

Strategic Thinking



What is strategic thinking?

Strategic thinking is different from strategic planning. In many respects, it is even more important than strategic planning. To think strategically means to see and understand the bigger picture of what the organization is, where it needs to go, and how it will get there. It means anticipating opportunities and challenges and utilizing that knowledge to guide the organization. The effective leader needs to think strategically. Just as important, though, she or he also needs to foster strategic discussions and, in so doing, strategic thinking, acting, and learning in the organization. Ideally, the leader will help the team to see and understand the bigger picture even as team members focus on the day-to-day work.

Why It Matters:

Clarity of purpose, overall direction, and priority goals or objectives is an often-cited characteristic of really effective teams and organizations. It's not surprising, then, that the ability to see and articulate the bigger picture (Who are we? Where are we headed? What do we hope to accomplish and how will we accomplish it?) is a fundamental expectation of leadership. Many experts insist that this skill lies at the heart of effective leadership.



Components of strategic thought and action

In simple terms, strategic thinking and/or planning consists of three phases that identify and clarify: 1) where we are now; 2) where we want to be; and 3) how we will get there. Six common components include: 1) tools for analysis; 2) strategic purpose; 3) values; 4) vision; 5) key goals; and 6) action planning. We will review each of the components below.

1. Tools for analysis

There are a number of different tools used for analysis in strategic conversations. The most common is the SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats). A SWOT analysis is a helpful way for a team to begin (or continue) the conversation about what's working and what's not working as well as what potentially exciting or concerning things are happening that we need to consider as we plan for the future.

2. Strategic purpose/mission

In their book, *Retreats That Work*, Sheila Campbell and Merianne Liteman describe strategic purpose as the “heart of blueprints for the future.” We will often describe strategic purpose as clear understanding of why we exist and why that's important. It is also described as a team's essential reason for existence. When everyone on a team or in an organization understands the essential reason for existence, the hundreds of daily decisions about work to be done— that must be made in a complex organization—are informed and guided by that common purpose. Without clarity around shared purpose, however, priorities are typically chosen based on individual/personal criteria or in response to crisis.

3. Values

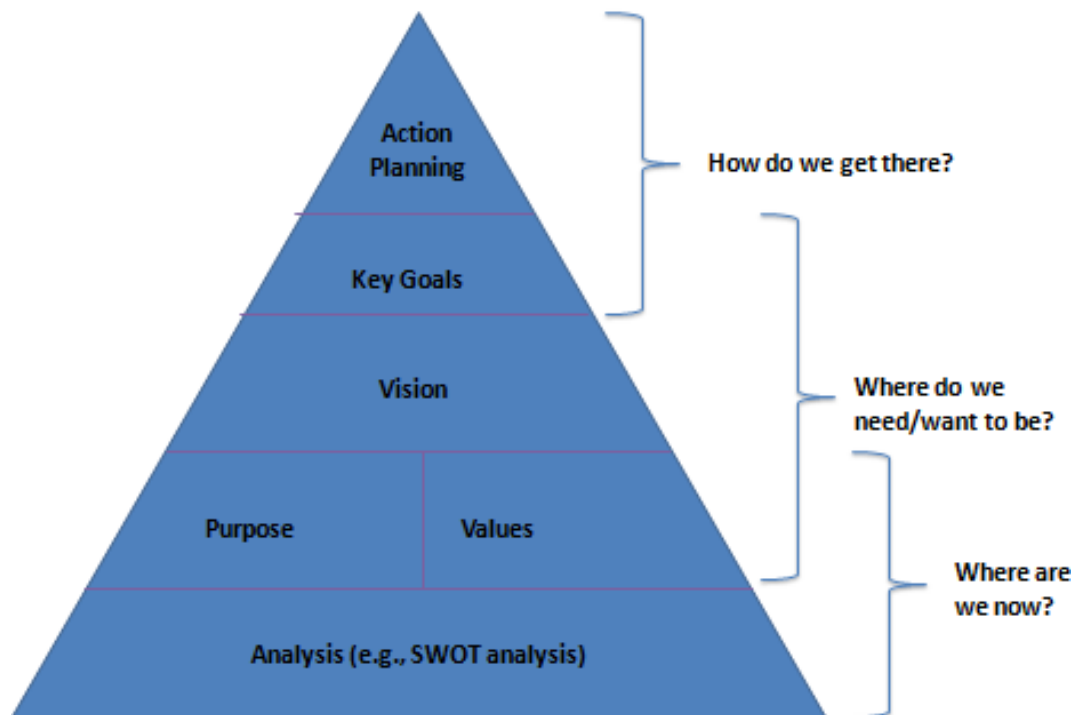
As Peter Drucker stated, “Culture eats strategy for breakfast.” If your culture doesn't work, your strategy can't work. Values reflect the culture of an organization. More importantly, clarity regarding values allows the organization to tap into those values to foster a culture that supports its purpose and vision, rather than one that undermines them. Teams can engage in a process that clarifies organizational values and use these as a basis of practices that strengthen team interactions and culture.

4. Vision

Vision identifies the direction of the department. It answers the question— “If we consistently fulfilled our purpose with excellence, what would that look like?” Vision creates a compelling picture of the team's or organization's future. Teams

(and team members) are more effective when they know where they are headed—inspired by a clear, challenging, and meaningful vision. An effective departmental vision can frame the work that is done on a daily basis and help the members of the team move in a common direction.

Phases & Components



5. Key Goals

“What must we accomplish to move toward the fulfillment of our vision?” A fundamental component of any strategic process is to identify those priorities that will move the team forward. Key goals play the vital role of connecting the team’s ongoing work with the broader purpose and vision because they help define where the team is going in specific, actionable ways.

6. Action planning

A great strategy alone does not ensure success—but the effective *implementation* of a great strategy does. Oftentimes, strategic thinking and planning processes fail because leaders did not take the time to identify “*who* would do *what* by *when*.” Action planning clarifies the ways in which our daily work will help move the goals forward. In his book, *Collaborative Strategic Planning*, Pat Sanaghan provides some helpful prompts to frame the action planning. These include: goal statement, description of what success would look like, three important steps toward implementing the goal, resources needed, who needs to be involved in the successful implementation of the three important steps, suggested champion or owner for the goal, and potential challenges or hurdles.

Strategic thinking is a key skill for leaders. By understanding some of the components involved, a leader can begin to create conversations around critical issues and foster a shared understanding of who we are, where we are going, and how we'll get there.

References:

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