Engaged Strategy Participation:
Going Beyond ‘Buy-In’

By Chris Nichols & Dr. Sotirios Paroutis

Many organisations say ‘we want to get more buy-in to our strategy’, say Chris Nichols and Sotirios Paroutis. But maybe this is the wrong way of going about things. Perhaps what is needed is less buying-in to ‘top-down’ strategy and more devolved participation in an open-ended process in which strategy is emergent. If so, this has implications for the development of strategic capability in our teams. Learning the toolkit is not enough.
Who defines strategy? Many assume strategy is a ‘top-down’ thing, the analytical preserve of the CEO and his or her team, or the visionary and charismatic domain of the entrepreneur. But in practice it rarely seems to work out like this. What is planned ‘at the top’ and what ends up happening are often very different things.

Accenture’s R. Timothy S. Breene recently wrote with dismay about how difficult it is to keep execution in line with intention. In fast moving and complex markets, he argued, “an iron fist control of execution often eludes the top team’s grasp.” His answer? The appointment of a chief strategy officer – a kind of internal guru, super-executive and strategic police-force rolled into one. And this chimes in with the experience of many business leaders who are striving to get their teams to ‘buy-into’ the strategy, to ‘live’ the plan. But perhaps the problem isn’t to do with enforcement, but rather lies in our top-down view of strategy. Maybe such a view of it is limiting and dangerous.

We suggest that strategy is inevitably more complex and more participative – and that strategic capability needs to be widely developed to make this participation work well.

WHY PARTICIPATION MATTERS

Given that the future is uncertain, perhaps we shouldn’t be surprised when plans don’t quite unfold as originally conceived! Management theorist Henry Mintzberg and others describe ‘strategy’ as an emergent process – a combination of the interaction of planned intention with a changing world. Such an ‘emergent’ view makes no artificial distinction between ‘strategy’ and ‘implementation’, rather the entire process of the pursuit of intent is ‘strategy’ and everyone involved in the process is contributing to the making of real world strategy.

The idea that a central strategy police-force could corral reality into line with a forecast intention is just too neat, too simplistic. Instead, emergent reality needs to be engaged by a genuinely participative strategy that holds strategic intent in tension with the right to use discretion and intelligence – altogether a much more messy and unpredictable business. And it requires that everyone be involved in the process, rather than looking ‘on high’ for decision-making.

THE DEVELOPED STRATEGIC MANAGER

What sort of thinking can help teams to engage in the work of strategising in a shared and dynamic way? We’d like to suggest three important dimensions:

- **Dimension One:** a grasp of the essential tools, models and concepts of strategy and the ability to use these with adequate analytical rigour;
- **Dimension Two:** the development of strategic perspective and genuine strategic mindsets which use alternative perspectives, creativity and curiosity to stimulate the process of strategising;
- **Dimension Three:** the development of reflective skills by which leaders become aware of how their own behaviour, mindsets and biases impact on their own strategic thinking and the strategic involvement of those around them.

Each of these dimensions is vital and all three must be engaged when developing strategic capability in our teams.

**DIAMOND ONE: AREN’T TOOLS THE THING?**

Tools matter, of course. No one can be a competent strategic thinker without access to the vocabulary and discipline of the strategic toolkit – and it’s not enough simply to have the tools, we need to develop skill in using them! The following list is hardly exhaustive, but provides a start:

- Understanding strategic context
- Assessing markets and competitive dynamics
- Undertaking competitor analysis
- Exploring collaboration, partnership and merger
- Examining alignment and organisational design
- Communicating and managing strategic action and measuring performance

As ever, the focus shouldn’t be on the various tools themselves, but rather on the extent to which each tool helps its users to ask better questions and to have better conversations.

**DIMENSION TWO: DEVELOPING A STRATEGIC OUTLOOK**

Most strategic failure occurs because of ‘group-think’ and narrow perspective. You can have the best of intentions and the very best tools, but unless they are framed by a healthy strategic outlook that encourages new ways of thinking about and framing issues, strategy quickly becomes a case of “garbage in, garbage out.”

Developing an acute sense of the potential limitations of our worldview is the work of this second dimension – in shorthand, the development of a strategic perspective.

**BEIERSDORF UK – STRATEGY IN ACTION IN A GLOBAL COMPANY**

Beiersdorf UK is the UK arm of a global skin care organisation based in Hamburg, Germany. Corporate strategy clearly emanates from Hamburg, but the strategy is played out in different markets worldwide. So the actual strategy of the ‘Nivea for Men’ brand in the UK is a combination of the stated intent of Hamburg and the local implementation strategy in the hands of Brand Manager Graham Taylor and UK Marketing Director Andrew Frost. “Every time we mount a marketing campaign, innovate with a key customer or consider a joint sales promotion,” says Andrew Frost, “we are contributing to forming strategy in action”.

This is why developing the team’s ability to think strategically is so important. “Everyone working on the brands, acting on consumer insights and negotiating with the major retailers must be capable of seeing the strategic picture and be aware that their decisions shape an effective approach. Day-to-day decisions based on judgement and the refining of our stance is strategy – without it, strategic intent means little more than just words on paper,” says Andrew Frost.

Strategists with a well developed ‘dimension two’ capability will be cautious about what they know and how they know it, critical of their assumptions and will try to be conscious of the limitations of the lenses through which they routinely see the world.

How can ‘dimension two’ functioning be developed? Sometimes it is simply a matter of experience and of realising the value of having been surprised before. It can have to do with psychological predisposition or intellectual restlessness. Sometimes it comes through by scientific or artistic training. It may have to do with the simple enjoyment of being contrary. Effective peer challenge, perhaps through action learning groups, can be a very effective way of developing ‘dimension two’ capability.
The history of past successes and failures we bring to experiences helps us understand what needs to be done in terms of cross business unit alignment and business unit function alignment.

If you don’t go into the businesses and create that kind of stakeholder engagement you’ll encounter disconnection on the execution. Forging such a network to underpin implementation is crucial. Alignment must be continually managed. As priorities and external conditions change, the constant use of your ‘network’ is critical as it allows you to test the alignment of the strategies of the business units with that of the company on an ongoing basis.

Strategy directors increasingly facilitate the execution of strategy - you can’t claim the role just for yourself. You are the person that knows how to reach out and put the right people together to get the issue resolved – you are not necessarily the person actually solving it. You are the custodian of the network of key people who you know will be critical to implementing the strategy.

Chief strategy officers must raise awareness of interdependencies and the challenges people have to implement. There is no doubt that very few strategies are delivered in the way they were originally conceived (particularly in the current climate) – to that end, you must be agile. How do you do that? You must have a wider group of people worrying about the problem. I view my role very much as being able to coach, support and mentor – these are the kind of words I would use. You can’t impose implementation but you can enable execution.

DIMENSION THREE: DEVELOPING REFLECTIVE CAPABILITY

If tools are useful, and if a strategic outlook can ensure that they are used imaginatively and creatively, what of the impact of people on strategy? The way we think and the way we behave shapes the process of strategising – and being aware of this can make us more effective. Perhaps teams need to consider:

• The psychological processes and preferences which predetermine the way we think, perceive and make decisions;
• The history of past successes and failures we bring to experiences and the ‘prejudice’ that shapes our engagement with them;
• The use and abuse of power by individuals and within teams;
• Awareness of the group processes and the difficulties and challenge of interpersonal engagement that occur when any team agrees to collaborate in the task of elaborating strategy.

“How do we engage?”, asks Patterson, “is that the interpersonal skills of our managers really matter. This is not the same as being polite or being ‘fluffy’, it is about having the ability to deal well with conflict, to give and receive feedback, to have difficult conversations about tough matters that make a difference in the business. “Beiersdorf invests through its Step-Up programme in coaching and development, feedback skills, the ability to deal with conflict and assertiveness and personal impact skills. “Everyone from our assistant brand managers to individuals at Board level has to be able to participate well in conversations about putting strategy into action. We find that many people have a reluctance to appreciate that everyone has power and that making conscious choices about the use of power is what makes for effective collaboration and effective teams. We want people, especially senior managers, who usually act as “sponsors” for the project work.

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STRATEGY IN ACTION

Andrew Patterson is HR Director of Beiersdorf UK. He says, “We focus on developing the strategic thinking ability of our managers. Through our Step-Up Development programme all managers have the opportunity to attend an elective on Strategic Thinking.” This workshop covers the essential toolkit for awareness and analysis in competitive markets – context analysis, thinking about segmentation and sources of competitive advantage, and organising for strategic effect. The workshop is practical: “Everything is focused on our business” says Andrew Patterson, “we make ourselves and our customers the case study”.

Each Step Up workshop is a two-day workshop with a single day follow-up six weeks later. In the inter-modular period, participants carry out a live strategic project in their area of the business.

Projects have considered new product evaluation and launch, supply chain and logistics strategy, and major customer relationship positioning – all aspects of strategy for the firm. Teams commonly discuss their ideas with the Board or relevant members of senior management, who usually act as “sponsors” for the project work.

“The tools of the strategy workshop are only part of the learning,” says Andrew Patterson. “Participants are challenged, by the facilitators, by their colleagues and by sponsoring Directors, to think deeply and bring in alternative perspectives. We try hard to show that good participation in strategy is more than knowing the tools. Learning to challenge each others’ mindsets, and learning to find and listen to different views, are both important parts of the strategic skill set. Our managers can also elect to take part in Step-Up workshops on Creativity and Innovation to help them broaden their field of vision where this would be helpful.”
PRACTICAL QUESTIONS FOR LEADERS

Ask, ‘When we talk about strategy in this organisation what do we mean?’ If you mean ‘a plan or a vision that we want our people to understand and buy into,’ you are probably not being engaging enough.

If you want the majority of your people to have their eyes and ears open, constantly looking for new opportunities to improve the strategy and improve its effectiveness in action, you need to do three things:

1. Change the emphasis of your engagement process from “selling strategy” to your teams towards “inviting involvement”. Top management must set the intent, but top management can never “own” the points of contact with the world where strategy is enacted. Everyone must be developed to be able to contribute well to strategy in action at the frontier of contact. The first act is to get this clear in your head and in the conversation within the most senior management groups.

2. Invite participation in strategy. You don’t do this by e-mail. You don’t do this by engaging an internal communications team – though such teams will play a valuable role. You do this when all levels of management start to treat their team members as people with valuable roles in making strategy real. You might also offer a series of events to share the strategic intent if it is unclear – and it is often less clear than you think to staff far from the Boardroom. Make sure this is not a mass ‘telling’. Make it an invitation to join in a conversation about how ‘we all, together’ purpose this intent well, and learn together from the process.

3. Invest in developing the strategic capability of people at all levels. This is not just about tools and analytical models – though these may be very important. It is also about the ability to listen and share – and about the development of a strategic mindset. And for the most senior managers it will be about the hard work of letting go of a heroic version of strategy in which they lead and others follow, and creating a more participatory and learning based view of real strategy that reflects the fact that the people who know how the strategy is working in practice are rarely in the Boardroom.

people, to be aware of their patterns of acting and ways of thinking so that we get more out of everyone in thinking together about our success. To help this, everyone in the group has had 360-degree feedback and coaching sessions and some managers have also taken part in action learning sets, again to surface patterns and assumptions and increase self awareness.

What has been the result of all this investment in Step-Up? “We never imagined that sending people on workshops was a silver bullet,” says Andrew Patterson, “but it does give a common grounding in tools and models and a shared vocabulary and expectations about how we interact. Every time I see someone coaching well in the business, when I see someone causing a colleague to re-examine their assumptions and examine a different angle, then I know we are making progress.”

In the end, this reflective capacity has to do with self-awareness and awareness of others, and an acknowledgement of the impact of interpersonal dynamics on the whole process. Again, there is no simple way of teaching this; rather it is a matter of willingness and desire to become more aware, and attentiveness and work over time.

CONSEQUENCES FOR THE DEVELOPMENT OF BROAD STRATEGIC CAPABILITY IN ORGANISATIONS

If letting go of a narrow idea of top-down strategy is the first step, the development of these three important dimensions of shared strategising is the next step. Strategic capability in organisations will only increase when we take both steps, one after the other. The teaching of tools and models is not enough: a more integrated developmental approach is what is called for. Beiersdorf UK is one good example of how this two-step approach has greatly improved capability in an established organisation and, through a combination of development workshops and management support, has transformed the strategy process in the real world.

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COMMUNITY COMMENT

Samir Brikho,
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How does a leader get real team engagement to new strategy?
First, you need to set a clear vision of what you want to achieve. Then you have to communicate the steps along the road to achieve the vision and keep communicating them again and again, celebrating success along the way. I have been humbled by what AMEC employees have been able to achieve when inspired and guided. As CEO, I do not have all the answers but I can help to create an environment in which everyone knows what success looks like and will challenge themselves and their colleagues to achieve it.

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