

Think the Think

by Rich Horwath

When it comes to strategy, everybody likes to “talk the talk.” Count how many times the word “strategic” is used in your next meeting. We’ve also heard people “walk the walk” when they’re able to get things done. But can you “think the think” when it comes to strategy? Let’s find out. For each question, circle ‘Y’ if your answer is “yes” or circle ‘N’ if your answer is “no.”

1. Does everyone in your company have the same definition of strategy? Y N
2. Do people understand the difference between goals, objectives, strategies and tactics? Y N
3. Have all managers been educated on what strategy is and how they can develop it for their level of work? Y N
4. Does your group have clear strategies in written form? Y N
5. Are people at all levels using strategy to drive their daily activities? Y N
6. Has your business been profitably growing for the past six months? Y N
7. Is the corporate strategy translated for relevance to the hierarchical levels and functional areas of the organization? Y N
8. Does your group have a clear understanding of which types of potential customers you’ve strategically chosen not to serve? Y N
9. Do your offerings provide clearly differentiated value customers are willing to pay for versus having a price-driven commodity status? Y N
10. Does the group’s purpose (mission, vision, values) influence behavior? Y N
11. Is time set aside on a monthly basis to discuss strategy? Y N
12. Does your group conduct strategic thinking sessions separately from budget, operational and tactical meetings? Y N
13. Do you have a formal strategy development process in place? Y N
14. Is the strategy process facilitated by someone with strategy expertise, an objective perspective and no internal stake in the outcome? Y N
15. Do you have a 1-2 page strategic action plan to drive your daily activities? Y N
16. Is your strategic action plan updated at least monthly to reflect changes and remain useful throughout the year? Y N
17. Do managers use at least 6 of the 40 strategic thinking tools to help them develop their strategies? Y N
18. Does the organization have a communication channel in place to receive competitive, customer and market insights from all employees? Y N
19. Are the different functional groups (marketing, sales, HR, R&D, etc.) all aware of each other’s strategies and how they fit together? Y N
20. Do you have true competitive advantage in the market? Y N

Add up the number of total “yeses” you had and see how it corresponds with the rating scale:

18 - 20: Strategically sound; Sun Tzu, author of *The Art of War*, would be proud

14 - 17: Some degree of strategic ambiguity; on the verge of great success

10 - 13: Strategic drift; lack of clear strategy causes reactivity
< 10: Driven by tactics and operations; time for a rethink

Well, does your organization “think the think?” If your score isn’t where you’d like it to be, there are three things you can do starting tomorrow:

1. Agitate. 50% of bankruptcies are caused by bad strategy. If your organization is not developing and executing strategy to the best of its’ ability, you may not be around much longer. Billion dollar companies are going bankrupt so the “couldn’t happen to us” mentality is a dangerous one.

Create a sense of urgency that business-as-usual simply won’t cut it any more. Continuing to blame the company’s flat sales and lackluster performance on the economy isn’t going to help. Create a sound strategic plan using a proven process that analyzes the market, customers, competitors and the company and generates new insights to drive strategic direction.

2. Educate. Ignorance may be bliss but it doesn’t pay the bills. When managers don’t clearly understand the difference between basic business terms like goals, objectives, strategies and tactics, it’s difficult to perform effectively. At the next staff meeting, have people write down their definition of strategy on a piece of paper and then collect them. Try not to seem too shocked as you read the definitions aloud and none are the same.

Provide your people with a primer on strategy and the basic business planning terms. A book such as *Deep Dive: The Proven Method for Building Strategy* will give managers at all levels a common

understanding and language when it comes to business basics.

3. Exit. Find another job. If you work in an organization with a leadership team that doesn’t provide meaningful purpose in the form of mission, vision and values, places no value on developing employees, doesn’t have or translate strategy for the various groups in the organization and only pays attention to “the numbers” while consistently sacrificing opportunities to develop long term value, then leave. If you’re good, you’ll find a better opportunity, even in this economy.

Finding new ways to grow your business starts with carving out time in your busy schedule to “think the think.” Since “think the think” sounds like a Dr. Seuss title, let’s close with what he would have written if he were a business strategist:

I am strategic. Strategic I am.
Do you like to think strategically?

I do not like to think strategically,
Not in an office
Not in a tree.

It’s more fun to think tactically,
Stuff I can touch,
stuff I can see.

I do not like to think strategically,
I haven’t the time
to be so leisurely.

Setting good plans, I’ll leave to others.
Gotta check my Blackberry.
Even in bed, under the covers.

I do not like to think strategically,
Growing business and beating competitors,

StrategicThinker™

Simply isn't for me.

10th place in the market isn't so bad,
especially when you consider,
it's the best we've ever had.

No, I do not like to think strategically,
I prefer the adrenaline rush,
of mindless reactivity.

You do not like to think strategically,
so you say.
Try it, try it and you may.

Say! I do like to think strategically.
In the office and conference room too,
new ideas and insights are clearly in view.

While others around me only fight fires,
I'm focusing my resources,
taking the business higher.

I've scheduled time, just to think.
Now my goals and strategies,
are in perfect sync.

I do so like to think strategically,
creating differentiated value
my customers can clearly see.

Thank you, thank you!
Strategic-I-am.

Rich Horwath is an author, strategist and speaker who helps companies create competitive advantage through strategic thinking. He is the president of the Strategic Thinking Institute, a former Chief Strategy Officer and author of the book *Deep Dive: The Proven Method for Building Strategy*. Visit www.strategyskills.com to sign-up to receive your free copy of *Strategic Thinker*.