

STRATEGIC MANAGEMENT

In strategic management leaders establish an organization's direction, navigate toward the direction and shape the organization's culture and resources to advance those ends.

A. Getting the Organization Focused on Strategic Matters

The overall task is to get the organization to pay attention to and act on opportunities for its own long range development or transformation, the building of its capacity, and the prevention of crisis.

1. Focus on the primary task and core processes of the organization. "Pay attention to business."
2. Attend to the external forces that offer new opportunities, place constraints on the organization and threaten the organization's survival or capacity to advance its purpose.
3. Being clear about where the organization is in its life cycle and taking action for its development.

B. Methods in Strategic Management

1. Create the space and time and pressure to attend to strategic matters

This involves setting aside or containing the immediate "crisis", the pressing project, interruptions, and all the business generated in the day to day operations of any organization. The "demand system" that is created by the endless flow of expectations, pressures and requests needs to be re arranged to create a new "demand system" that helps the organization focus on strategic matters. Establish structures and activities in the organization's life that are given over to strategic matters. John Covey writes about how we need to learn how to schedule our priorities rather than trying to prioritize our schedules. Possibilities include:

- a. Setting aside the first half of every management team, board and staff meeting to work on strategic questions. Some groups give every other meeting entirely over to strategic issues.
- b. Have a yearly strategy retreat (for the managers or board.) Use the time to build the team (always a strategic activity) and work on other strategic matters.
- c. Schedule a series of special meetings to work on one strategic issue. Cancel a few regularly scheduled meetings.
- d. Use an organization development consultant.

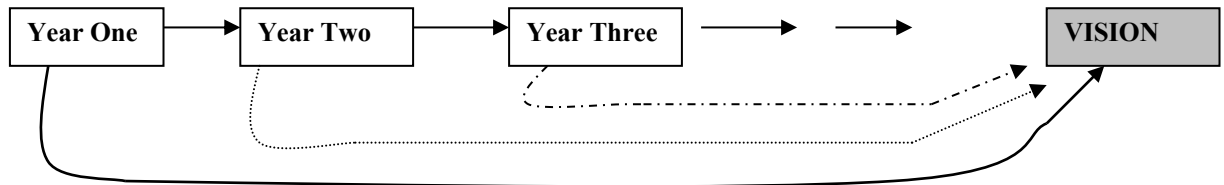
2. Use a Value Centered Management Approach

A value centered approach can help the organization establish a stronger sense of identity and purpose. The approach provides another guiding mechanism that can keep people focused on essential issues.

3. Use Some Form of Strategic Planning

a. An Unfolding Vision Process

This involves creating an vision for how the organization might act and be in the future (3-5 years.) Notes may be made on people's ideas for what may need to happen in future years. That may influence both the vision statement and this year's plan. Then each year a plan is created to move toward the vision during the coming year. The organization also "check in" on the existing vision. Revisions are made if needed.



1. Create the vision
2. Action plan for Year 1 to move toward the vision

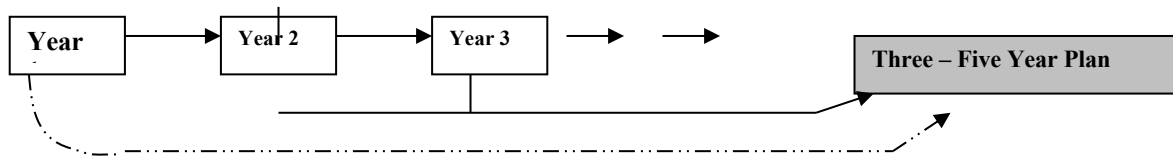
Action Plan for this year

1. Check in on vision –still “owned”?
2. Action plan for year 3

The unfolding vision process allows for flexibility while maintaining a sense of direction. It may make some people anxious not to have each year “pinned down.” It does tend to keep the focus on where you want to go rather than on particular steps.

b. Linear Planning

This involves both creating a statement of targets (i.e., results, outcomes, vision) that the organization wants to meet in three to five years and developing a plan for what will be done each year to move in that direction.



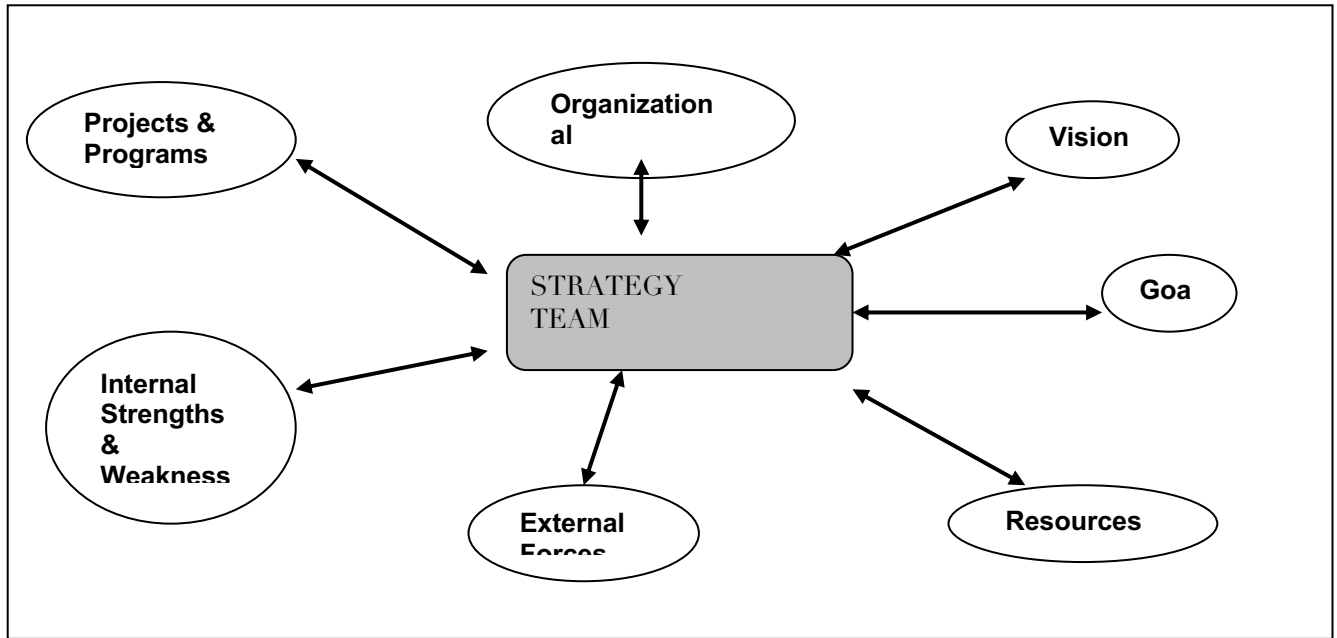
1. Establish Desired Long Term Results. What you want in 3 – 5 Years
2. Plan out the goals and objectives for each of the 3 –5 years

Each year – revise as needed

Linear planning provides a high degree of control and detail. If well done, it can provide for needed flexibility. However, it seems to have a tendency to give a “set in stone” tone to the process. Attempts to revise yearly plans are often seen as signs of failure. It is a comprehensive and systematic approach but tends to be slow and therefore frustrating. The detail of it, touching every aspect of organizational life, can set off strong and broad resistance.

c. Organic Planning

Some would say that this method isn't even planning. There may not ever be a written plan. The organization arranges itself to have a well trained, disciplined strategy team. The team has the job of paying attention to all significant elements of the system and to help bring each into a process of mutual adjustment with the others, while the organization. The effort is driven by an ongoing process of gathering and reflecting on information from each area.



Organic planning requires well trained, disciplined people who can quickly analyze information and take action. This may best be used in organizations working in a rapidly changing environment, facing immediate opportunities, or dealing with a crisis. This approach may encourage the continuing involvement of staff, board and clients/customers while allowing for timely action. Its comprehensiveness will depend on the skill and orientation of the strategy team.

C. The Leader's Role in Strategic Management

- 1. Define the vision.** The leader needs to have very high ownership of the vision if the organization is to make progress. It is usually important for the CEO, Executive Director, or Pastor to play a central role in drafting the vision.
- 2. Keep the vision, primary task, values, etc. in front of the organization.** The leader needs to find a variety of ways to keep these guiding mechanisms before individuals and teams as they do their work. The clearer they are in people's minds, the more individuals and teams can be self directed. The desire here is to guide the use of resources (human, financial, material) more by the organization's vision and less by direct supervision.
- 3. Maintain the system for strategic management;** make sure that there is the space and time for it.
- 4. Structure ways in which the system and subsystems can "listen" to the organizational environment.** Vary how it is done from time to time, e.g.
 - a. By environmental segments (suppliers, those we serve, the competition, those that regulate and establish mandates for us.)
 - b. By factors that influence the organization

WIDER CONTEXT • Global and national, social, cultural, economic trends and forces	LOCAL CONTEXT • Regional, neighborhood, social, cultural and economic trends and forces
WIDER INSTITUTIONAL • The policies, reputation, use of resources of the larger institution you are part of (if any)	LOCAL INSTITUTIONAL • This organization's dynamics, culture, strengths, values, etc.

c. By assessing the demand system. This would include the demand system that is both internal and external. Map out the groups, individuals, organizations that want, expect or demand something of the organization. Map out the current picture. Note the systems involved and what they are seeking. Map out the current response system. Then map out the demand system you would like to see in three to five years.

5. Take action to mobilize resources around strategic goals. Leaders need to facilitate, guide and insist that the organization “stack resources” around strategic matters.

6. Resource yourself as a leader. Arrange your own life in a way that enables you to use your strengths, develop new competence, keep perspective and stay centered. Advance training and case studies with other leaders is usually a help. Try regular coaching sessions with an organization development consultant to look at system issues. Use a therapist to discover and manage how your own family dynamics may be influencing your work. Seek spiritual guidance to stay in touch with your own best self, your own integrity.

7. Work with a strategy team. Bring together a team that will be your partners in strategic management. People who can think and act strategically, be collaborative with you and each other, and are committed to the organization's vision.

D. Areas In Which Strategic Management Is Used

1. Total Organization - Regarding the whole system, its mission, values, vision, new initiatives, etc.

2. Project or Program - A particular work of the organization. Assessing its “fit” with the larger organization's values, vision, culture, etc.; whether there are other organizations that do it better; the cost (high-low); and whether it is at the heart of the organization self image (because of history or values in the organization, its integrity.)

3. Resource Support - Arranging for the resources needed for the whole organization or a program to function well.

4. Institutional Structures, Processes, Systems - Developing the organization so it has the ability to carry out strategic initiatives. This ranges from increasing the skills of working groups for decision making and problem solving to retaining key staff, to providing needed technology.