



How to Be A Strategic Thinker:

5 Steps to Being 'Strategically Savvy'

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About the Author



Jenni is the originator of the concept of a 'Strategical Savvy' competency for people working within organisations. She developed this while working with private coaching clients during 2009, based on many years of developing leaders in organisations and businesses. She is an Organisational Developer with a strong interest in strategy, strategic thinking and career development for professionals. She lives in New Zealand with her husband, three children and cat. Find out more about her at www.strategies-direct.com

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Introduction

This book is not about how to create a strategic plan or how to conduct a strategic analysis. I do work with organisations in this area, and based on the number of questions I have been asked about it, that may well be the topic of my next e-book! This book looks at something equally important - it focuses on how to think strategically – a necessary skill for both development and implementation of those plans. There seems to be a trend away from strategic planning and the cause appears to be that businesses have found IMPLEMENTATION to be ineffective. When Chief Executives have been surveyed, they acknowledge that most of their strategic plans are not implemented or not implemented well. And of course, if a strategic plan, or any plan, is not implemented and reviewed, really there's not much point in having devised the plan. This book is to help people within organisations, business owners and professionals who work with clients (and thinking about their client's organisation and environment) to make better decisions day to day. To help them implement the strategy that's been decided on and for them to be recognised as a strategic thinker.

I believe the emergence of the issues around implementing of strategy has identified a gap in our competency models. If you look at competency models that are used across organisations around the world, I don't believe they are capturing well or accurately the aspects that professionals, managers and business owners need in order to be effective in working with strategy. They also seem not to address the very real issue of being 'recognised' as a strategic thinker, that is becoming more and more prevalent in large organisations for individuals to obtain promotions and project opportunities. I call this missing competence '*Strategical Savvy*'.

About **Strategical Savvy**

The word 'strategic' has come to mean 'important' in many organisations today. With an increasing emphasis on things strategic, it has also become more important to be recognised as a strategic thinker if you are in a professional or operational role. If you are not recognised as strategic, you may not be considered for promotions and may be seen as 'too operational' or 'change resistant'. And huge gains can be made by organisations with clear strategies that all their people and advisors can relate to, and even be inspired by. Further, the more that everyone understands the key strategies, and how to implement them within their own area of expertise, the more likely that strategy is implemented and competitive advantage gained by the organisation.

Strategical Savvy is an emerging competence that is about:

- the ability to understand vision and strategy
- being able to think strategically at an appropriate level for your role
- understanding how to implement that strategy
- being recognised by others as a strategic thinker.

Strategical Savvy is made up of five key elements, and the remainder of this book is about those five elements and how to demonstrate them.

The 5 Strategical Savvy Essentials

- 1. Appreciate the wider environment**
- 2. Understand the organisation's vision, values and strategic priorities**
- 3. Understand your role in implementing strategy and be able to implement it effectively**
- 4. Be able to ask questions and give advice while showing you are a strategic thinker**
- 5. Be able to challenge ideas and concepts that do not fit with organisational strategy without seeming negative or resistant to change**

If an expert can do these five things, they can contribute from their area of expertise, be listened to and valued, and also be 'seen as strategic'. If an expert is unable to do these successfully, they risk being seen as negative, resistant to change, and 'too operational'.

I will address each of these elements, with the fourth and fifth elements addressed together. It is here that I share a model that is both simple to use and amazingly effective. This is the Strategical SAVVY process that you can apply easily if you have understood the first three concepts.

Appreciate the wider environment

The first of the elements is appreciating the wider environment in which you and your organisation operates. This is having a general knowledge of what's happening in the world, your industry and your organisation. You can keep up with world events simply by following current event headlines and reading a few columns about economic and business predictions. After a while you start to notice trends and get a feel for what is happening. In terms of the wider environment that your organisation operates in, you need to have some idea about impacts on and by your industry. What are the trends happening in your industry? Who are your competitors and what are they doing? What's happening in other countries in your industry? Now this information again isn't particularly difficult to get hold of. Usually there are industry journals or magazines, available perhaps through your workplace or professional association, or through a local library. They give you access to a number of articles on a regular basis to suggest some key trends.

You might also take an interest in other industries that impact on your industry, and what's happening in those industries. This general knowledge gives you the information you need to draw on when you're having strategic conversations. It's not that you need to know any particular piece of information, but you need to know about some of the trends. Some regular reading and listening to what others are saying within your industry can give you good knowledge to draw on.

It is by exposing your mind to new ideas and information that you can develop the creativity for strategic discussions. Rarely is a new idea truly new. More often than not it is an idea with a new twist, environment or application. Get ideas from other types of

organisations by reading articles or magazines and talking with people in other lines of work. By appreciating what is going on in industries other than your own, you build a reservoir of ideas to adapt to your own environment. This allows you to contribute ideas that are seen as creative and strategic.

You also need to appreciate the wider environment within your organisation but beyond your role. This is looking at something called 'systems thinking'. Systems thinking is about understanding how the things that you do impact on other processes and other people within your organisation and beyond it. Systems thinking is about understanding impacts and consequences so if you make a change to a process, how does that impact down the line? If someone else makes a change in a piece of work or a service, how does that impact on you?

Understanding the impacts and consequences of the things you do day to day, helps you to understand the wider environment in which your activities and tasks operate and how they help or hinder the realisation of the organisation's vision and strategies. If you don't have an understanding of that then it's very difficult for you to think strategically about the decisions you make day to day. Whether you are talking about your organisation or a client's organisation, you need to have an understanding of those impacts.

So appreciating the wider environment has three aspects to it:

- a general knowledge of what's happening in the world**
- a general knowledge of the organisation's industry and operating environment**
- an understanding of the consequences and impacts of the things that you do within your own role and the things that others do that impact on your role.**

Understand the Organisation's Vision, Values and Strategic Priorities

The second aspect of *Strategical Savvy* is understanding the organisation's vision, values and strategic priorities. Quite often people who are implementing strategy within an organisation have had little to do with the development of that strategy. Now that's actually okay, because strategy should be decided by the owners of the organisation or whoever represents the owners. So in some organisations, for example not-for-profits, government or local government, the owner (Government, public or a trust board) may give the job of developing vision, values and priorities to senior management. The 'owner' approves or signs off the strategy. Good practice though, includes consulting with the people in the organisation (and other key stakeholders) to get their views. Everyone experiences a different aspect of the organisation and it's critical to get views across the whole organisation when developing vision, values and strategic priorities.

Developing robust strategy also requires that the needs and expectations of key stakeholders are going to be met within that strategy. If not, the owners take the risk of undermining their ability to reach their vision. Ultimately though, the owners of the organisation must make the final decisions about strategy and live with the consequences or modify as they go. Everyone else's job is to implement the strategies, and feed back results so that senior managers or owners can detect where strategies might need adjusting.

In some organisations managers use a process of looking at the strengths and the values of the people they have and developing their vision and strategic priorities from that. Now that system can

work really well in a start up or a small entrepreneurial organisation that's adaptable and can change quickly. For many organisations there's been a huge investment in infrastructure, brand awareness, customer relationships and staff training and development for their current products, services and industry. If such an organisation has been recruiting people whose values and strengths don't entirely fit with the organisation, or if over time what is needed for that industry has changed, it may not be viable to make significant shifts in vision or strategy. Sometimes there's not even a choice about that, for example a government organisation where the owner is also a key customer, and is simply never going to agree to looking at a different customer base or service provision. But certainly in a small entrepreneurial organisation it is possible to change strategic priorities, vision and even industry quite rapidly, however always it comes back to whether you can find customers who want what you are offering, in the way you are offering it and are prepared to pay for it. Are there enough customers who want that for you to be a successful business?

There's a lot of things that impact on an organisation's vision and its strategic priorities. If you're within the organisation or you are working with a client's organisation, it's really important that you understand the real vision, values and priorities of that organisation. Sometimes they are not the ones that are framed on the wall or published on the intranet. Sometimes, as the priorities change, those written documents are not updated. That may be because it seems like a big task. There's a whole consultation process to go through, particularly in a large organisation, so it's delayed and documents end up out of date. So if you're working within an organisation or with a client, as well as having a look at those published visions, values and strategies, it's really important to listen to what the senior managers or business owners are saying.

What are they telling you through the things that they do, and the things that they say, about their real vision for the organisation and what their strategic priorities are. And in fact if you are working with a client organisation, no matter what type of work you do for them, it's really important to understand the owner's vision and where they see that organisation in 2 – 5 years time before you start. It can impact hugely on the way you go about giving them advice, and developing processes and systems for them.

So understanding the organisation's vision, values and strategic priorities is about not just understanding what's been published but getting deeper to make sure that its still current and relevant, so that you can relate to those and talk about them in conversation.

Understand your role in implementing strategy and be able to implement it effectively

The third aspect of *Strategical Savvy* is understanding your role in implementing strategy and being able to implement it effectively. Now at this point some people say to me, "But what if the strategy is really stupid?" or "What if I don't agree with it?" "Why would I implement something I don't agree with?"

That can be a dilemma as a manager or staff member. If your organisation is heading off on a strategic direction that you believe won't work or that you believe is bad for the organisation, a committed and competent staff member can find that really hard. You don't want to do what you believe is wrong for your organisation. It's really helpful to have managers and leaders in an organisation who understand that the people who question or resist strategies often care about the organisation and are passionate about it. At the end of the day though, as staff and managers in an organisation, you are paid to implement the organisation's vision and strategies. And if you don't agree with them that becomes a personal dilemma. Sometimes as an organisation grows and changes you find that there is no longer is a fit between your views and the organisational strategy. That might be a good clue for you that it may be time to look around and find an organisation where there is a better fit. If you really can't support implementation of the key strategies in your organisation then you really can't take the money to do your job. At the end of the day, that's what you are paid to do. Now I know that sounds really tough, and a lot of people don't want to hear that. They don't want to hear that they are being paid to implement strategy they don't like. But if you really can't live with the vision, values and strategies of your organisation then it may become unhealthy for you to work there and you need to look

for another opportunity to be part of an organisation that matches more closely with your own values and ideas about business.

It's really important if you want to be recognised as a strategic thinker, if you want to perform well in this competence of *Strategical Savvy*, that you do understand that it is your job to implement strategy and to do that effectively. No matter who you are in the organisation – even the business owner! Everyone should be, day to day, implementing strategy.

So how do you implement it? This draws on your understanding of how your role impacts on others and how others impact you, as well as your understanding of how the things you do day to day impact on those strategic priorities. This is often called the 'line of sight'. It's being able to understand how your role - with its associated tasks, outputs and outcomes - contributes to the strategies and vision of the organisation. If you manage a team, it is vital that you help your team to have line of sight from their role to the vision. Once people understand that what they do really does matter and really does contribute to a bigger goal, they are generally more motivated to do the 'right things right'.

An easy way to help yourself and others to implement strategy is what I call the 'one step up' concept. It works like this. Each person reviews their decisions, attitudes, priorities and time allocation from the perspective of the role above. If you are the CEO then that's the Board and if you are the business owner it might be your Industry Association President or your spouse!! In any case, this is an excellent method to get everyone in your organisation to think more strategically about their role, and be more independent and self-managing at the same time.

Once you have everyone thinking more strategically, better decisions are likely to be made, and as an added bonus, you are much more likely to be recognised as a leader as well.

Be able to ask questions and give advice while showing you are a strategic thinker AND be able to challenge ideas and concepts that do not fit with organisational strategy without seeming negative or resistant to change

Now the 4th and 5th aspects of *Strategical Savvy* are perhaps the hardest for people to accomplish. These move away from understanding and a cognitive process to relational and interactional processes. I am going to treat these together and I'll explain why I'm going to do that shortly. So the 4th aspect of *Strategical Savvy* is about being able to ask questions and give advice while showing you are a strategic thinker. This is about the ability to engage in conversation or to give written feedback to senior managers or to clients showing that you are thinking strategically about the issues that they are presenting to you. If you are simply going to respond to an issue, idea or concept from a practical operational level then you are not likely to be recognised as thinking strategically. The fifth aspect is similar but perhaps the other side of the coin. That's being able to challenge ideas and concepts that don't fit with organisational strategy without seeming negative or resistant to change.

Often as competent people within organisations or as competent advisors with your clients, you hear ideas or concepts that you know are going to provide issues and challenges or that you know are not going to work. So as problem solvers, and as people who are good at critically analysing and giving advice, you immediately process that information, make some observations and voice them quite quickly. That can often come across to others as being negative, resistant to change, or too operational. The issue is not so much

with the advice, issue or challenge you have raised, but more about the timing of when that is raised.

It's quite natural if you are a professional or an experienced manager or specialist within your organisation that you are able to critically analyse information about your role and about your organisation or client's organisation quite quickly. After all, that's what you've been trained to do and you've been rewarded for doing it well. That's why you're in the position you're in - because you can problem solve and you can critically analyse. You're familiar with the organisation, you know about your role and your division. The problem when you are trying to be Strategically Savvy, is that that thinking is your operational thinking, your specialist view. Of course you want to hold onto that because it is really valuable. That's who you are and why you're in the role you're in. So I'm not suggesting you should give away your specialist knowledge and skills or your years of experience in your organisation or your role. What I am saying is that *Strategical Savvy* is a competency that needs to be added to your specialist skills, or your organisational knowledge.

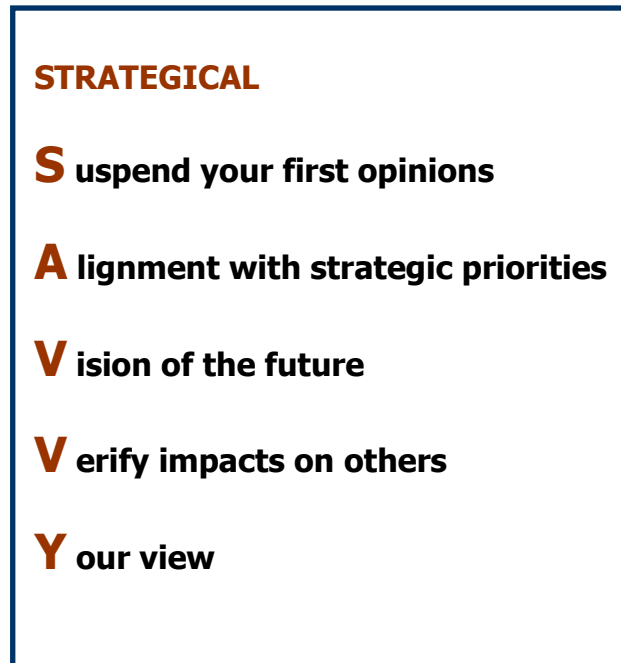
You still have that specialisation, a bit like speakers of a first language can learn to be fluent in another language and remain competent and fluent in their first language. Now they can speak two languages and that allows them to move between two different groups of people, two different cultures. It may well improve their understanding of some concepts like grammar as well. It's a bit like that between specialist or operational knowledge and strategic thinking. Once you can add *Strategical Savvy* to your area of specialisation you can move in both worlds. You can still be a specialist or expert in your area and you can also relate to senior management, clients or business owners. You are likely to improve your day to day decision making too.

So *Strategical Savvy* is a competency you add to your specialist competencies.

Now in order to manage those 4th and 5th areas of *Strategical Savvy* – be able to ask questions and give advice while showing you are a strategic thinker and to be able to challenge ideas and concepts that don't fit with strategy without seeming negative or resistant to change – you require some specific skills. So for my clients I developed a process that I call the SAVVY part of the process. The SAVVY model also has five steps. If you can follow those five steps you are highly likely to be recognised in conversations, meetings and when giving feedback, as a strategic thinker. Now in order to do that effectively, you need to have grasped steps 1, 2 and 3 of the *Strategical Savvy* essentials. You need to be able to appreciate the wider environment, understand the organisation's real vision, values and strategic priorities and be able to understand your role in implementing strategy and be able to implement it effectively. If you can do those three things, then add this model to the conversations and in giving the feedback you are involved in, you should have grasped and be performing competently within this new, emerging *Strategical Savvy* competence. So what might the five steps be?

The 5 Step SAVVY Model

The five steps are these.



(Tip: My clients print and laminate this to keep in their diaries or meeting folders so they can use it as a prompt).

I'll go through them now one by one:

Suspend your first opinions

First, to SUSPEND your initial thoughts, knowledge or problem-solving reaction. Suspend the things you initially want to say. This is the first thing that you must do in any conversation, or when giving feedback if someone has suggested an idea or raised an issue. You must suspend your initial reaction. That doesn't mean you are going to sit there and say nothing - steps 2 – 5 give you plenty to say –it does mean that you need to take that initial reaction or thought and put it on a pretend shelf in your mind and save it for a bit later. You're going to bring it back down and look at it again in a while. For now you suspend it and do not voice it.

Alignment with strategic priorities

The second step of the SAVVY model is to check out this idea, concept or issue in terms of ALIGNMENT with the organisation's strategies. So this is where understanding the organisation's vision, values and strategic priorities is really important. You need to be able to make the linkages. Now if this idea, issue or concept, (no matter what you initially might think of it, because you've suspended that thought), has some alignment, it's really good to be able to voice that. So any positive alignment that you see - for example if someone has raised an issue that you can see fits with your strategy of growing your share of the Asian market - then you can voice that. That's not the end of the conversation that you're going to have with this person or this group, but it's the first step to voice any positive linkages that you see.

You might also find that there is some misalignment either with other strategies or with values or vision. In order to raise that you ask questions. So you can ask a question about how this issue or idea aligns with particular strategies or values that you can see there is a misalignment with. So the question might be something like "I can see what you're saying about these opportunities over in Europe, but I'm wondering how that might impact on us developing the Asian market? We've already started resourcing the strategy to grow in Asia". So rather than saying "That's a stupid idea, we're focusing on Asia not Europe," you're keeping everyone's minds open while exploring the impacts and consequences of the idea. You're letting the other person have time to work with the idea, asking them to think about and assess that alignment. They are hopefully going to come back to you with some sort of response. It might be "Yes, I know, but I think this will be way more profitable and aren't we really focusing on profit?" So you can then explore that idea

with them. Or they might say “Yes, of course, you’re right, it just seemed like a really good idea when I saw it, but I know it won’t fit with the other things we’re doing.” However they respond doesn’t matter, but whatever the response, keep exploring. Through the exploring process you need to keep your tone neutral, not judgemental. You need to be curious, interested and positive – not saying positive things about ideas you don’t think are good ones, but positive in your attitude towards that other person or those other people - keeping the conversation open and developing it with questions rather than statements.

Vision of the future

The Third step in the model – so far you’ve suspended your initial reaction, holding it aside for later, then you’ve explored the strategic alignment of this idea, issue or concept - the third step is to take a look at how this fits with the future. So you’re going to VISION the future of the organisation and explore what this might mean. Now, some questions you might ask at this stage include, “How might we look in 2 – 5 years (or whatever timeframe your organisation usually talks about in terms of the future) if we do this?” Or perhaps even more importantly, “How might we look in 2 – 5 years time if we DON’T do this?” Another question might be, “If we do this, what impact might it have for us, if things change in the future (eg if the economy strengthens, or if technology overtakes your current services?)” So this is now drawing on your general knowledge of what’s happening in the world, what’s happening in your industry and predictions people are making about the future of your industry and your operating environment. Hopefully you can see now that without those first three steps, you’ll struggle to participate fully and appropriately in these critical conversations. So based on that knowledge you’ve developed, you are going to ask some questions

that indicate your good knowledge of your operating environment and future predictions. Focus on exploration once again with the other person – not against them but with them – how might the ideas or concepts impact?

Verify impacts on others

The fourth area to explore is how this idea, concept or suggestion impacts on others. Now this is reflecting your understanding of systems thinking across your organisation and perhaps a little bit wider to suppliers or your distribution chain. So VERIFY the impacts. If you are in a group situation, you may refer this question to someone else. So you might say “Bob, if we went ahead with this, how would it impact on the new IT team you’ve just put in place?” Or “Mary, if we don’t do this, how might that affect the distribution model you’re using at present?” The question you ask depends on what the idea or concept is, the possible impacts you can predict and how the conversation has progressed so far. Having explored the strategic alignment and the fit for your organisation into the future, you now want to explore the impacts within your organisation. What existing strengths might this idea build on, where might it throw up some issues that might need to be addressed down the track – they don’t have to be addressed then and there – for good implementation? You can even bring that into your question – “This idea seems to have future fit and it seems to fit well with where we want to take the business. In terms of the implementation needs of this at a high level, I just want to explore how it might impact on our customer base” (or whatever aspect you think relevant). In this step, you are exploring impacts on other divisions or roles, not your own. If you are working with an external client you can help them explore how it might impact on others

(including other stakeholders) in their organisation or their supply/distribution chain.

Your view

Having gone through this process so far, and asked some exploratory questions, you're now at a point to be able to take off that mental shelf your initial thoughts that you suspended. It may now be time to voice YOUR view. By this stage, one of three things could have happened if this is a conversation (rather than you giving some form of written feedback using the model):

- **As you've worked through this, your initial thought or view has been confirmed and others have also reached that conclusion. So whether you were for or against the idea initially, everyone involved in this conversation is now thinking alike. If this is the case, it is unlikely you need to comment at all, but if you do, it's just confirming your agreement with the group view and any aspects of importance to note from your area of expertise.**
- **You still hold your initial view but others have a different view, or alternatively, you have changed your initial view and others have a different view. In this case you may now want to point out some issues and challenges as you see them, from your own area of expertise.**
- **You have changed your initial view and hold the same view now as others. So having worked through this model, the new perspectives that have arisen have caused you to reach a different conclusion.**

Whichever of those three it is, it is wise that you have not yet voiced your opinion. You've had time to explore, to think about how you now might voice your view. So now you're going to talk about the key impacts as you see them from your professional position or from your perspective of experience and expertise. You'll now explain how in your view this idea could work or not work.

By this time, you've made it obvious that you're prepared to explore this issue from a strategic perspective, you've been willing to look at how it impacts on others and on the organisation as a whole. At the end of the day, you don't have to agree with every idea put forward, so now you are simply going to observe some of the impacts and consequences of going ahead (or not) with this idea. Of course, if you have reached a stage where you agree with the group decision over the matter, you may choose not to use this step. It depends how the discussion has unfolded up until now. You may never need to voice your thoughts, or you may feel it's still wise to do so.

This 5-step SAVVY model can be used, not only in conversation one-on-one and in meeting situations, but also when you are asked to give written feedback or to speak about an initiative. It's a way to think about an idea, concept, issue, process or system that relates strategically to what's happening in an organisation. This model can be used successfully in a variety of settings and a variety of forums.

Final words

Working on the 5 steps of the *Strategical Savvy* competence and using the SAVVY model to develop your skills for Steps 4 and 5 develops your strategic thinking capability and allows you to be recognised by others as a strategic thinker. This emerging competence is important for people wanting to develop their careers in organisations, for professionals advising clients and for managers and business owners who are wanting to develop their staff and themselves to think more strategically. You can use this model to develop your staff by guiding them through this thinking process when they come to you with ideas, or if they are not picking up on issues they should be. It's also useful for business owners and managers wanting to think more strategically about their day-to-day decision making, how you're interacting with your staff in meetings and in one-on-ones, and how you're giving feedback to them about their ideas and their issues. This competence of *Strategical Savvy* is vital if organisations are to start, across all levels, implementing their strategies effectively.

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