

Note: Russell Consulting, Inc. provides these PowerPoint slides and handouts to interested people for their personal use only. RCI has copyrighted all materials and retains all international rights over its proprietary work. Those who download our materials agree to respect our copyright and agree to not use or duplicate our material for use by others. All commercial use of this copyrighted material is prohibited. Those who download our materials also agree not to represent our material as their own.

If you wish to use these materials in ways other than for your personal use, please contact RCI for licensing and cost information at RCI@RussellConsultingInc.com.

2016 HUMAN CAPITAL
CONFERENCE



Develop Your Strategic Thinking Mindset – *Or Else!!*

*Strengthening HR's Value by Developing Your
Strategic Thinking Mindset*

Lustra Fjord, Norway

With Jeff Russell



A photograph of a fjord in Norway. The water is dark blue and reflects the sky, which is filled with soft, golden clouds. On the left side, there is a stone wall made of dark, stacked stones. The text is overlaid on the water and sky.

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

Any road will get you
there.

Lustra Fjord, Norway

Jotunheimen National Park

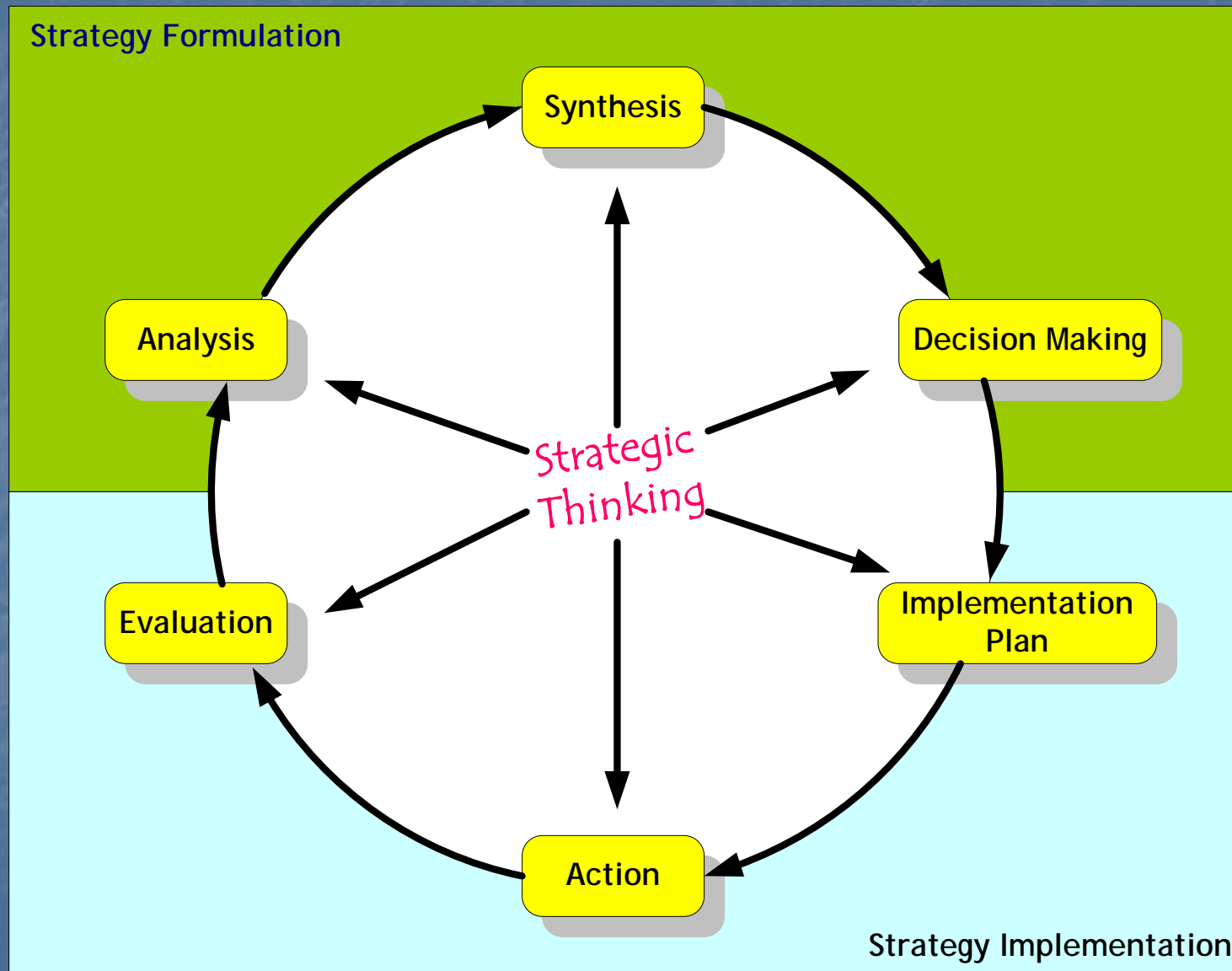
If you're not at the table . . .
You're on the menu!

Insanity . . .

Repeatedly doing
the same things in
the same way and
expecting *different*
results.



Strategic Thinking and Strategy Formulation and Implementation



Strategic Thinking for HR Is . . .

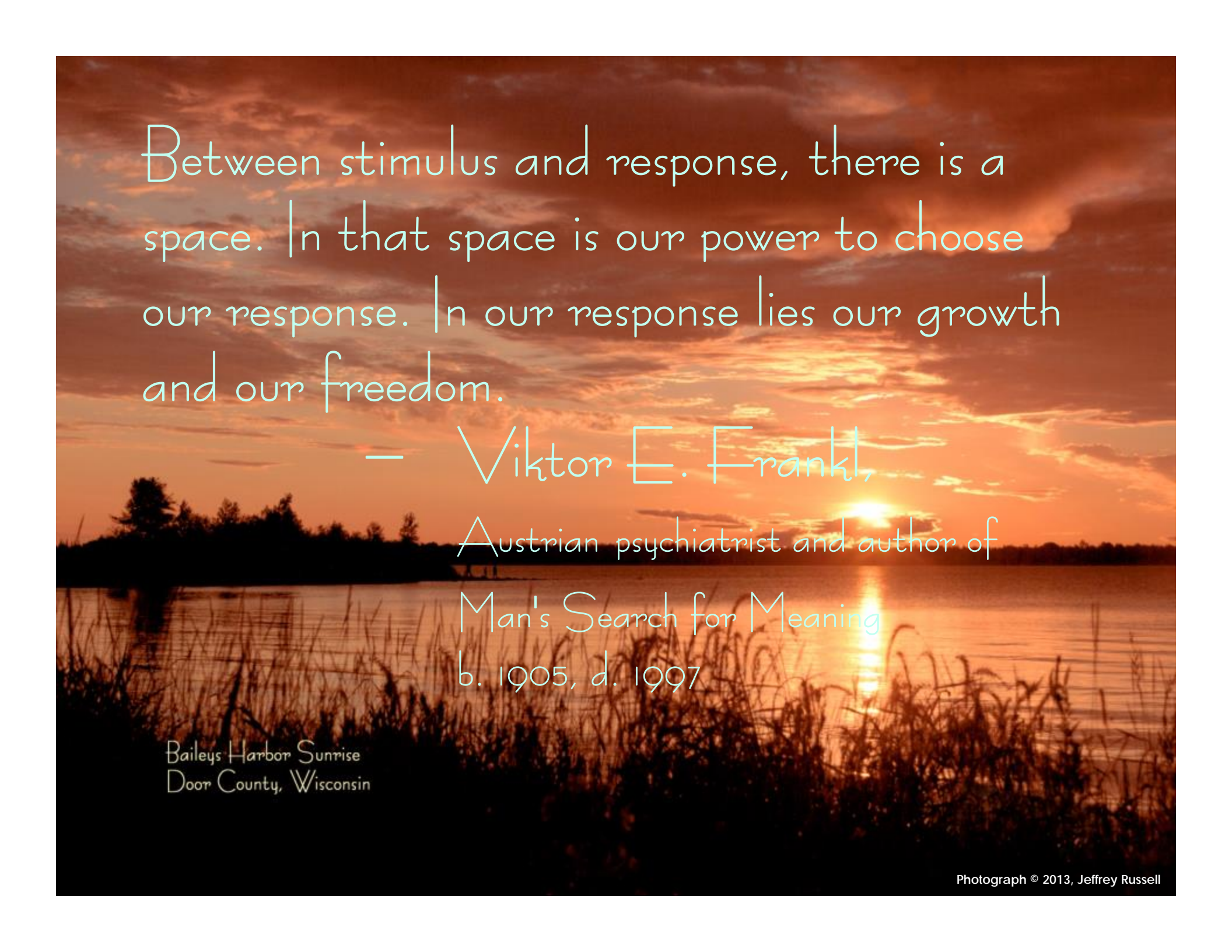
A way of examining and understanding your organization's circumstances within a **larger context** which, in turn, enables you to identify, understand, and **proactively engage current and emerging issues** that are likely to have a significant **strategic impact** on your organization's success.

Strategic Thinking's Context

- The purpose or aim of the organization – *What are we here to accomplish or create in the world? For HR: Do I understand the business and its larger purpose?*
- The purpose, role, and value of the person's work contribution - *How do I personally contribute to the organization's larger purpose? What am I here to accomplish or create? For HR: What is HR's value? [What is my value?]*
- The core guiding values described in the strategic plan - *What core values should guide every decision and action I make in my work? For HR: How will these values influence my HR decisions?*

Strategic Thinking's Context

- The current and future needs of his/her customers -
What do my customers/clients expect of me today? How are my customers' needs changing and why? For HR: How are my customers' general and specific HR needs changing?
- What is occurring in the organization's environment -
What forces and trends within and outside of the company are likely to affect my or the company's future effectiveness and success? For HR: What HR/business trends suggest my potential future role/function/success?



Between stimulus and response, there is a
space. In that space is our power to choose
our response. In our response lies our growth
and our freedom.

— Viktor E. Frankl,

Austrian psychiatrist and author of

Man's Search for Meaning

b. 1905, d. 1997

Baileys Harbor Sunrise
Door County, Wisconsin

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 organization's core values.
3. Being awake and aware – continuously scanning the environment — looking for opportunities and threats.

Strategic Thinking

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 for the long-term that are shaped by the vision, core values, awareness of the environment, and awareness of the interdependencies.



Control your destiny . . . Or somebody else will!

— Jack Welch, former CEO

General Electric

Lustra Fjord, Norway

HR Thinking/Planning/Action Levels . . .

<i>Level</i>	<i>Desired Result</i>	<i>Style of Action</i>	<i>Underlying Value/Key Question</i>	<u>Current</u> % of Time	<u>Desired</u> % of Time
Strategic	Helping the organization achieve an ideal future. Optimizing desired long-term outcomes given internal resources and environmental constraints.	Future-minded, long-term focus. Exploring alternative HR possibilities and pathways to achieve success and tackle critical issues.	<i>Controlled</i> instability toward a larger purpose. Leveraging opportunities. <i>What's next for HR?</i>		
Interactive	Exceeding expectations. Going above and beyond. Anticipating HR needs and problems.	Proactive. Getting out in front of things. Never being surprised.	Continuous learning and quality improvement. <i>What am I learning today that should change my HR practice tomorrow?</i>		
Operational	Maintaining the status quo. Ensuring consistency. Controlling/guaranteeing results. Developing good HR systems that translate strategic plans into action.	Short-term focus. Fixes problems. Maintains smooth operation. Strives for operational excellence.	Stability and Control. <i>How do I keep things going along as smoothly as possible?</i>		
Tactical	Meeting expectations. Solving daily HR problems. Responding immediately to emerging issues. Delivering HR value!	Reactive. Short-term focus. Getting results today.	Surviving! Making it through another day! <i>What must I do right now to solve today's problems?</i>		

100% 100%

Aloha!

Culture eats strategy for breakfast . . .

- and lunch
- and dinner
- and during snack time!

A photograph of a sunset over the ocean. The sun is a large, bright, glowing orb in the upper right quadrant, casting a warm, golden light across the sky and the water. The sky is a gradient of orange and yellow. The ocean is dark with white-capped waves breaking. In the foreground, there are dark, jagged rocks. Numerous birds are silhouetted against the bright sky, flying in various directions. The overall mood is serene and contemplative.

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

—Henry David Thoreau

Lucas Point, Monterey

Being Tactical and Strategic . . .

- Review the questions listed under both the “tactical” and the “strategic” response categories.
- How might you use this framework when dealing with a given situation?
- What questions do you have about the framework?

Strategic Thinking Framework

Vision and Mission
Governing Values
Strategic Priorities
Environmental Context

Event Calling for a Response

Tactical/Operational Response

- Who is the customer in this situation?
- What is the pressing problem we're trying to solve – or opportunity we're trying to leverage?
- What do we need to do right now to address this issue?
- What immediate actions will help us solve the problem or enable us to realize the opportunity?
- What is our immediate desired outcome in this situation?
- What is our immediate measure of success? How will we know if our actions have been successful?
- Who is primarily responsible and accountable for taking immediate action on this issue?
- How does the vision, strategic priorities, and governing values inform our immediate, tactical, and operational response?

Strategic Response

- What are the factors that contributed to/caused this situation to occur?
- Is this event part of a recognizable pattern that we should try to understand?
- What are the long-term implications of any tactical/operational response we are considering or that we actually took?
- How is this situation related to other situations we have faced in the past, are currently facing in the present, or are likely to face in the future?
- What are the possible systemic and underlying causes driving the emergence of this issue?
- What are the long-term measures that we might use to evaluate our effectiveness at addressing this issue?
- What is our long-term desired outcome in this situation?
- How does this issue relate to our vision, strategic priorities, and our guiding values?
- Who are the long-term customers and stakeholders in this situation and how are they each affected by the issue and our intended actions?
- Where does long-term responsibility for taking action and being accountable for results lie?

Applying a Strategic Thinking Mindset

Case Study #1: You have seen a gradual increase in the number of workplace injuries in one of your production departments.

Using a strategic thinking mindset, what issues will you examine and explore to address this problem tactically (immediate/short-term) and strategically (long-term)?

- What might be included in your **tactical/operational** response to this issue?
- What might be included in your **strategic** response to this issue?

Applying a Strategic Thinking Mindset

Case Study #2: You are having great difficulty filling key technology positions that are critical to your company's success. Critical positions aren't being filled by people with the right skills and it's creating huge productivity and quality issues.

You have found it increasingly challenging to find workers who have the needed technology skills, knowledge, and experience to fill key positions. Other manufacturers in your area are facing the same problem. Your area technical college has been slower than you'd like in adjusting to the new skill requirements of local employers and the local high schools don't have the budgets. Wisconsin Department of Workforce Development has a statewide initiative underway to address this issue.

- What might be included in your **tactical/operational** response to this issue?
- What might be included in your **strategic** response to this issue?

Developing a Strategic Mindset

1. Expect HR staffers to be strategic thinkers – make it part of their hiring, orientation, and development.
2. Build strategic thinking into every HR job description.
3. Integrate the vision and core values into HR planning and goal setting processes.
4. Invite HR staff members to share/discuss what they are learning from customers and what they see happening around them that might have a bearing on the organization's future success and HR's role.
5. Debrief HR challenges, problems, and crisis from a strategic perspective — pursue strategic insight and learning.

Developing a Strategic Mindset

6. Define the HR **“ends”** not the **“means”** to get there – and invite them to help build the right pathway.
7. Take time to listen and acknowledge their **creative ideas**.
8. Give people the **freedom** to make decisions (autonomy) — but also **provide them context** and a framework within which to operate (core values).
9. Encourage everyone to **challenge current HR practices** (do this only if you really mean it!).
10. **Share HR success stories** - where HR was the **hero!**

Developing a Strategic Mindset

11. Invest in building a **strong HR community**.
12. Walk the **talk** – **model great strategic thinking** in how you approach your own decision making, problem solving, crisis management, etc.
13. Take time, as an HR team, for a **strategic thinking “retreat”** where you escape from the tactical and operational levels – even if only for a half-day!



Sometimes I lie awake at night, and I ask myself: "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"

Boglands and Clouds
Connemara National Park

Good luck integrating insights
from this session into your HR
tactics and strategies!

Next Week: Download this
PowerPoint presentation from our
website:

www.RussellConsultingInc.com

