Imagine a gifted young artist. She sits with paint brush in hand and a spectrum of paint colors at her disposal. Before her first stroke on the stark white canvas, she is given only one rule—she is not allowed to mix any of the paint colors before or after they are applied to the canvas.

Now imagine a group of gifted managers dedicated to growing their company’s business. They have innovative products, competent customer service and ample resources. They are given only one rule—they are not allowed to tap into the deep reservoirs of knowledge that their colleagues, customers and non-customers hold.

In both cases, the potential artistic and business masterpieces are never realized. While it would seem ridiculous to have a rule in business that managers are not allowed to utilize the thoughts, information and opinions of others inside and outside the organization, many groups operate as if the rule was indeed in place.

**Strategy Development Quicksand**

There are a number of challenges—both overt and covert—that can dismantle even the best strategy development intentions. While many organizations bring together managers from different functional groups to develop strategy, few of those meetings are structured in a manner to maximize strategic output. Rather then enter those meetings truly open to the input, feedback and thoughts of others, people often enter carrying verbal shotguns loaded with the ammunition of opinion to ensure that their position is protected. The result is a string of serial monologues that fail to take into account or build on anything that others have contributed.

The opposite of this are the insidious unspoken objections or silent disagreements. These are usually masked by the deceiving “head-nod approvals” that derail strategy execution efforts down the way. Often times they come from people who don’t feel they were given adequate opportunity to contribute. Without their full engagement and buy-in, we find ourselves rowing against their tide of noncooperation.

If these scenarios are occurring, are we truly blending our paints to create the finest work we can? In a knowledge-based economy, there is nothing more important than the ability to cultivate, share and leverage people’s insights. An effective technique for ensuring that you’re getting the most from your intellectual resources is the strategy conversation.

**The Strategy Conversation**

One of the keys to maximizing your strategy development efforts is orchestrating effective strategy conversations. A strategy conversation is a systematic method of encouraging the exchange of ideas, beliefs and opinions on the key strategic elements of a business. The term “conversation” stems from the Latin *con versare* meaning “turning together.” In a strategy conversation, the participants mentally move with one another from point to point guided by five criteria.

The five criteria include:
1. **Openness**—the ability to thrive in a situation in which the outcome is not known;  
2. **Suspension**—the discipline to neither advocate nor capitulate, but to simply take things in;  
3. **Candor**—the willingness to express exactly what one believes;  
4. **Clarity**—Concisely presenting one’s perspective;  
5. **Attention**—tuned into and listening carefully to others.

While items such as suspension and candor would seem to play against one another, it is their use at the proper moments that heighten their effectiveness. In my experience facilitating strategy development with companies ranging from start-ups to multi-billion dollar organizations, it’s the ability of the participants to embrace these criteria that encourages the new and different perspectives that generate breakthrough strategy. Executives with the confidence to mentally wade into conversations of ambiguous gray zones not fully armed with every answer are the ones that fully tap into the intellectual capital and insights residing in their manager’s minds.

**Dialogue and Discussion**

A strategy conversation is comprised of two primary elements—dialogue and discussion. While the two terms are often used interchangeably, their differences shed light on the skeletal framework of a strategy conversation.

Dialogue is exploratory in nature. Dialogue involves the suspension of judgment in an effort to surface the assumptions, thoughts and beliefs of the individual members of the strategy development team. Guided by a strong menu of highly relevant questions, the strategy development team engages in dialogue to unearth the key aspects of the business relative to the market, customers, competitors and their own organization.

Dialogue is inherently intertwined in the strategic thinking phase of strategy development, as it provides an open forum for the generation of insights. It is driven by thought-provoking, open-ended questions and facilitated with visual models to provide the group with frameworks to capture their input.

Once the group has exhausted the areas of strategic relevance with dialogue, the facilitator then moves the group to discussion. Discussion consists of breaking down the insights generated through the exploratory phase of dialogue and harnessing them for strategic planning purposes. Discussion moves the group toward the actionable strategies, accountability and implementation that gives the strategy conversation its end result. This is where focus becomes clear, trade-offs are weighed and decisions are made.

Unfortunately, many strategy development teams begin with a discussion mindset. This inadvertently amputates the innovative, assumption-challenging and exploratory nature of dialogue which is an essential element of an effective strategy conversation. This phenomenon is also manifested in groups moving immediately to strategic planning without having first completed the essential strategic thinking task. The results are the same, tired old plans that cause an organization to decelerate into the right lane of their market, being passed on the left by smarter competitors.

**Engaging in Strategy Conversations**

Strategy conversations are not a replacement for the strategy development process. They are simply a technique overlaid onto the strategy development process to enhance its effectiveness and output. Just as an extension to the end of a wrench will yield greater leverage to turn a difficult bolt, the strategy conversation serves to enhance the effectiveness and efficiency of the strategy development process. That being said, there are four steps to...
introducing strategy conversations to your management team.

1. **Select a Strategy Conversation Facilitator**
The person best able to facilitate the strategy conversations for your team is the strategy development team leader. This person should have strategy development process expertise; be a skilled facilitator with a keen understanding of the techniques involved in strategy conversations; and not have a direct stake in the business to ensure objectivity and detachment from company politics.

2. **Educate the Strategy Development Team on the Strategy Conversation Technique**—The facilitator should provide the team with a pre-read document on the purpose, content and steps of strategy conversations and then follow-up with instruction during the team’s first meeting.

3. **Overlay Strategy Conversations onto the Strategy Development Process**—The facilitator’s knowledge of the strategy development process will allow them to seamlessly fit strategy conversations into the process with tailored questions, exercises and the appropriate visual models.

4. **Monitor and Measure Strategy Conversation’s Effectiveness**—A seasoned strategist will customize the process, apply qualitative and quantitative measures and work closely with the team to gauge progress in the area of strategy development.

### Improvisational Help

There are four techniques from the art of improvisation that can enable participants to more quickly thrive in strategy conversations.

1. **Listening**—Without a script and preconceived notions of the scene, listening serves to help the actors build on what the others have said, creating a cohesive and entertaining piece. In the same respect, strategy conversations require that we carefully listen to our colleagues, customers and competitor’s customers and do so without assuming we know all the answers.

2. **Commitment**—Devoting all of one’s attention, energy and focus on the scene at hand is paramount in improvisation. It requires an unflinching belief in yourself and your fellow actors. In strategy conversations, team members must demonstrate full engagement and a rigorous candor that leaves no truth unsaid.

3. **Trial and Edit**—Improvisers move with total commitment to the flow of the performance. If, however, there are signs that the performance is floundering or will not succeed, they are quick to edit and move in another direction. The nature of the dialogue portion of strategy conversations is exploratory. Therefore, once a line of thought is fully explored and not leading to additional insights, the group changes direction and moves down other avenues.

4. **“Yes, and…”**—The final improvisational technique with application here is the need to always build on what the other actor has given. This is known as “Yes, and…” in improvisation circles because you are accepting what the other person has said and then building upon it. Attempting to first build on other’s input is not commonly a hallmark of the serial-monologue-laden meetings in many organizations. It will however, create a more constructive atmosphere and serve to keep everyone actively engaged.

### The Art of the Conversation

In a time when intellectual capital is the highest valued currency, wouldn’t it be wise to invest in maximizing its return? After all, incorporating the technique of strategy conversations into your business can have a transformative effect—like turning a “Five Dogs Playing Poker” painting into the Mona Lisa.

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Rich Horwath helps managers develop the skills and expertise to create great strategy and fulfill their leadership potential. He is the president of the Strategic Thinking Institute, a former Chief Strategy Officer and professor of strategy at the Lake Forest Graduate School of Management. Rich is the author of *Sculpting Air: The Executive’s Guide to Shaping Strategy* and *Storm Rider: Becoming a Strategic Thinker*. Please contact Rich at (847) 756-4707, email rich@strategyskills.com or visit www.strategyskills.com