

Focused Strategic Thinking and Organizational Renewal

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Faculty

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Role Of The Facilitator

- Provide a process for strategic thinking
- Assist in starting the discussion
- Recap and summarize key discussion points
- Assist in building consensus

Role Of The Facilitator

- Insert occasional “out of the box” perspectives through “informed ignorance”
- Assure that everyone participates
- Keep the process on schedule
- Help document the process

Role Of The Participants

- Share expertise
- Assess others’ ideas objectively and professionally
- Encourage sharing of ideas

Role Of The Participants

- Tolerate disagreement
- Seek consensus
- Help achieve desired outcomes

Planned Outcomes Of The Session

- Identification and prioritization of key external issues
- Identification of key stakeholders and their relationship
- Identification of the critical factors for success

Planned Outcomes Of The Session

- Assessment of the organization's current strengths and weaknesses
- Determination of the organization's resources and other strengths needed to achieve its mission and CFSs
- Organizational mission, vision, and value statements

Planned Outcomes Of The Session

- Organization statement of strategy
- Organizational goals
- Identification of the activities necessary to achieve the goals
- Development of timelines for activities/goal achievement
- Identification of a unit or person responsible

Leading Strategically

- Strategic thinking
 - An intellectual orientation
 - A way of thinking or mindset
- Strategic planning
 - The periodic process of creating organizational momentum
 - A strategy

Leading Strategically

- Strategic management
 - A philosophy and process of continuously leading and managing an organization using strategic thinking and periodic strategic planning

Strategic Thinking

- Requires a mindset, a way of thinking that
 - Acknowledges the reality of change
 - Questions current assumptions and activities
 - Builds an understanding of systems
 - Envisions possible futures

Strategic Thinking

- Requires a mindset, a way of thinking that
 - Results in idea generation
 - Generates new ideas
 - Considers fitting the organization to the environment
 - Requires thinking as leaders

Strategic Planning

- Provides a sequential, step-by-step process for creating a strategy
- Involves periodic group strategic thinking sessions
- Requires data/information
- Helps establish organizational focus

Strategic Planning

- Facilitates consistent decision making
- Determines what is required to fit with the environment
- Creates organizational focus
- Results in a documented strategic plan

Strategic Management

- Provides an enduring philosophy of leading and managing an organization
- Concerns decision making and its consequences
- Provides the style and culture
- Provides processes for organizational renewal

Strategic Management

- Fosters anticipation, innovation, and excellence
- Creates mechanisms for coping with change
- Uses strategic thinking and periodic strategic planning
- Represents the process of leadership

Systems Perspectives

- Identifies the “big picture”
- Specifies major components
- Identifies important relationships
- Provides proper perspective

Systems Perspectives

- **Avoids excessive attention to a single part**
- **Allows for a broader scope solution**
- **Fosters integration**
- **Provides a basis for redesign**

Focused Strategic Thinking (FST)

- **Focused strategic thinking combines strategic thinking and strategic planning into a simple, structured, participative, efficient, effective process**

- **There are three keys to the future for any organization profit or not-for-profit that wants to participate fully in the 21st century**
 - **Anticipation**
 - **Innovation**
 - **Excellence**

**And you better start swimming
or you'll sink like a stone.
For the Times,
they are a-changin'!**

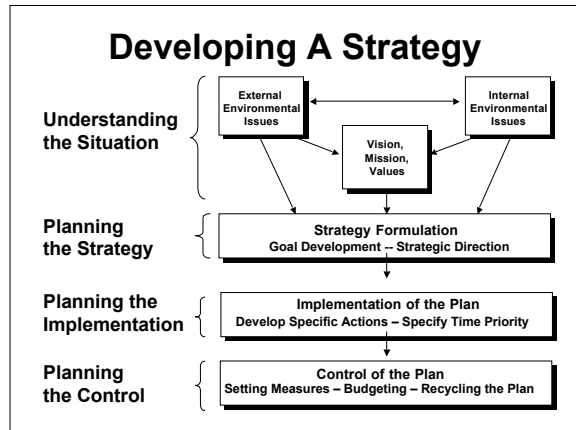
– Bob Dylan

**The only constant is change.
There are organizations that
effectively manage change.
They are the masters of renewal.**

– Robert H. Waterman, Jr.
The Renewal Factor

**One has to make the organization
capable of anticipating the storm,
weathering it, and in fact,
being ahead of it. That is called
innovation, constant renewal.**

– Peter F. Drucker
Managing the Nonprofit Organization



- ### External Issue Identification and Evaluation Outcomes
- Identify and evaluate current issues
 - Detect possible emerging issues
 - Speculate on future issues
 - Identify key stakeholders

- ### External Issue Identification and Evaluation Outcomes
- Identify organizational critical success factors
 - Provide organized information for planning
 - Foster further strategic thinking

- ### What We Should Do
- Sources of external environmental issues, trends and forces
 - Economic
 - Social/demographic
 - Political/regulatory
 - Technological
 - Competitive

What We Should Do

External Environmental Issues

Group 1

•What external issues will influence the success or failure of the organization?

Key External Issues	Impact of Issue

What We Should Do Key Stakeholders

Group 2

•What organizations and individuals have a “stake” in the success or failure of the organization? Why?

Key Stakeholders	Type/Importance

What We Should Do Critical Factors For Success

Group 3

•What has to go well for the organization to be successful? What are the important indicators of success for the organization and how might they be measured?

Success Factor	How measured?

Internal Issue Identification and Evaluation Outcomes

- Identify strengths and weaknesses
- Identify an optimal bundle of resources and other strengths
- Provide organized information for planning
- Foster further strategic thinking

Sources Of Internal Strengths and Weaknesses

- Resources
 - Financial
 - Human
 - Information
 - Facilities
 - Equipment
 - Location

Sources Of Internal Strengths and Weaknesses

- Other possible strengths & weaknesses
 - Knowledge
 - Skills
 - Expertise
 - Management

Sources Of Internal Strengths and Weaknesses

- Other possible strengths & weaknesses
 - Processes
 - Leadership
 - Culture
 - Values, norms, communication
- Structure
 - Formal
 - Informal

What We Can Do

- Important questions about strengths
 - Is the strength of critical importance to success or failure?
 - Is the strength rare among competitors?
 - Is the strength difficult to duplicate?
 - Can the strength be sustained?

What We Can Do

- Important questions about weaknesses
 - Is the weakness of critical importance to success or failure?
 - Is the weakness common among competitors?
 - Is the weakness difficult to fix?

What We Can Do Internal Environmental Issues

Group 1
• What are the current strengths of the organization?

Strengths	Rationale

Strategic Thinking Questions Concerning Strengths

Group 1 * Key Strength

Strength	Value?	Rare?	Imitable?	Sustainable?

What We Can Do Internal Environmental Issues

Group 2
• What are the current weaknesses of the Organization?

Weakness	Rationale

Strategic Thinking Questions Concerning Weaknesses

Group 1

Weakness	Value?	Common?	Fixable?

*Key Weakness to Address

What We Can Do Internal Environmental Issues

Group 3

- Given the external issues, stakeholder needs, and critical factors for success, what are the resources and other strengths needed by the organization to be successful?

Need resources & other strengths	Rationale

What We Can Do Gap Analysis

Current resources & other strengths	Needed resources & other strengths	Match?

Directional Strategies Outcomes

- Reach consensus and document what the organization currently does
- Reach consensus and document the collective hope for the future
- Reach consensus and codify the fundamental values

Vision, Mission, and Values

- Vision = Profile of tomorrow, our hope for the future
- Mission = Profile of today, our current product/services, customers and philosophy
- Values = Profile of expected behaviors, our beliefs and ideals

What We Want To Do Mission

- An organizational mission is a broadly defined but relatively enduring statement of purpose that distinguishes our organization from others

Characteristics Of A Mission Statement

- Clear and concise
- Concerned with the organization today
- Specific about products/services
- Enduring
- Underscores uniqueness

Questions to Determine a Mission Statement

- Who are our customers?
- What are our primary products/services?
- What is the geographic/organizational domain?

Questions to Determine a Mission Statement

- What is our distinct organizational philosophy?
- What do we want our image to be?
- What specific technology or values have our commitment?

What We Want To Do Vision

- Vision is an expression of hope – a description of what the organization will be like when it is successfully fulfilling its purpose

Characteristics Of Vision

- Inspiring
- Challenging
- About excellence
- Empower employees first and customers second

Characteristics Of Vision

- Comes alive in the details not in the broad generalities
- Memorable and provides guidance
- Not limited by the present

Possible Components Of A Vision Statement

- Clear description of a hope for the future
- Expression of a fundamental need
- Expression of excellence at the highest level

Values

- Values are the ideals organizations and people stand for – the fundamental principles that, along with the mission, make an organization unique

Characteristics Of Values

- Reflect the organization's culture
- Consistent with the desired image
- Acceptable to stakeholders
- Consistent with vision
- Ethical
- Represent a clear commitment

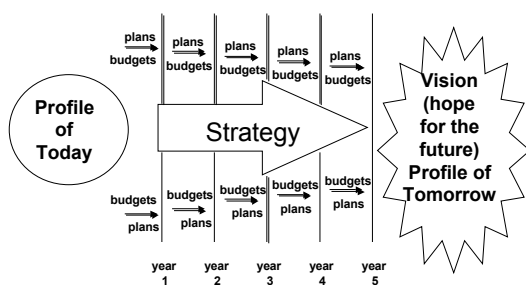
Possible Components Of A Values Statement

- Desired behaviors
- Organizational norms
- Shared beliefs
- Share assumptions
- Explicit philosophy
- Fundamental principles

Strategy and Goals Outcomes

- Stimulate strategic thinking
- Determine what we should stop doing
- Determine what we should start doing
- Determine what we should do differently
- Set three to six goals
- Characterize the strategy

Linking Today and Tomorrow



Strategic Thinking The Broad Strokes

Questions	Products/Services	Processes
Stop doing?		
Start doing?		
Continue?		
Do Differently?		

What We Want to Do Developing Goals

Goals	Address External Issue?	Address Stakeholder Issue?	Address a Success Factor?	Fit With MVV?	Strengthen Internal Factor?	Address an Internal Gap?
1.						
2.						
3.						
4.						
5.						

Goals Characteristics

Goal	Controllable?	Measurable?	Timely?	Stretch?

Implementation Outcomes

- Identify activities to achieve goals
- Develop timelines for activities
- Assign responsibility for activities
- Develop operating budgets
- Assign reporting responsibility

What We Want to Do Action Plans

Goal Statement

Activities	Completion Date	Responsible Person(s)