Shape Strategy from the Front Line

"Here's my strategy"

John Brooker

> "Useful change tends to be associated with a multi-step process that creates power and motivation sufficient to overwhelm all the sources of inertia."
> John P. Kotter, Professor of Leadership, Harvard Business School.

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Management Teams often shape strategy in isolation from staff and then communicate it to them. What if it were the other way round?

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Introduction

Management Teams often shape strategy in isolation from staff and then communicate it to them. This approach works very well for many companies, however managers often have to use a great deal of time and effort to communicate it, gain acceptance for it and motivate people to implement it. It can also miss valuable intelligence from people working on the front line.

In this case study, we outline how one Business Unit of a multinational company involved its entire staff in the shaping of its strategy. I explain the approach, the success factors and issues relevant to other companies. Finally, we relate Kotter's Change Model to the approach, to explain why it can be more successful than the traditional approach.

For those who lead teams and those who facilitate team workshops, this article will provide you with a way to run these workshops effectively, using a Solution Focus approach.

Background

The client, (I will call him Karl), was the Vice President of a high profile Business Unit (BU) involved in highly skilled work within a large multi national company. Shortly after taking over the BU, he became aware that its strategy and its role needed clarifying and reshaping.

There had been a strategy in place for some years and whilst it was evident that people were passionate about their work:

- The BU was not adhering to all of the strategy
- People voiced different opinions on what the role and the strategy should be

As a result, there was a degree of frustration within the BU. Karl wanted to build on this passion, ease the frustration and channel this energy more constructively. As Yes! And had run many successful workshops within the company, Karl met me to discuss how I could help him shape a new strategy

Project Approach

Karl explained that he wanted the thirty people in the BU to attend workshops to hear their different opinions, discuss the issues and contribute to the strategy in a structured way. The attendees were all very bright, committed and professional individuals, some with many years' experience in their field.

For the Management Team, the output from the workshops would bring the insight of over twenty people to enrich the strategy. In addition, people who had

"There was some scepticism amongst staff"

contributed would require less communication about the strategy and be more likely to support it.

The project approach Karl agreed with me was:

- Five workshops, spread over a month, so everybody could attend
- No more than six people in a workshop, to provide sufficient "air time" for all
- Mandatory attendance for everyone in the BU to ensure that all contributed
- At least one representative and manager at each workshop from each group in the BU
- A Management Team workshop to review the output from the workshops and set the strategy
- Some way to feedback the final strategy to the whole team and facilitate development of action plans to implement it.

Team Workshops

I worked with Karl to define the purpose and outcomes for the five workshops. In summary, these were:

Purpose

Attendees to provide input that will help create targets for the BU and align them with company and divisional equivalents.

Outcomes

Attendees at each workshop will:

1. Contribute to company targets for the year

2. Identify and validate key issues for this BU to address

3. Suggest action groups to tackle issues

4. Suggest actions to move forward

You should note three points here:

- The outcomes encouraged people to become involved in implementation by having them suggest actions and action groups
- Actions had to be within the control of this BU to speed implementation
- The outcomes were to influence the strategy which the Management Team would set

Potential Issues

Before each workshop, I briefed the attendees in writing and obtained their feedback using a simple questionnaire with 3 questions. The response to these questions confirmed that people on the BU had:

- a sense of frustration with the lack of direction
- A desire for a realistic strategy and for real action to result from the workshops
- Some scepticism about whether the exercise would be worthwhile

It is invaluable for you to brief

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people and use such a questionnaire. It sets expectations and highlights potential issues you may face in the workshop, giving you time to address them in advance and save time in the event.

If you carry out analysis in advance, e.g. Strength, Weakness, Opportunity and Threat (if needed) you can also save time during the workshops.

Team Workshop Approach

The approach changed slightly over the five workshops as I received feedback from each one. The final approach was:

- Attendees to identify key strategic and operational issues regarding the BU
- Attendees to review the original BU strategy document and the latest divisional strategy document to prepare for the next session
- Attendees to develop a draft vision for the team
- Attendees to draft strategic goals
- Attendees to clarify and agree key issues and factors to help the BU to achieve goals
- Attendees to create an action list and identify potential leaders and members of action groups to tackle issues
- Attendees to feed back their outcomes to Karl, who will answer questions and provide feedback.

Outcome and Feedback

Each workshop achieved the outcomes, which I documented. The workshops were very well received, with comments including:

Positive

- *Positive, resulted in constructive debate and identified similar concerns from all attendees*
- *Good positive session. Identified many of the key issues quickly and got team buy in to potential solutions and actions*
- *Very constructive; We completed a large amount of valuable input. It was good to have the mix of people we had*

Constructive criticism

As you might expect, people gave criticism, most of it constructive. Examples that might arise in your company included:

- *I want confidence that change will be allowed and sponsored*
- *I want visibility of the whole process, giving clear timelines and deliverables so that I can measure improvement*
- *I want a stronger focus on actions with clear accountabilities on people and commitment to buy in to these action points*

I addressed these points in the final workshop.

Additionally:

Despite mandating attendance, one person still avoided attending any workshop, deeming it less important than the "day job".

Karl was unable to attend one of the workshops to hear feedback, due to being detained on business elsewhere. Although the attendees had the opportunity to feedback to him following this workshop, they were unhappy with Karl's absence, viewing it as a sign that he was not truly committed to the exercise.

Lessons from the Workshops

- Keeping the number of attendees to fewer than eight permits sufficient air time for all
- Mandating attendance obtains input from across the team. However, it risks evoking a negative response. Two way communications beforehand will help prevent this.
- Total resistance to attendance is difficult to overcome. As long as individuals do not try to sabotage the change, it is better to accept that some resistance happens and trust they will see the benefit of the strategy
- If the leader commits to attend the workshops to hear feedback (and people were very motivated by Karl's attendance), it is important they attend
- Some attendees found it more difficult to input to the strategy, due to recently starting work in the BU or being new to their role. However, they learned a lot about the BU, its issues and its strategy.
- Participants need not be experts on shaping strategy to give valuable input or shape their own vision/strategy. Simple questions during the workshop can facilitate this.
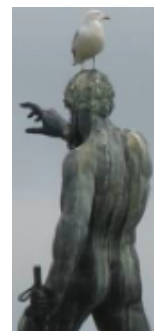
" There was some criticism too"

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Management Workshop

Three weeks after the final team workshop, I ran a management workshop. This gap gave time to consolidate the information from the five workshops and for the Management Team to read it.

Before the workshop I agreed the purpose and outcomes with Karl and provided a brief with the materials. I gave the opportunity to feedback concerns to the facilitator beforehand, but without a questionnaire.

Purpose

To create a vision and strategy for the Business Unit, along with actions for people to achieve these.

Outcomes

For the Management Team to have consolidated the input from the five workshops and agreed:

1. The BU Vision Statement
2. A set of Strategic Goals
3. A set of Strategic Priorities
4. A set of actions for the BU to tackle to begin the achievement of the priorities

Management Workshop Approach

The outline for this day was that attendees would:

- Develop the Vision Statement
- Agree the Strategic Objectives
- Agree Strategic Priorities to
- Assign leaders and members of action groups and create an action list to tackle issues
- Agree a communication plan and other steps

In advance of the workshop I did two things to speed the process on the day:

1. I asked the managers to create ideas for the above outcomes before they attended
2. I developed a PowerPoint template for the attendees to complete on the day. This contained prepared slides for:

- Vision Statement and clarification points
- Strategic Objectives (key milestones)
- Strategic Priorities for next 12 months
- Strategic Actions to achieve priorities
- Strategic Targets against priorities (added during workshop)
- Responsibility for Actions

I used the completed presentation as input for the final workshop.

There was a great deal of discussion about the different outputs from the five workshops. Clearly, when there are differing viewpoints it is not possible to include everything. However, the attendees ensured that the Vision Statement and Strategic Plan included most of the output.

Business Unit Workshop

A month after the Management Workshop, I designed a Business Unit workshop for all staff, most of whom attended (holidays precluded some).

Purpose

To feedback the strategy, objectives and priorities and obtain commitment for actions.

Outcomes

The attendees will:

1. Understand the Strategy and its rationale
2. Have identified the links between the final strategy and the input personnel gave in previous workshops
3. Be committed to the first phase of actions

Business Unit Workshop Approach

I did not distribute the strategy presentation in advance so as to avoid unstructured and premature discussions. During the workshop:

- Attendees reviewed and adjusted the final Vision Statement
- Small teams compared the final Strategic Objectives against those generated in the first five workshops, to ensure a link
- Small teams discussed the Strategic Priorities, Targets and Priority Actions
- Small teams each took a Priority Action and developed a mission statement, a set of actions / deliverables to be achieved within three months and verified the link to Strategic Priorities

"Total resistance is difficult to overcome"

Lessons

- It is important from the start to emphasise the link between the developed strategy and the output of the original workshops; if not, people can become cynical. I could have been more overt about identifying the links
- Assign a chair person for each action team to ensure all are heard
- Consider giving the strategy in advance for people to consider
- Consider a longer final workshop so that teams can explain the outcomes from each workshop and present their action plans.

Karl's Reflection

Following the workshop, the team set about implementing the actions. A few months later I followed up with Karl to establish his views on the project:

- He was pleased with the outcome of the workshops, having obtained a concrete mission statement and a solid picture of the direction
- People were honest and frank
- Overall he would give a 7 or 8 out of 10 for the shaping of strategy and would give higher only by introducing factors outside of the scope of the workshops
- Two of the four large scale actions were implemented on time, one was almost complete and the other had been planned. Those who participated in the action groups participated wholeheartedly
- The majority of the BU is very positive about the strategy; they feel part of the story and the

workshops have provoked action and the desire for change. However, some people are struggling to make the strategy a way of life because some of the more sceptical choose to sit back and observe what happens,
- Positively, the sceptics are not taking a negative approach and the BU achieved a higher buy-in by involving, not excluding people.

With this experience, Karl would in future:

- Repeat the process of setting strategy in this way
- Keep the five day workshop and the management workshop format and allocate two days for the Business Unit workshop instead of one
- Keep the mixture of people
- Ensure that he could attend all team workshops to hear feedback – this is an absolute must in his opinion
- Ensure that the action groups had only eight weeks, rather than the fourteen weeks they were allocated, to provide a greater sense of urgency

Establish waves of projects from the beginning to drive the change and maintain momentum.

Our Reflection

In planning and running these workshops I sought to use Solution Focus principles such as:

- Treat each situation as different
- Work with what is given
- Respect the resources of the client
- Take small steps, consider the results and adapt the approach.

I believe this was a significant factor
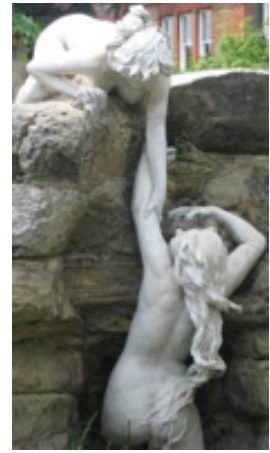
"Even sceptics get a hand up"

in the success of the project.

What struck me as I reflected on the approach Karl's Business Unit used, was how closely it related to John P. Kotter's process for creating major change, which I discuss below.

Kotter's Change Process

Developed by Kotter at Harvard Business School, this is an eight-stage process for change developed from his study of companies that had failed to implement changes effectively.

It is a high level model for change and can apply to all types of organisational change, although it is fundamentally about major change in large organisations.

Stages

1. **Establish a Sense of Urgency** - Through the workshops, Karl emphasised the importance of the issues that people discussed informally. Mandating attendance added to the sense of urgency, though he could also have set a shorter time for groups to complete actions.

2. **Create a Guiding Coalition** - Karl used his Management

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Team as a coalition but also the wider group, bringing expertise and credibility to the approach. Karl liaised with leaders in other BUs to form a stronger coalition.

3. **Develop a Vision and Strategy** - By using the intellect of the whole team, Karl was able to develop a vision and strategy that was more likely to break the inertia of the status quo.

4. **Communicate the Vision** - Kotter emphasises the amount of effort required to communicate a vision and strategy to people. By involving people in the development and review of the strategy, the communication effort is much reduced.

5. **Remove Obstacles to the New Vision** - The focus of the actions was to remove obstacles to implementing the strategy and vision.

6. **Generate Short-Term Successes** - The BU focused on short term actions so that there was a sense of achievement and momentum.

Not relevant to the workshop, but important for after it is: to

- **Consolidate Gains and Produce More Change**
- **Anchor New Changes in the Corporate Culture**

"Time for Reflection"

Conclusion

Shaping strategy in the traditional way creates problems of communication, buy in and implementation. Shaping strategy using the approach Karl took takes more effort, time and risk at first; however, the outcomes from this case study indicate that it can be worthwhile, as it:

- Is easier to achieve implementation
- Includes a wider range of opinions
- Increases people's understanding of strategic issues
- Focuses people on strategic goals and priorities.

Author

John Brooker is a full member and Board Member of SFCT and an experienced facilitator of the Solutions Focus Approach. He is a former Senior Vice President of Visa and has run Yes! And... since 2001, coaching teams internationally to innovate and transform.

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