

Welcome to . . .



New Mindset: Getting Your Employees to Think and Act Strategically

*Strategies for Developing Strategic
Thinking Competencies in those on
the Front Line*



Jeff Russell, Co-Director



If you don't know where
you're going . . .

Any road will get you there.

Our Learning Agenda . . .

1. Describe what strategic thinking is, what it looks like, and why it's important to develop in your company.
2. Discuss the four levels of planning/thinking in organizations and apply insights from these four levels to your company and your role
3. Identify actions that leaders can take to develop the strategic thinking mindset in those on the front line
4. Describe a step-by-step approach for developing the strategic thinking mindset

What is Strategic Thinking?

As a group discuss . . .

- What does it mean to be a *strategic thinker*? How is strategic thinking different from strategic *planning*?
- Why is it important for companies to develop strategic thinking in employees at all levels of the company?

Strategic Thinking Is . . .

Strategic thinking is looking at oneself, the company, customers, co-workers, and the environment in such a way that the “thinker” is able to see his or her work (actions and decisions) within a larger context.

This larger context involves knowing:

- the *purpose* or aim of the company (its vision and goals)
- the purpose, role, and value of the *person's work contribution*
- the *core values* that express the aspirations of the company culture
- the *current and future needs* of his/her *customers* (internal and external)
- a profound awareness of what is occurring in the company's *environment*

Why Strategic Thinking is Essential on the Front Line

1. Every employee at every level has an important contribution to make toward quality, productivity, problem solving, improving the work they do
2. Front line employees are closest to the process and often closest to the customer – they know what works and what doesn't; they know short cuts that won't compromise quality.
3. Building strategic thinking capacities channels this insight/knowledge into productive results for customers, the company, and themselves.

Why Strategic Thinking is Essential on the Front Line

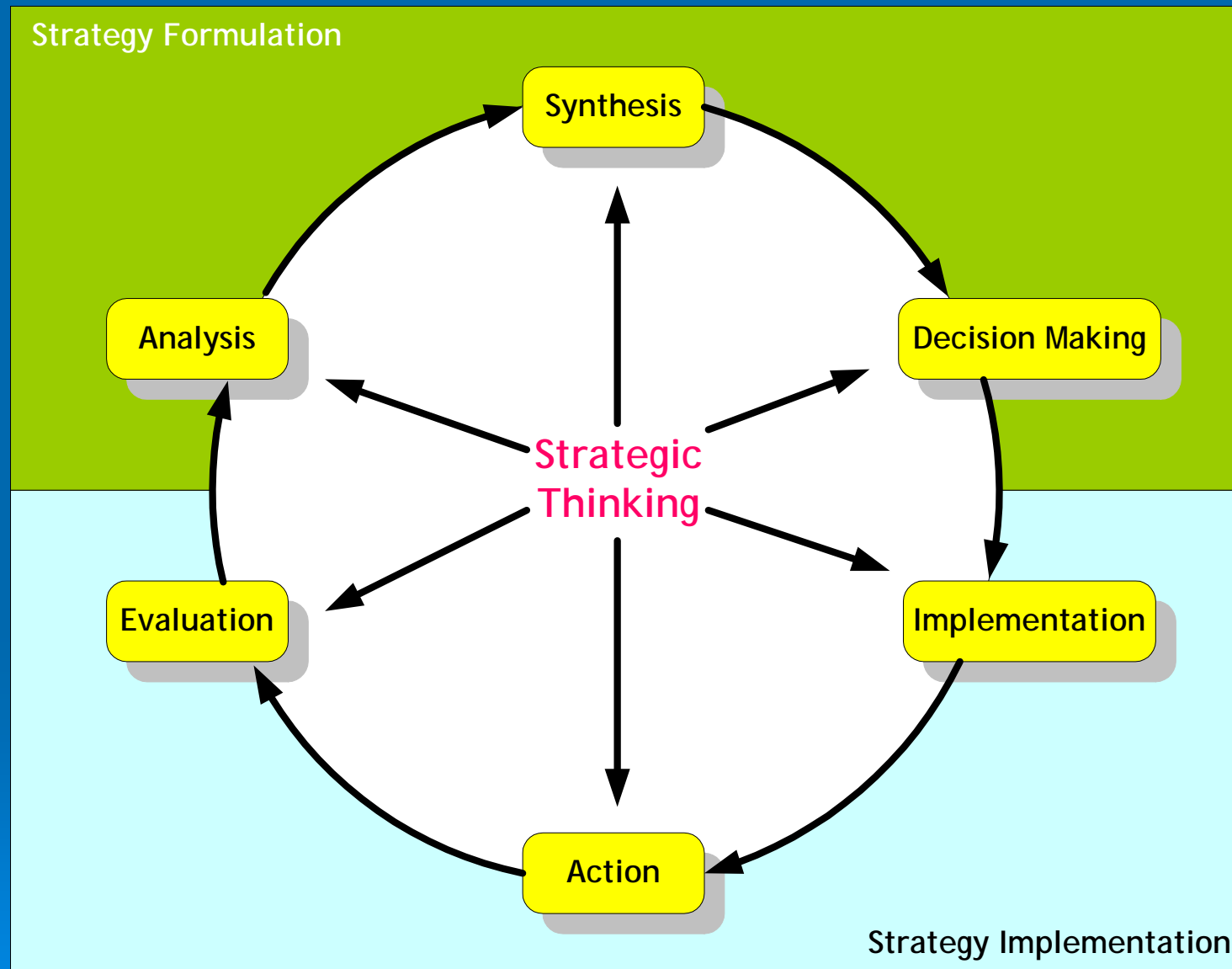
4. Front line employees need to see the connection between *what* they do and how this contributes to quality, customer satisfaction, employee job satisfaction, and (eventually) company productivity and profitability . . . Which leads to continued employment.
5. In a global economy, the companies that survive are those that provide a quality product or service at a good price.
6. Companies need strategic thinkers at every level because they need people throughout the company thinking and acting with a vision of quality, customer service, and profitability . . . owners and leaders can't do this on their own.



Control your destiny . . . Or
somebody else will!

— Jack Welch, former CEO
General Electric

Strategic Thinking and Strategy Formulation and Implementation



Strategic Thinking

Strategic thinking involves . . .

1. Holding an image of the vision or ideal future in one's mind
2. Drawing upon and being shaped by the company's core values
3. Being awake and aware, continuously scanning the environment – looking for opportunities and threats
4. Seeing the patterns and relationships in events and circumstances
5. Recognizing the interconnections and interdependencies before making decisions and taking action
6. Making decisions and taking actions in the present for the long-term that are shaped by the vision, core values, awareness of the environment, and awareness of the interdependencies.

Thinking/Planning/Action Levels . . .

Planning Level	Desired Result	Style of Action	Underlying Value	C %	D %
Strategic	Achieve ideal future. Optimize outcomes given resources and constraints	Future-minded, long-term focus. Explores alternative possibilities	<i>Controlled</i> instability and optimizing opportunities	%	%
Interactive	Exceeding expectations; anticipating daily problems	Proactive	Continuous Improvement	%	%
Operational	Maintain status quo. Conform to expectations. Control results. Plans into action	Short-term focus. Fixes problems. Maintains smooth operation	Stability and Control	%	%
Tactical	Satisfy customer expectations; solve problems	Reactive	Survival! Responsiveness	%	%
				100%	100%

How do you spend YOUR time?

In your table groups . . .

- Share your “current” and “desired” percentages.
- Discuss: Is there an “ideal” distribution of your thinking/planning time? What is it?
- Discuss: What prevents us from achieving our ideal distribution of our time?
- Discuss: What are the consequences for (a) our company/organization and (b) individuals if we spend most of our time at the tactical/operational levels?

Escaping from the Tactical

In your table groups . . .

- Identify actions that individuals or organizations can take to enable employees to “escape” from being held captive by the tactical or tactical/operational levels of thinking, planning, and action.

Escaping from the Tactical

1. Gather data on what's really happening
2. Gain the "one thousand feet high" perspective (get some distance from the problem)
3. Take a time out (get some *emotional* distance)
4. Reflect on the past — How does it help us understand where we are now?
5. Focus on common causes of problems and challenges
6. Draw upon the vision and core values. What do they tell us we should do?
7. Create new systems and structures that respond to the "incoming," reflect the vision/core values, and integrate lessons and insights from what works/what doesn't work.

Developing/Growing Your Own Strategic Thinking Mindset

1. **Establish a vision for your own work and life** — find a way to link this personal vision with your company's vision.
2. **Conduct a thorough self-analysis** — evaluate your effectiveness as a strategic thinker; be mindful of your strategic thinking/actions.
3. **Take time to think strategically.**
4. **Educate yourself about your surroundings** — ensure that you are “plugged in” to what’s going on within your company, in your company’s industry, and in the larger outside world. *What new products and services are planned for your company in the months/years ahead? Why are these being introduced? What is your company’s competition doing? Is your company a leader or follower in its industry? What social, demographic, technological, and customer preferences trends do you see emerging?*
5. **Cultivate a positive, proactive attitude.**

Developing/Growing Your Own Strategic Thinking Mindset

6. **Learn the vision/mission of your company's top leaders** – understand it on *their* terms as well as yours.
7. **Challenge your current practices:** *What am I doing today that I should stop doing? What am I doing today that I could do better?*
8. **Know when you need a break** – get some distance – from the challenges in front of you.
9. **Identify your core beliefs or values** – and live your core beliefs and values in your every decision and action.
10. **Express/communicate your vision to your staff.**

Developing Strategic Thinkers

1. Repeatedly communicate the vision
2. Integrate the vision and core values into individual performance goals and performance reviews
3. Make the vision and core values part of meetings, celebrations, problem analysis and solving, etc.
4. Invite people to share/discuss what they are learning from their customers and what they see happening around them that might have a bearing on the organization's future success
5. Debrief challenges, problems, and crisis from a strategic perspective — pursue strategic insight and learning

Developing Strategic Thinkers

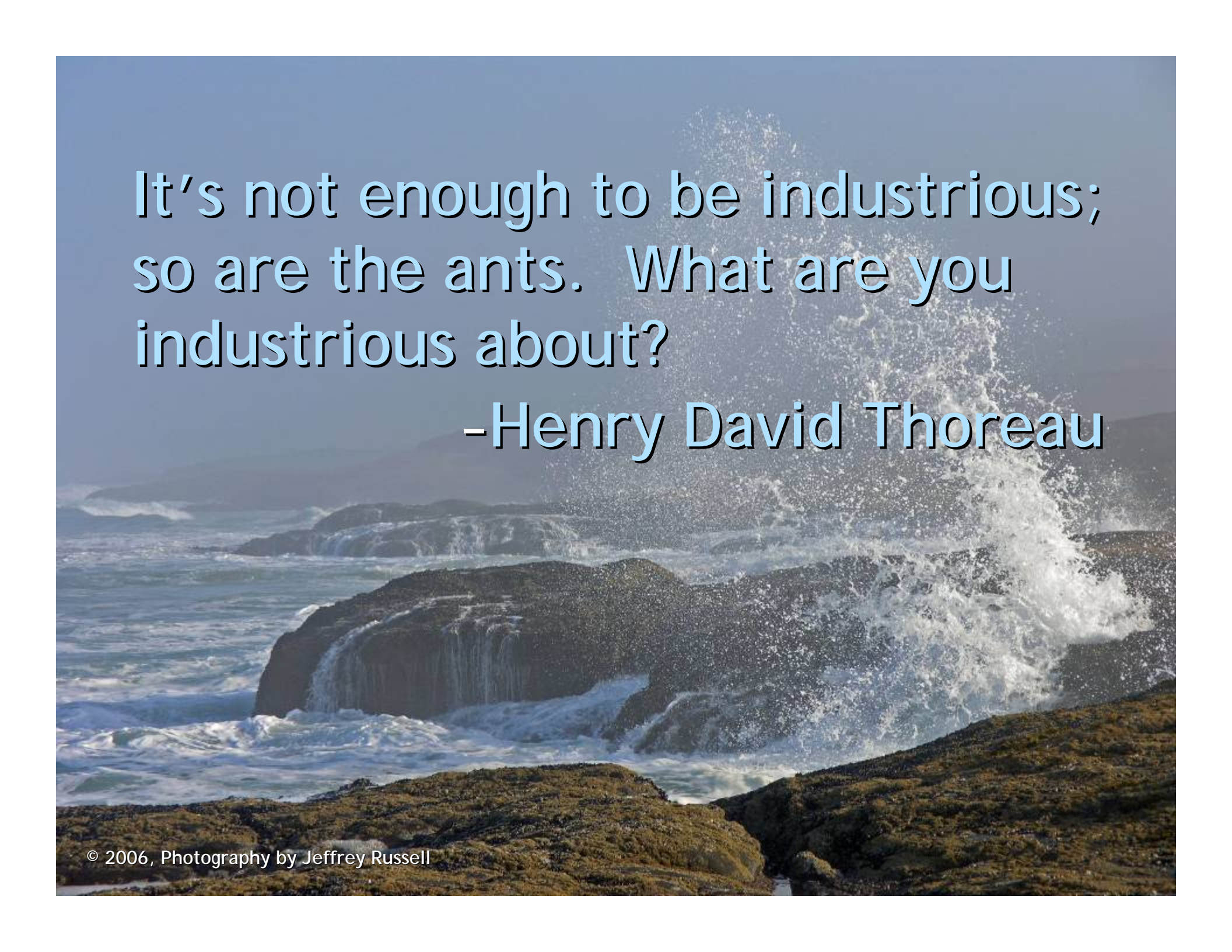
6. Involve them in strategic questioning and planning
7. Take time to listen and acknowledge their creative ideas
8. Encourage an open dialogue
9. Define the “ends” not the “means”
10. Provide quality training that develops strategic thinking skills and knowledge
11. Empower multi-disciplinary groups to solve problems (bring together divergent perspectives)

Developing Strategic Thinkers

12. Keep things positive – share the successes and little victories along the way
13. Invest in building a strong community
14. Implement the strategic plan with flexibility and responsiveness to employee needs/contributions
15. Give people the freedom to make decisions (autonomy) – but also provide them context and a framework within which to operate (core values)


Developing Strategic Thinkers

16. Walk the talk – live your values
17. Know when to take a break – gain some distance and perspective
18. Challenge current practices – encourage others to challenge current practices
19. Allow people to be creative – reward them; drive out fear; allow them to think
20. Cultivate and sustain a “no blame” culture
21. Reward strategic thinkers



It's not enough to be industrious;
so are the ants. What are you
industrious about?

-Henry David Thoreau



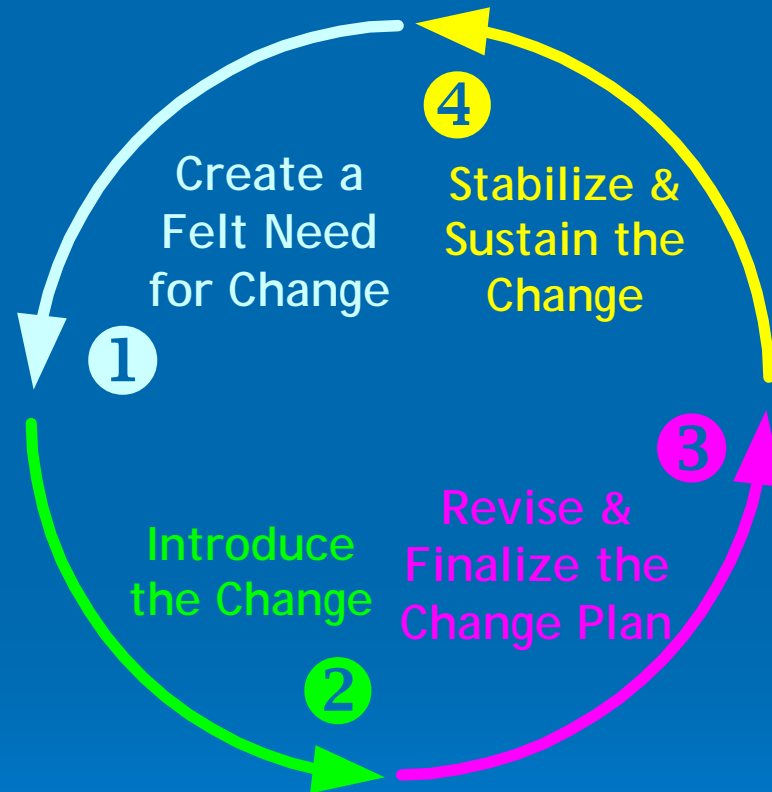
**Change is inevitable,
growth is optional**

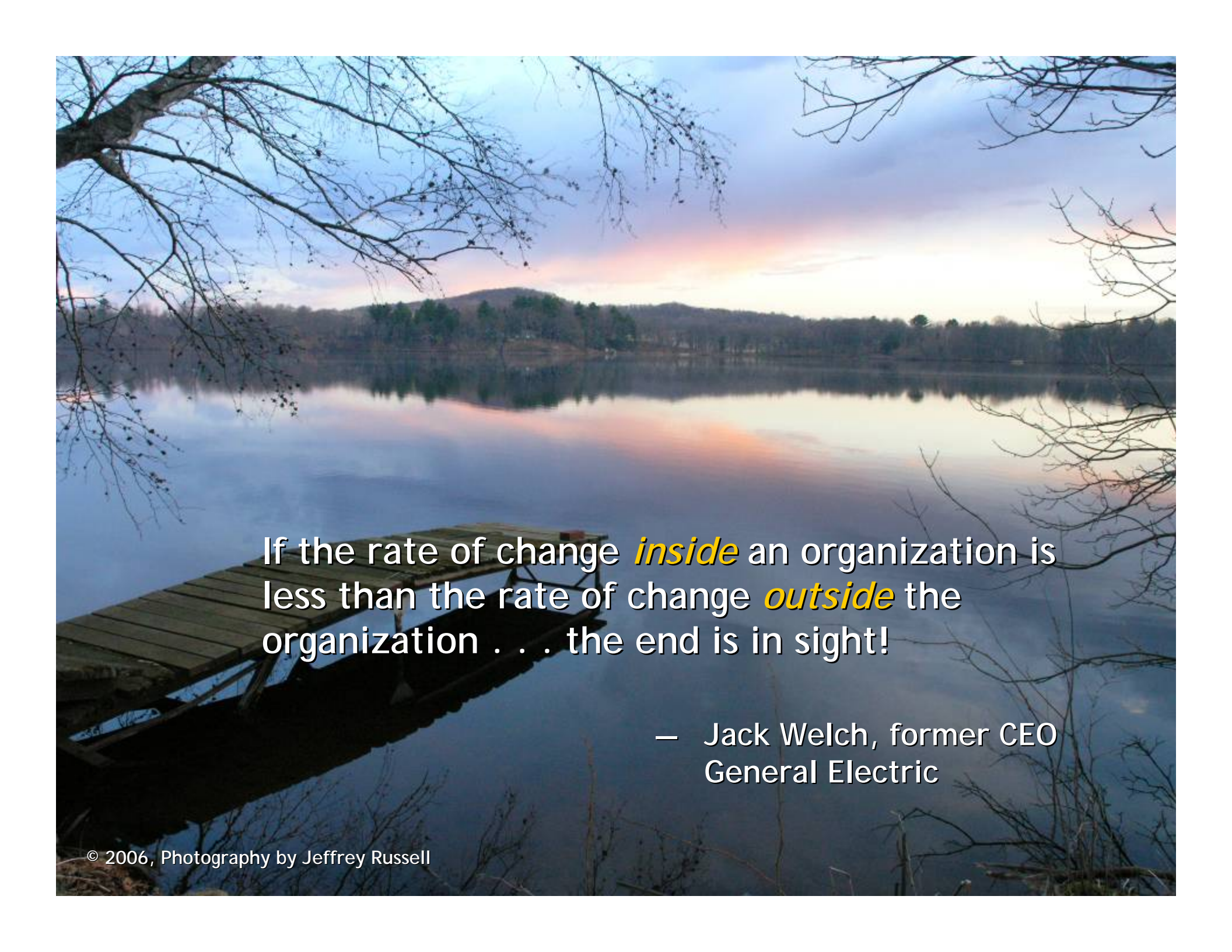
© 2006, Photography by Jeffrey Russell

So . . . how DO we
change people's
mindsets?



Leading Change





If the rate of change *inside* an organization is less than the rate of change *outside* the organization . . . the end is in sight!

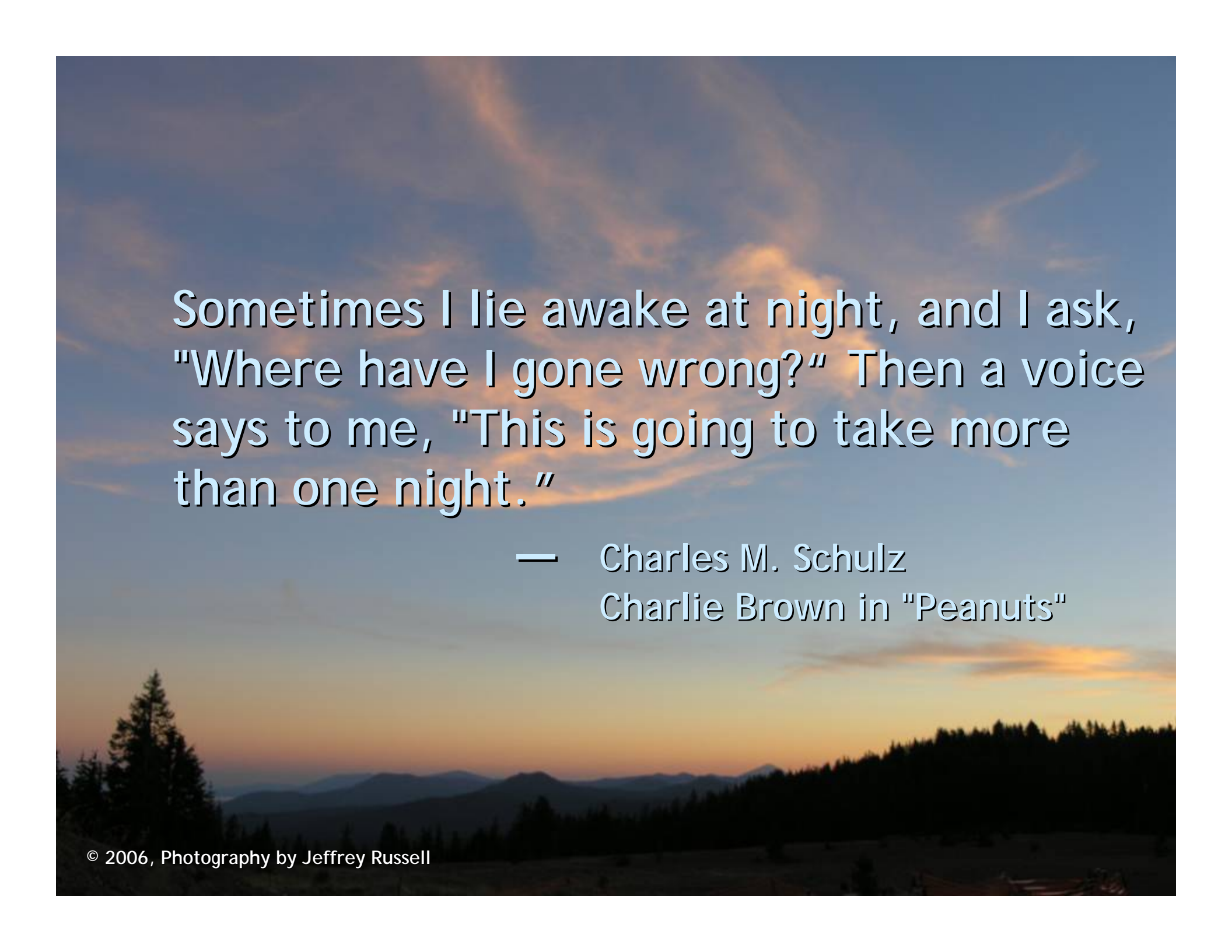
— Jack Welch, former CEO
General Electric

It is not the strongest of the species that survive,
nor the most intelligent, but the most responsive
to change.

— Charles Darwin


British naturalist
c. 1809-1882






Sometimes I lie awake at night, and I ask,
"Where have I gone wrong?" Then a voice
says to me, "This is going to take more
than one night."

— Charles M. Schulz
Charlie Brown in "Peanuts"



Somebody has to do something . . .
and it's just incredibly pathetic that
it has to be us.

— Jerry Garcia
(of the Grateful Dead)



**Blessed are the flexible, for they shall
not be bent out of shape.**

— Dr. Michael McGriffy

Thank You!!

- Please complete the workshop evaluation.
- Good luck with developing strategic thinkers throughout your company!

For a copy of the PowerPoint presentation from this morning, visit Russell Consulting Online:

www.RussellConsultingInc.com

[available after 5/15/2006]

