves from how things work today. They can understand the current business model - in fact it's helpful if they do - but they cannot be wed to it. This team will assess what's possible going forward so they cannot be constrained by being loyalists to the current state.

It starts with a vision for the future. This is the hardest part. How do you give yourself permission to see beyond the now? It's why the team is so important. They must have an open mind and the willingness to use it.

Once the vision is clear, the process of asking the right questions begins in

earnest. What are the inhibitors to the vision, what are the opportunities that the current organization has failed to realize, who are our best customers, why do they choose us, who would be our customer if we created a different mix of products and services, and are we staffed to realize the vision? These aren't the only questions. Intellectually curious people won't stop asking questions. Throughout the process, their questions and their willingness to keep challenging the underlying assumptions will ensure the organization lands in the right place.

Think of strategic thinking as the engine that drives a strategic planning process.

Times like these require it. The winners will be the organizations that stubbornly insist upon it. Not as an every now and then activity, but as a critical element that is embedded in the way the organization behaves. A non-negotiable belief that weaves its way into the organization's DNA.

As we celebrate our 30th anniversary – we return to our tagline: Balancing Strategy, Diversity and the Bottom Line. Begin with strategy.

We're here to guide you on that journey.



Gary A. Smith is Co-Founder and Senior Partner of Ivy Planning Group, a full service consulting and training firm. Founded in 1990, Ivy took its core business consulting skills in strategy development, change management, leadership development and performance management and deployed them through a diversity and inclusion lens. Ivy helps leverage difference as workforce, workplace and marketplace opportunities. Gary can be reached at gsmith@ivyplanninggroup.com.