

STRATEGIC THINKING IN FAST GROWING ORGANIZATIONS

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Imagine your congregation experiencing fifty percent increase, growing from 1200 to 1800 in just six months or that your city grew from 11,000 to 40,000 residents in seven years. What challenges would that kind of growth bring? How do you lead a fast growing organization into the future? These are real examples from organizations that are challenged to deal with growth today, but whose leaders understand they must keep an eye on the future. Perhaps you have experienced that same tension...dealing with the urgency of today, yet knowing that you must keep an eye on the horizon in this fast-changing, global economy. What opportunities or threats lie on the horizon? Strategic thinking and to a lesser extent strategic planning, are tools these leaders employed to balance the tension of the moment with that of the future. There is much to be learned from these case studies that you can use to employ and benefit from strategic thinking in your organization, be it a church, public sector organization or private business. This article identifies key strategies for improving a leader's strategic thinking efforts.

The next section will define strategic thinking. Case studies of four organizations will follow the definition. Insights from the case studies will help you think strategically and communicate the vision.

Strategic Thinking – Defined

Strategic thinking, according to the National Defense University, is a different way of approaching how we think. In the book, Becoming a Strategic Leader, Richard Hughes and Katherine Beatty define strategic thinking as "the collection, interpretation, generation, and evaluation of information and ideas that shape an organization's sustainable competitive advantage." "It is a top-down, big picture view of the entire organization. It's based on a deep understanding of your business... (being) concerned with doing the right things, rather than doing things right," says Bill Birnbaum in Strategic Thinking: A Four Piece Puzzle.

Moreover, according to T. Irene Sanders, author of Strategic Thinking and the New Science, strategic thinking involves the synthesis of information to identify issues, connections and

patterns. This synthesis involves one's intuition, judgment, creativity, and the "soft underbelly of the organization more than quantifiable measures."¹

In short, strategic thinking involves looking at emerging trends, identifying whether or not they represent opportunities or threats to the organization, and developing an organizational response to take advantage of the potential opportunity or mitigate the threat. The ability to do this faster and more effectively than others gives the organization a competitive advantage.

Why is strategic thinking important? Change is constant. What is less obvious is that change is often non-linear. Hughes and Beatty note that while linear change involves "cause-and-effect or sequential relationships," non-linear change is often characterized by "surprise and uncertainty." They cite the 9/11 terrorist attacks as an example of non-linear change that had a profound impact on every aspect of American life. T. Irene Sanders in her book uses a metaphor known as the "Butterfly Effect." The essence of the Butterfly Effect is that a change in a small system can have an effect on a larger system. The internet is an example of a small system that has had a profound impact on business and communication globally.

Fundamentally, strategic thinking is a learning process that should be on-going, rather than episodic. Like defensive driving, one is constantly alert for obstacles in the road ahead. This alert status involves scanning the news, literature, trade journals, social networks and other sources of information for emerging trends. These emerging trends will generally appear in one of these five areas: sociological, technological, environmental, economic, or political.

Strategic planning, on the other hand, can be defined as a plan to close the gap between where an organization is and where it needs to be in the future. According to the State of California's Strategic Planning Guidelines, "The purpose of planning is to improve the chances of reaching desirable possible outcomes. The benefits of planning enable an organization to attain its goals by:

- Preparing for contingencies.
- Developing a framework for orderly growth and progress.
- Having a strategy for the allocation of resources."²

Within the strategic planning process is a tacit assumption that the environment will stay at least relatively stable so that strategies can be developed and implemented, say the authors of Strategy Safari – A Guided Tour Through the Wilds of Strategic Management. Some suggest that in strategic planning the focus is developing the "document," but little beyond that. Others

¹ Robert Evans, "The Case Against Strategic Planning," Independent School, Vol. 67, No. 1 (Fall 2007), 92-104.

² State of California, Department of Finance, Strategic Planning Guidelines, (Sacramento: State Printing Office, Rev. May 1998), 1.

suggest that with the rate of change, strategic thinking should result in planning that directly results in organizational change without taking the time to develop a full-blown strategic plan. With this background in mind, consider how strategic thinking and planning is used in the following four case studies. The first case study is the Rock of Roseville Church followed by the City of Lincoln, William Jessup University and Spare Time Clubs.

Rock of Roseville

The Rock of Roseville is a non-denominational, conservative evangelical church in Roseville, California. Pastor John Houghton is an Executive Pastor under Pastor Francis Anfuso, who planted the church in 1998. This church was the first in the nation to have interactive technology to allow people in the service to respond to questions with the push of a button. The results are shown real time on screens. Additionally, in the fall of 2007, the church launched an online ministry (www.rockspots.tv) with streamed video offering three minute vignettes touching on topics of human interest. The concept, says Pastor Anfuso, came in part from reading the cutting-edge Wired Magazine.

In September 2007, the congregation was averaging 1100 – 1200 people on weekend services when they moved into a new facility. Within six months, 600 new people began attending causing the staff to add two additional services.

According to Pastor Houghton, a former consultant to churches, says “We search for a sense of direction in prayer and then talk with others to get confirmation. We have more of what I would say is a visionary or entrepreneurial culture, but perhaps not as disciplined as you might find in a (for profit) business.” Strategic thinking has played a significant role in adjusting to the church’s rapid growth and planning for the future capitalizing on emerging technology trends, such as with Rockspots. While the pastors endeavor to strategically think out five years, most of the focus is more immediate...two to three years.

The pastors regularly network with other pastors across the U.S. talking about trends and learning what is working best in other churches. Annually, the church invites a seasoned pastor to review how the church operates; asking questions on all aspects of the church. Pastor Houghton commented, “The person we bring in is a good strategic thinker. He sees things from a different vantage point, which helps us get a broader perspective. We are learning to strengthen our broad, longer term intentionality in a fragmented culture that is experiencing major cultural shifts.”

City of Lincoln

The City of Lincoln lies 33 miles northeast of the California State Capital in Sacramento. Between 2001 and 2008, the city increased in population from 11,000 to 40,000 while the city’s

staff grew from 65 to 200. In 2006, Lincoln was recognized with the All-American Cities Award by the National Civic League. In order to get the award, the city had to demonstrate how it involved the community in making community decisions, as well as providing three examples of challenges the city faced and how they dealt with them.

According to City Manager Gerald Johnson, “We developed a 10 year strategic plan, but realistically focused primarily on the next two to three years.” The city hired a consulting firm to help develop a strategic plan and provide strategic thinking input. Additionally, the city is just finishing the development of a General Plan that will guide the city’s growth over the next 50 years. Though the process has taken six years, a significant level of community input was involved. Incorporated into the process was expert opinion on economic development and trends based on county and regional projections.

Mr. Johnson added, “I assign aspects of the strategic plan to department heads and then evaluate them on their progress over the course of a year. I keep a list of related objectives in front of me during bi-monthly staff meetings. Additionally, as we prepare staff reports for the city council, we identify actions that are connected to our strategic plan.”

Mr. Johnson and other staff attend conferences and training hosted by the International Association of City Managers, as well as a Local Government Commission that holds monthly events. “I often take other staff to the dinners where they have speakers who address a variety of issues and trends,” he said, “Topics such as new urbanism and urban form impacted our thinking as we worked on our general plan.”

William Jessup University

William Jessup University is the only private four-year university in the Sacramento Region and the only accredited Christian college between Fresno and Redding. The university was founded in 1939 as the San Jose Bible College by William Jessup. The mission of the university is to train “Christians for leadership and service in church and society, through Christian higher education, spiritual formation, and directed experiences.” Over the years, the college grew until it reached maximum capacity of 300 students.

Bryce Jessup, President and son of the university’s founder, realized that if the university did not move to a larger campus they would likely have to close. Mr. Jessup commented, “...in developing a vision for the future, I knew I needed to get the input of people smarter than me. I called about a dozen men I knew...men who were leaders in their respective fields and highly successful. I call them my Dream Team. When we first met, I shared my vision with them. They kind of yawned and responded that my vision was...well, wimpy. They shared their vision and it was beyond my wildest dreams. It was too much for me. However, over the years, with their encouragement, the vision has expanded significantly.”

Since the university moved to Rocklin, California, in 2004 the student population has doubled. And, Mr. Jessup expects the student population to double again within four years.

Overwhelmed with the situation, the university momentarily lost focus of marketing for future students. Mr. Jessup tasked his four executive leaders with addressing the enrollment dilemma. This group developed 18-25 initiatives and bi-monthly meetings to track their progress. At this point, enrollment applications are up 35 percent over the prior year.

Part of the strategy for communicating the University's vision involves students serving in local churches. Eighty percent of the students serve at their church. Additionally, Mr. Jessup frequently speaks at churches and shares the University's vision.

Mr. Jessup's advice to other leaders is to develop a team approach address organizational issues, as well as guiding the organization into the future. In his words, "An important lesson from the Dream Team has been, 'Believe in yourself and what God is doing in you.'"

Spare Time Clubs

Started in 1972, Spare Time Clubs offers eight full-service state-of-the-art multi-recreational fitness clubs and an indoor tennis facility with 60,000 members and a new club projected to open in 2009 that will add another 15-20,000 members. While the goal of the company is to open a new club every 2-3 years, several clubs have been sold as the company has matured. The membership has grown more than twenty-five percent in the past five years. The clubs are primarily in the Sacramento region, but the company has begun expanding beyond the region.

Bill Campbell, Chairman of Spare Time Clubs, helped start the company. "We are always learning...thinking about how we can get better," says Mr. Campbell. The company subscribes to a variety of sports and business publications inside and outside the fitness market. The staff attends conferences to learn new ideas and trends. The learning is extended by requiring staff to write a report on what they learn and present their findings to others.

On occasion, the company hires consultants to assist, as when developing a new vision a couple of years ago. The consultant interviewed a cross-section of the staff and guided them through development process. Mr. Campbell is currently "rolling out" the new vision. The vision is tied to the budget, as well as the orientation for new employees.

Mr. Campbell has a network of well informed, successful friends who he consults about trends. He has found this invaluable in guiding the company. Thinking leads to planning. The company maintains a perpetual five year strategic plan. As a year passes, the plan is reassessed and a new fifth year is added. Each club develops an annual business plan that articulates how the company's goal will be accomplished. The business development manager at each club is

required to “shop” other fitness clubs looking for new ideas. Management bonuses are tied, in part, to implementing what they learn.

When asked how the company is dealing with the rising number of youth (projected to reach a peak of 30.8 million in 2010) and aging baby boomers, Mr. Campbell responded, “Three years ago I started a task force to think about how to respond to the aging baby boomers and come up with recommendations...we have expanded to include activities like painting and touring wineries and art studios, which was outside the box of our traditional thinking.”

Think Strategically

A variety of approaches to strategic thinking and planning are found in these four case studies. Upon reflection, consider the following list of approaches these leaders used with regard to trends:

- Read a variety of literature, inside and outside of their specific discipline.
- Developed “social networks.”
- Attended conferences and/or professional associations.
- Identified potential threats/opportunities and/or visioning about the future.
- Used outside consultants, paid and unpaid.
- Sought information from employees or other stakeholders.

In every case, these leaders used more than one avenue to enhance their strategic thinking. In most cases, these leaders put more emphasis on strategic thinking than strategic planning, because their environment was changing so fast. Pastor Houghton at the Rock of Roseville commented, “With the pace of change being exponential, as opposed to linear, we have had to remain very fluid so that we can adjust more quickly.”

Though strategic thinking takes effort, it doesn’t have to be daunting. Bill Birnbaum, in his book, Strategic Thinking: A Four Piece Puzzle, recommends identifying the two or three key success factors for your organization...things you must be especially good at. Doing so brings clarity to the strategic thinking process. Birnbaum suggests developing a list of internal strengths and weaknesses for each of the key success factors.

Ansel Adams, the famous Yosemite photographer, is quoted as saying, “There is nothing worse than a sharp picture of a fuzzy concept.”³

Taking time to clarify what is important sets the stage for effective strategic thinking. In working with leadership teams, one frequently hears complaints that “we don’t know where the agency head wants to go.” It is clear they are fuzzy about direction.

³ Ibid. 12.

Strategic thinking helps leaders gain clarity about where they are and insight about where they need to be in the future so they can move in that direction faster and with less effort.

One important tool in the strategic thinking process is the art of asking questions. According to Enlightened Leadership, effective questions:

- Get people to think.
- Remove blocks and open people up to unexplored possibilities while inviting discovery, creativity, and innovation.
- Guide us toward where we want to go while respecting where we have been.

The process of asking questions provides an excellent opportunity to involve employees, customers (i.e., community leaders and members), and other stakeholders. Questions such as:

- What trends they see impacting the organization in the next several years?
- What are other organizations with similar success factors doing?
- What potential external threats may impact them?

The process may also involve asking the same group to share their preferred vision for the future. The beauty of asking questions of employees and other key stakeholders is that “**people support what they help to create!**” As leaders engage others in the process, they are building commitment for eventual change.

Senior leadership is largely responsible for setting the tone. If you, as a senior leader, are open to strategic thinking and allow others to participate you can get rich input.

If, however, you are closed to strategic thinking, it is less likely happen at levels lower in the organization. Instead, comments like this one, taken from a recent Team Building Assessment, will shut down future strategic thinking, “I would like my opinion or words to make a difference. Every single... change I try to suggest...has been shot down...I have submitted written ideas and each time they are not even considered. I think actually trying ideas or making an effort to listen and give things a try would benefit the morale and attitude of everyone.”

Do you have an open mind, a curiosity to question, and a willingness to synthesize a broad variety of information? If so, you are ready to do strategic thinking. This openness, coupled with experience, sharpens one’s intuition. And, intuition plays a valuable role in strategic thinking.

One piece of advice; beware of the tyranny of the urgent. The urgent is often the enemy of thinking and planning. Bill Campbell commented, “As Chairman, I now focus almost exclusively on the future. I let other people largely run the day-to-day operations.”

Leaders are encouraged to plan strategic thinking time. Frequently, this occurs in team building workshops or planning retreats, but why not during regular staff meetings? Ask catalytic

questions to stimulate thinking and debate. Take turns being the cynic who challenges assumptions and probes traditional thinking.

The Rock of Roseville Church, for example, is developing an electronic Bulletin Board to allow any of the pastoral staff to start a “thread” to promote creative discussion. The goal is to be able to quickly bounce ideas, questions, or other information back and forth.

Once thinking has resulted in a new organizational vision, direction or strategy, it is important to develop a communication plan. The next section will discuss methods for getting the word out.

Vision Casting

Vision can be defined as an ideal and unique image of the future. Vision casting is communicating the vision to others, especially employees. The leaders in the four case studies used the following techniques for communicating their organization’s vision:

- Personally talked with employees and constituents, individually and/or in groups.
- Incorporated it into the orientation for new employees or, as in the case of the Rock of Roseville, made it a part of the church membership process.
- Updated the website and other organizational literature.
- Spoke about the vision whenever the opportunity arose.
- Connected the vision with the budgetary process.
- Connected elements of the vision to the evaluation or promotional process.
- Interjected the new vision into a formal strategic planning process.
- Created a culture around the new vision and/or a culture that is prepared to respond faster.
- Connected decisions to elements of the vision and/or strategic plan, so other stakeholders could see how decisions related with the organizations strategic direction.
- Involved staff in regularly assessing the environment and competitors to sustain a competitive advantage.
- Tied managerial bonuses to the organization’s vision.
- Required sub-units to develop business plans that reflected the vision.

These leaders understood that realization of the organization’s vision required more than just talk. They imbedded the vision in socio-technical sub-systems within their respective organizations. Specific examples include: connecting vision to the budgetary process, employee orientation, promotion, performance evaluation, bonuses, and membership.

Conclusion

Strategic thinking is not an option in this fast changing, global economy for organizations that want to maintain a competitive advantage. Change will continue. Mr. Campbell's closing comment supports this belief, "If you aren't using strategic thinking and strategic planning, you won't last long." In the words of Pastor Houghton, "One thing that's predictable is that there will be more change that will challenge us at deeper levels."

These public, private and non-profit leaders have successfully used strategic thinking to guide their fast growing organizations. They used a variety of methods to employ strategic thinking and cast the vision through their respective organizations.

You can do this too! If you are a senior leader, set the tone by employing these techniques and enabling others to help with the strategic thinking process. If you aren't a senior leader, look for ways to incorporate strategic thinking within your sphere of influence.

Strategic thinking is a practice whose time has come. As rapid-fire change continues, leaders will increasingly rely on strategic thinking to sense the right direction. Why not learn from the success of these four leaders and start thinking more strategically today?

Bio

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