



## **THE ART AND SCIENCE OF STRATEGY FACILITATION**

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In the 1990's, the Harvard Business School used to define strategy as “the determination of the long term goals and objectives of an enterprise, and the adoption of courses of action and allocation of resources necessary for carrying out those goals.” Today, the definition of competitive strategy at Harvard is very different. We know that organisation strategy cannot only be concerned about long term goals and objectives. The pace of change is too fast and too discontinuous.

Competitive strategy at Harvard Business School is currently defined as being “concerned with how a company can gain a competitive advantage through a distinctive way of competing.” No more the luxury of long-term planning on the assumption of a stable, predictable future. This new definition of strategy implies a continuous and unending strategic development process rather than one long-term plan. Strategists and all organisation leaders need to continually ask about what else can be done differently to be ahead of competitors in a fierce and fast business renewal cycle. It's all about gaining an edge. It's about what Gary Hamel refers to as locking your customers in and your competitors out – if only for just a bit longer.

What has changed? Everything, really. If we scan that most useful and ubiquitous of acronyms, PESTEL, exploring what is current and relevant in the political, economic, social, technological, environmental and legislative environments, we undoubtedly pick up dramatic and irrevocable changes in the world of organisations and the strategies that need to be employed for survival. We know that the pace of change has accelerated since the 1990's, and continues to do so, exponentially.

What are the implications for strategy formulation and facilitation? Strategy can no longer rely on a formulaic, logical approach to the positioning and purpose of the organisation in its operating environment. Strategy planning can no longer be reserved for an annual workshop event, to be largely forgotten while organisation leaders and other staff go busily about operating and executing through the rest of the year. Strategy development can also no

longer reside within the comfortable boundaries of the known, current competencies of the business, where all that is needed for relevance is incremental change.

To be relevant and to stay competitive, strategy facilitation and formulation must move beyond these safe, statistical, logical, left-brain and scientific processes of incremental discovery and change. This is because the strategies that result from such processes, without sufficient consideration of their opposites, tend too much to strategic positions that can easily be copied and surpassed.

The strategy facilitation and formulation process must courageously confront the unknown. If we are to formulate strategies that are best able to lock customers in and competitors out, then strategy facilitation must embrace the innovative, creative, lateral-thinking, right-brain elements which may be more commonly associated with the domains of the arts.

Many of the greatest organisation successes have emerged through radically innovative ideas. It is those ideas that organisation leaders are typically expected to reject, because they are perceived to be too risky, too whacky, or too different from the current way of doing things, that sometimes turn out to be the biggest and longest lasting success stories. Consider just two cases in point: Jorma Ollila persuading Nokia to switch from forestry to mobile commerce in the 1970's, and Adrian Gore starting a medical aid company, Discovery, in 1992, with a primary emphasis on life-style and wellness.

The role of the strategist or strategy facilitator is to work with opposites, the art and the science of strategy formulation.

Strategy formulation is as much about the plan, the blueprint, as it is about the process. It is all about engaging executives in a common language suitable for an ongoing strategic conversation. The most successful and sustainable

organisations are those in which leaders and key executives are continually asking questions about strategic position and direction, and are continuing to have strategic conversations that allow for the strategic evolution of the organisation. Development and change then becomes an ongoing process rather than a once off planning event.

Strategy facilitation needs to use a varied range of scientific and artistic modalities to explore the current and future operating environments for the organisation. It must address the logical and practical evidence about the current environment, both external to the organisation (think PESTEL) and internal to the organisation (consider core and distinctive competencies, structures, systems, culture, current initiatives). It must also consider the future, the longer-term vision that inspires stakeholder and builds loyalty, and the shorter-term strategic intent, that sharpens focus. There is an opportunity in this future view to be bold, to create a preferred future, like Ollila once did at Nokia.

The facilitation process and the ongoing strategic conversations amongst organisation executives are all about identifying gaps. Gaps between current organisational positioning and changing circumstances in the current operating environment. Gaps that we must create (to avoid the danger of complacency) between the current state of the organisation and the desired or preferred future state, the vision. Gaps are opportunities or threats for the organisation, and the strategy facilitation process is at essence all about exploring the best options to most effectively take advantage of the best of these opportunities or neutralise the worst of these threats.

It requires some of the essential artistry of the artist and the logic of the scientific process to master strategy facilitation and formulation. It requires consideration of the short-term and the long-term. It involves some reflection of the organisation and its operating environment from the inside-out and from the outside-in. It necessitates an embracing of both logic and emotion. It is

about the red-ocean realities of the current industry issues and challenges, and it is also about the blue-ocean ideas of creating new paths forward. It is about incremental innovation for quick wins, as well as the quest for radical innovation that changes the way that the industry operates.

When we facilitate the strategy development of any organisation, we need to consider the personalities and preferences of the participating decision-makers, and be ready to challenge biases, orthodoxies and blind-spots. We need to assess the current organisation culture and values, and consider how they impact on current and future strategy.

Of course there is logic in art and creativity in science. It is this process orientation to strategy facilitation, as outlined above, that allows us to wrestle with the tension of opposites – art and science, logic and creativity - to grapple with paradoxes, and make tough choices. When organisation leaders formulate strategy through an accessible common language in this manner, they best ensure relevance and sustainability in the face of rapid change and ongoing uncertainty.

About the author

Dr Grant Sieff is CEO of the IC Growth Group, a research, strategy and leadership development consultancy. He teaches at leading business schools as a visiting professor and senior lecturer. Grant has worked as a vice-president for Citibank in Australia and a partner for Accenture. He consults to leaders at the top levels of organisations across African continent and abroad.

IC Growth Group ([icgrowth.co.za](http://icgrowth.co.za)) has initiated an Africa-based research, market insight and strategy development online portal, dedicated to development and growth in Africa ([africamarketinsight.co.za](http://africamarketinsight.co.za)). Grant can be contacted at [grant@icgrowth.co.za](mailto:grant@icgrowth.co.za) or on +2721 462 7902.