

Transcription - Strategic Thinking

Welcome back, I'm Kim Baillie, she's Fulyana Orsborn and this is Inside Exec. Today we're going to explore the world of strategic thinking.

I think I might start with one of my mentees who asked me in their performance review, they've been asked to be more strategic and less technical. They were not sure how to go about that. To me, being strategic is something is not just an innovator and some people are broader than others. It's a discipline to me, some of us have to consciously think about how to be strategic. I encourage people to think across the whole life thing, not just about work. For example, if you're looking at where do I want to be in two to three years, three to five years and so on and so forth, you can think about that in relation to leisure and travel, health and your fitness, you can think about family, you know, any stages of family, relationships, etc. and then the same for work. Then within work, what my career is going to look like, where I'm going to be.

If I focus on the career side, you've got to think, how am I going to build this in day to day? I don't just write down, in three years time I want to be in charge of X and then I do nothing about it. That's where most people fall down is that they think about it, but then they don't execute it. Executing it would be really to me, it's as important as having a diary entry for strategic review every day. That can apply to the project you're working on, the team that you are managing, the team you are being a team member on, or your career plan. What actual actions, activities, etc., have you written down to say, I'm going to do this by then and that is going to work towards my career step. I think in a recent podcast, we talked about mapping. This is an ideal opportunity for you to not focus on the word strategic and strategy, but think about a map. Think about the place that you are now, the work situation, whatever it is, if you want to think more broadly as we are suggesting, where are you now and you want to move away from that point, so you want to depart from this point and you want to move to some other direction, you want to move towards something else.

If we don't focus on the word strategy, which I think sometimes has some negative implications about planning and gathering resources for the foray into the business world, then think more about the journey that you want to take and what resources you might need and what activities you might need to perform to move towards that destination that you want to reach. The mapping tool, I think you have a listen to that podcast, go back and have a listen to it, it's called Mapping and Milestones, I think will give you a good base way of looking at how you should be thinking and give you an opportunity to be creating the thought processes that you need to use to address the word strategy, in that sense.

When you're working on something, let's say if you're building a house, for example, you say to yourself, this is what I need now, but do you also think what would I need the house to look like in five years time. You can think about things like saving money, activities such as solar paneling, I can't afford it now, if we're planning to have a family or I'm using it as an AirBnB, or having in-laws living with me, whatever the case, the potential for then building it in such a way that I can expand it, thinking ahead by thinking what can I do to make it the lowest maintenance possible if I'm going to be traveling a lot? So that, to me, is strategic thinking, it's not just about building a house for function now. That exactly same process has to apply

whatever work you're doing at the time. If you're coming up with a new product, a new process, whether you're working on a specific project, whether it is technology or any other thing, is what is the purposes now and how would future changes in technology, resourcing, direction, business direction, expansion, all of those things, make it change?

It's interesting to think of this in terms of projects if you wanted your group to be more strategic. Perhaps they're working on this particular activity now, for example, I have to, in this example, I talked about yesterday, that they're working on vehicle emissions. So their engine is, they're looking at the most efficient piece of equipment they can put into a car to have it be, the emissions, be compliant with the current legislation. Now, what happens if that legislation changes in three year's time, which is not unheard of, it's probably something that you might need to be thinking about. If you ask the team to not only think about solving this particular issue now for inclusion of the car at the moment, but that they will also be responsible for any reports that come back that make these cars non-compliant in two, three, five years, whatever you want to make it, then it broadens the project, broadens their responsibility, broadens their thinking, and gives them more ownership of this project than just this specific task. We've got to make this thing to do, this activity now, and then I walk away from it, and I don't think about it again. Then you can't expect people to be committed to that process, to that activity. They will do it for you, and they'll do it to the best of their ability, but there's no ownership, there's no feeling of contribution to that project that carries with them onto the next one.

They just go to the next one. They'll list all the projects they've worked on, and they don't have any attachment to them. But if you extend that to, in a more strategic sense, to looking not just at the immediate, but to the broader implications of this particular activity of this process, not that it will bring you more work or bring you more activity, but just in the thinking sense, that it allows the group to have more ownership of that activity.

In an organisation I worked with a few years back, I had a boss who would every now and again call the team in, direct reports, and say, "Okay, I want to talk about what our division, in this case, organisation, as we were the senior management team, what this organisation would look like, or your opinion, or how can it look in few years time". We were in a fleet industry at the time, and we released un-rented vehicles to other organisations, and we maintained those vehicles. People will say, "Look, the workshop can be much more efficient if we have the latest equipment, if we get the cars not all delivered at once, and registered at the same time, so they're recurring maintenance, etc, etc." And then one person who actually wasn't on the mechanical side, but he was on the other side of the business in the sales side, said "I think we will do away with the workshops, we won't have any workshops." And you could imagine that look around the room by the head of the areas that run that, of shock, horror and what would this guy know? He just sells, he talks to customers, etc. But when you followed that, just the example to its logical conclusion, it ended up happening, and it was the right answer. We said, "Why do we need to have our own workshops when there is dealer's everywhere?" We were a national organisation, which meant people want to be able to get to us, we don't need offices and mechanical workshops in every place, we just need to have contracts of preferred suppliers, which worked out better in economical terms, in service to the customer, etc, etc, and reduced the running cost enormously. That person that said it was way ahead of their time, very brave, and the boss really was very forward thinking in asking that question and calling us to discuss it. The people in the workshop initially thought, "Traitor, etc, etc, etc." But even they could see the value in it begrudgingly.

I think it also shows that it must have been a reasonably safe environment, which is important, to be able to voice those ideas. It brings us, again, to a reference to another podcast where we talked about the idea of putting things in a "parking lot". If you are working in a team and you come across ideas or activities that you or the team think are worthwhile, but they can't be pursued for all sorts of reason at that time, you want to put them into this "parking lot" of ideas. That becomes the groundwork for your strategic thinking, because the ideas that are in there have come as a result of the work that is happening at this time, but they are ideas that are running almost in parallel or at a tangent to what's happening now. That's where strategic thinking can start. You go back and you review all the things in the "parking lot".

Let's just bring everything up from the parking lot and see what's there and have a talk about those things, particularly if you're in an environment where you're not sure that it's safe to introduce completely new ideas or to use the group for new ideas at that point of time. You've got a starting point for discussion, there are things that they've thought about, things that have come up previously. And again, I will say they don't have to be things that have got a solution now. There doesn't have to be a way to do it now, and it's not any of them that are the end answer, that even if you decide and pursue one and think, well, this is going to be the strategic plan for the next five years, and you get to that five years, you will have done reviews and looked at it all through the time, you might get to that point and think, well, we need to go back to what it was.

The prime example of that is customer service. We, over say the last 15 years, if we go back 15 years, we all know that we could ring a telecommunications company and you would talk to someone who was based here locally, in your state at least. Then there was a move to make it more efficient to have call centers and so there were call centers that were geographically based to take advantage of cheap local resources or infrastructure that was already in place. Then it became cheaper for those call centers to be moved offshore. Now I think, there are some organizations who are finding that their customers and their customer base is more loyal and their customers are happy if they can talk to someone that they think is locally based, even if that becomes not so much an employee basis, but a contract basis where you've got someone who's phone you pay for and they sit at home and they make these customer service calls. We've gone almost full circle, in terms of customer service, just in that one area. That's because the strategic thinking over that time was based on the available information, the available resources, both financial and technological, and that even though there's been advances in the technology, probably the financial resources are more constrained. So they have to look strategically at a better solution than they've had in the past.

I want to revisit a couple of things that we touched on earlier. Let's say you've got a couple of projects being worked on in the organization. There's usually a few projects on top of business as usual. So if you're having those, the importance of having each project inter and cross functional, so they're not just looking at it from their own perspective, but having someone from wherever the whole thing interacts, you can see the whole picture and come up with better solutions and strategic solutions and the importance of project teams talking to each other. If we go back to the parking lot, that parking lot has got to be shared with all of

them, not just because they came out of team A who's working on project A. That parking lot might be one thing that might be very, very relevant to a group working in the community and if you're working in a third project, they might think, oh, I could do that now, or that's good. I'll make sure when I build this product or this process or this system, it will be able to take this into account in a few years.

I think we probably have what we need to for strategic thinking. If you've got any other queries on the topic or you've got some things that you would like to contribute to the discussion, please drop us a line using the emails that are on the site.
For now, I'm Kim Baillie, she's Fulyana Orsborn and this is Inside Exec.