

Barriers to Strategic Planning

Winston Churchill once said “If you don’t stand and fight when you have a chance to win, ONE DAY, you may be asked to go and fight when you have no chance to win”. This statement has come to evoke all the inherent advantage associated with strategic thinking and planning processes; while at the same time acting as a sentinel against the risk of neglecting strategy or not understanding and executing properly on it.

Let’s look first at how to recognize and then overcome the barriers to strategy development.

Overview

Strategic planning is a learned expertise and not inherent in managers and leaders.

The word strategy derives from the Greek word stratēgos ("stratos" - army & "ago" - which is ancient Greek for leading/guiding/moving to), which referred to a 'military commander' during the age of Athenian Democracy.

The formation of strategy development is often characterized on the basis of planning and analytical systems. In many companies, SWOT or the Strength, Weakness, Opportunity and Threat model is a commonly used format for embarking on strategy sessions. In advance of SWOT however, strategic thinking is equally important. Putting an effective strategic thinking and planning process into play early as a prerequisite. It is central to creating a positive result and mastering the challenge of initial strategy development.

John Butler, strategy author and consultant described it in his book “Successful Entrepreneurial Management” as “Strategic Thinking means getting a meeting of minds where collective creativity reveals novel, innovative strategies to create sustainable business advantage; and to create possibilities for success significantly different from those of the present. It is a divergent, creative, synergistic team effort”.¹

“Strategic Planning takes into consideration the actionable elements of the operation, incorporating the potential and possibilities developed through strategic thinking. It is a much more analytical, conventional and formal process”.²

Barriers

The term barriers refers to those manageable influences that can typically derail best intentions with regards to group or committee strategic process development. There are four main barriers. The key is to isolate each barrier in advance of assembling a group, in order to assess the likelihood of any one barrier negatively affecting the outcome. Each barrier, when contained, creates an improved result with an exponentially improved result when all four are addressed and removed.

The four main barriers to executive groups creating sustainable and effective strategic direction are as follows: Fear, Cynicism, Ignorance and finally, a combination of Time and Place. The easiest one to address and work through is time and place.

¹ John Butler from his book Successful Entrepreneurial Management ©2000

² John Butler from his book Successful Entrepreneurial Management ©2000

Time and Place

Strategic thinking and planning is most appropriately formulated away from the workplace where it will be tactically implemented and executed. Many attempts at strategic thinking and planning sessions are doomed to failure by being held in the company boardroom. This can lead to ineffective and inefficient use of leadership time. Freeing one's mindset and creativity to be at its most effective, is necessary to properly contribute to a successful result. It is difficult, if not impossible to call upon our best thinking when the demands of the workplace are all around.

This inefficiency is not only a waste of valuable resources on the day of the initial process, but even more problematic afterwards, when the management team is trying to push a flawed strategy out to the outer margins of the company.

It can also lead to an over focus on strategic planning interventions due to lack of getting it right the first time. Having continuous development meetings around the subject becomes a form of panacea in that it feels right to do it. Many executive teams that find themselves constantly going back to the strategic development process report that they are using a workplace venue.

Therefore, it is necessary to pull your committee together at an off site, quiet venue where there are no phone calls from landline or cell, emails, blackberries or other intrusions. The investment in a retreat-type environment for a session that is properly facilitated can bear fruit for a substantial period of time if not years in some cases.

Fear

Fear is another barrier that lies just under the surface before even the most successful and memorable strategic thinking and planning sessions. Everyone feels it, considers it and either lets it control their participation or as Dr. Susan Jeffers wrote in her seminal book of the same title "Feel the Fear and Do It Anyway", acknowledges it and smashes through it. The ideas and directions that shape the future of companies have often been incubated in self doubt and fear, but released by a strong visionary through effective strategy development.

It is a natural attribute of the human psyche to have much clearer vision around what can go wrong than what can go right. It is the capacity to have a detailed picture of success in the minds eye that is a high performer's key attribute, whether in the process of strategy development or in other pursuits.

Everyday, managers and leaders succumb to this feeling and some of the best material gets left on the grey matter drawing board because someone was afraid to voice their perspective. This fear can come from many sources and is manifested in feelings of job security issues, ridicule, being exposed as inadequate, fear of change, all factors either real or imagined. Each of these scenarios we can certainly generalize as fear of the unknown. The responsibility of eliminating this barrier rests on one set of shoulders alone.

The barrier of fear is always eradicated or exacerbated by one person; that being the highest ranking officer of the company that is present and contributing to the strategic thinking and planning process. By making it very clear through the facilitator of the process that all participants are there to be heard and that a substantial contribution is expected by all attendees; the senior leader sets the proper tone for effective

communication. Other stakeholders' evaluations of what is being brought forward, as ideas and perspectives are introduced, are ineffective and can be intentionally or unintentionally demeaning for others.

The expectation is for the group as a whole to be in the same place at the same time and not trying to get to the end without experiencing the strategic thinking and planning journey itself. A good model without fear takes the necessary function of peer discussion and group evaluation to a later properly facilitated stage of the process.

Cynicism

The dictionary defines cynicism as:

An attitude of scornful or jaded negativity; especially a general distrust of the integrity or professed motives of others.

The cynic himself is defined as:

A person whose outlook is scornfully and often habitually negative.

Based on both of those definitions it makes sense to be mindful of who gets invited to strategic thinking and planning sessions in the first place. The cynic can be a drag on the creativity necessary for the event if a "been there, done that, bought the t-shirt and it didn't work" attitude prevails in a stakeholder.

Perhaps a more charitable background on cynicism is one that gives us the historical basis. "Cynics" were actually a sect of Greek philosophers, 4th century b.c., who advocated the doctrines that virtue is the only good, that the essence of virtue is self-control, and that surrender to any external influence is beneath human dignity.

It is often the qualities of self control prized by these Greek philosophers that a contributor, with the tendency to be negative or cynical, feels it is necessary to bring to bear on the strategic development process. Being the "voice of reason" is a badge of honour for many senior managers. Those with a touch of the cynic can always point to occasions and business situations where they led the team through sober second thought and it turned out right. Again worth remembering about human nature, clear pictures of bad outcomes are easy to tune in to for most people and the cynic has a very direct connection.

To be clear, the cynic sees him or herself as being cautious. Caution is an attribute that can be a valuable component to the discussion of strategy, but like any great behavioural strength, if overused it becomes our biggest weakness. The highest ranking senior manager should acknowledge the barrier of cynicism at the very beginning, even meeting individually with some stakeholders in the days leading up to the event to gauge its impact and then early in the first day of the process, speak to the group about the importance of unbridled discussion.

Perhaps the hardest barrier to surmount in the strategic thinking and planning process is cynicism as it is a protective reflex in many, but like the other three, advanced understanding and acknowledgement in taking action to address it can be key in getting the most out of a group.

Ignorance

Many companies and executive teams that have harnessed the power of great strategic thinking and planning have learned to become adept at overcoming ignorance. They report that, looking back, their biggest shame in not moving forward quicker was in not being able to recognize the barrier of ignorance before it had eaten away at corporate resources, gross margin and EBITA. Ignorance in this case can be simply characterized as not knowing what we don't know, but should.

This is often manifested in a feeling of corporate inertia. "We have a problem with direction and I can't put my finger on it". It can be found in situations like turnover in more junior positions. "We are losing good people and our exit interviews are telling us that our former employee's didn't see any future with us". This can be primarily due to a lack of a universal teachable point of view shared by all tasked with strategic thinking and direction and thus not able to be pushed out to the greater organization by anyone in management.

Not recognizing the symptoms above as situations crying out for a strategy development process becomes the ignorance barrier for executive teams. Not having the proper level of depth in a conversation at a strategic level and in the proper context can sweep problems back under the rug yet again, where they fester further. To gain control, it is advisable to think through cause and effect scenarios. The effect is the outcome (i.e. costly staffing and personnel issues) which is bad. Even worse still, is to not address the cause(s) (i.e. shared vision breakdowns), as following the trail of a leadership breakdown back to its root cause is a core leadership competency and one that pays big dividends in profit etc.

Ignorance can never be eliminated, there are always business issues that lay outside of our understanding and to think we do have it all covered, brings us full circle back to ignorance. Checking the strategic development process for a lack of root cause questioning can lower the barrier of ignorance and can be further reduced by continually making the executive team aware of the importance of an awareness of this barrier.

Conclusion

Strategic thinking and planning can be like open source software development think Linux. Its greatest asset is the ability of the thinking and idea flow that goes in on the front end to be a hitchhiked idea creation format. The contribution of one can be the tail end of an earlier idea that was initiated by another person.

The outcome of properly addressing the four barriers is an equal number of enhanced organizational effectiveness indications.

1. A vision for the future
2. Understanding of measurable result
3. Actionable objectives
4. Core teachable point of view

For follow up or to comment on this article, please contact:

Tim Maloney

Newport Group Inc.

5500 North Service Road, 9th Floor
Burlington, ON L7L 6W6

Telephone: (905) 332-4809 x 21

Toll-free: 1-800-667-0391