

An introduction to strategic thinking

**Module: Strategies for change and
transformation**

Study program
Global Change Management (M.Sc.) – 2nd Semester

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Outline

I. Strategy: Conceptual evolution

- Origing of the term
- Different meanings & definition

II. Strategic thinking

- Evolution of the strategy paradigm
- Definitions
- The elements of strategic thinking
- Becoming a strategic thinker

Pairwise discussion

1. **What is a strategy?**
2. **Who develops strategies?**
3. **Give an example of a strategy you are familiar with.**



Three real-world examples of where strategy development is needed...

1 Corporate Word:

Market Expansion Strategy



<https://d3o6qwvnm3r65h.cloudfront.net/assets/img/blog/2023/08/global-strategy-2c.jpg>

Three real-world examples of where strategy development is needed...

2 Personal Life Situation:

Career Development Strategy



Three real-world examples of where strategy development is needed...

3 NGO Perspective:



Community Development Strategy



I. Strategy: conceptual evolution

Origing of the term

The idea has been present through military history, since the Ancient Chinese to the Romans and Greeks.



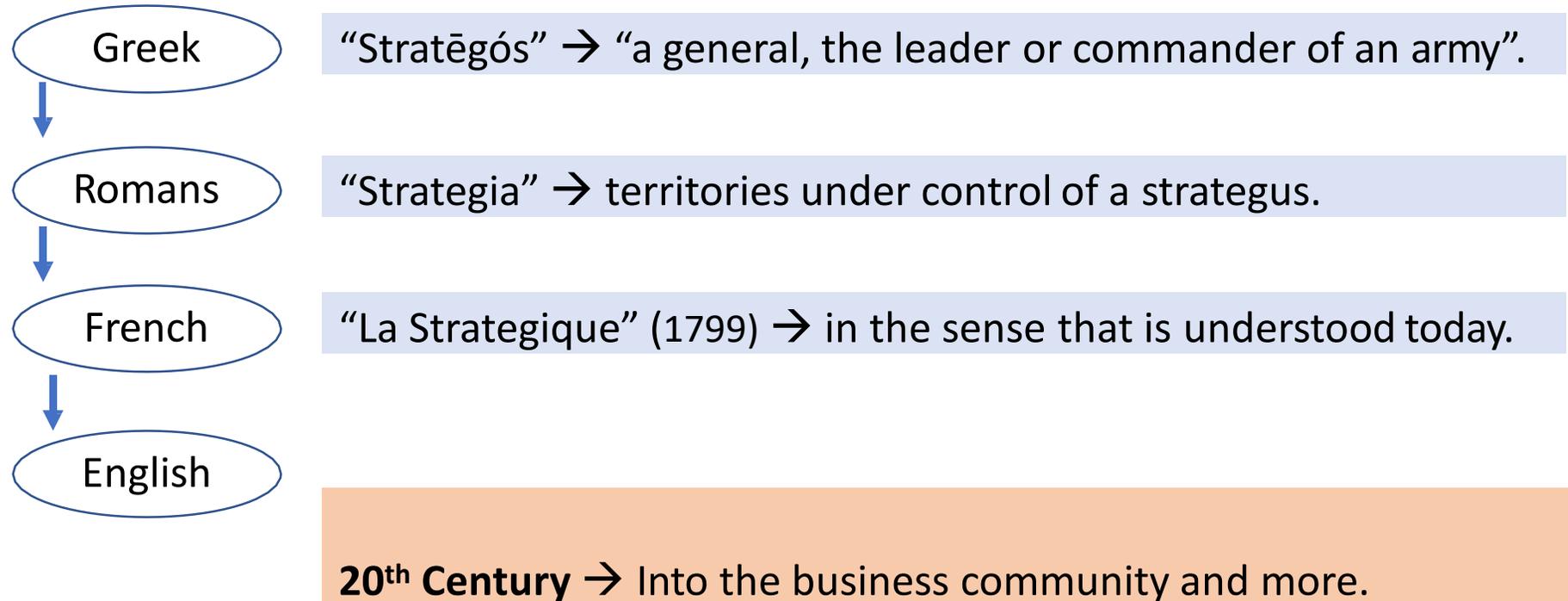
Pic: http://th01.deviantart.net/fs70/PRE/i/2010/269/3/e/greek_strategos_by_erebus74-d2zjs7i.jpg

"**Tactics...** the art of using troops in battle; **strategy...** the art of using battles to win the war"

(Carl von Clausewitz)

Source: <https://www.strategyskills.com/the-origin-of-strategy/>

Evolution of the term



Source: <https://www.strategyskills.com/the-origin-of-strategy/>

What is a strategy?

- A strategy has been defined as “a **high-level plan** to achieve one or more goals under conditions of uncertainty.” (Barad 2017, 3)
- It “generally involves **setting goals, determining actions** to achieve the goals, and **mobilizing resources** to execute the actions” (ibid.)
- “Strategy is about shaping the future” and is the human attempt of “using available means to get to desirable ends” (McKeown 2019)
- Examples:
 - Corporate Strategy, a series of top-level management decisions which help navigate the direction of the corporation in terms of products, markets, promotion and price levels
 - Military strategy, planning the conduct of warfare
 - ...

But is a strategy really the same as a (high-level) “plan”?

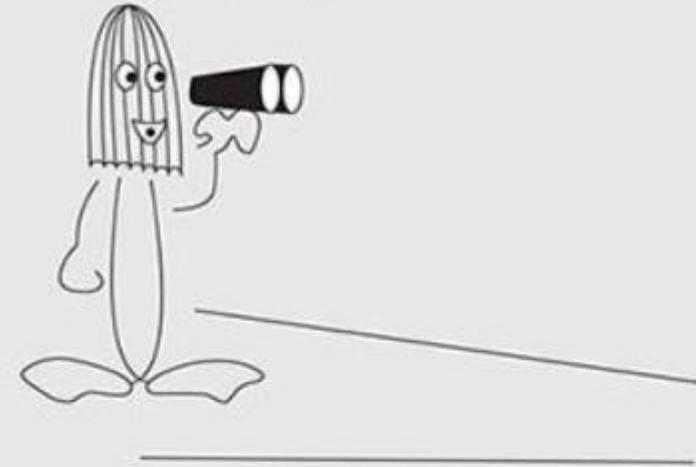
What is a strategy?

Types of strategies:

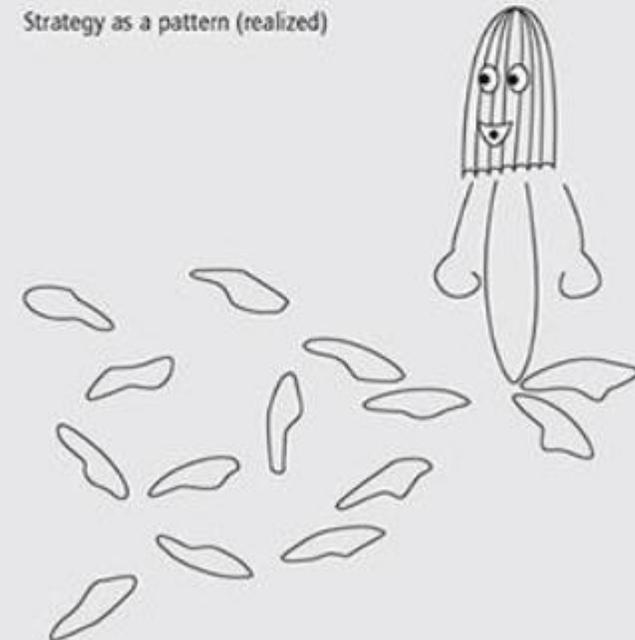
- Strategies as plans and patterns
- Strategies as deliberate and emergent
- Strategies as positions and perspective

(Mintzberg et al. 2009)

Strategy as plan (intended)



Strategy as a pattern (realized)

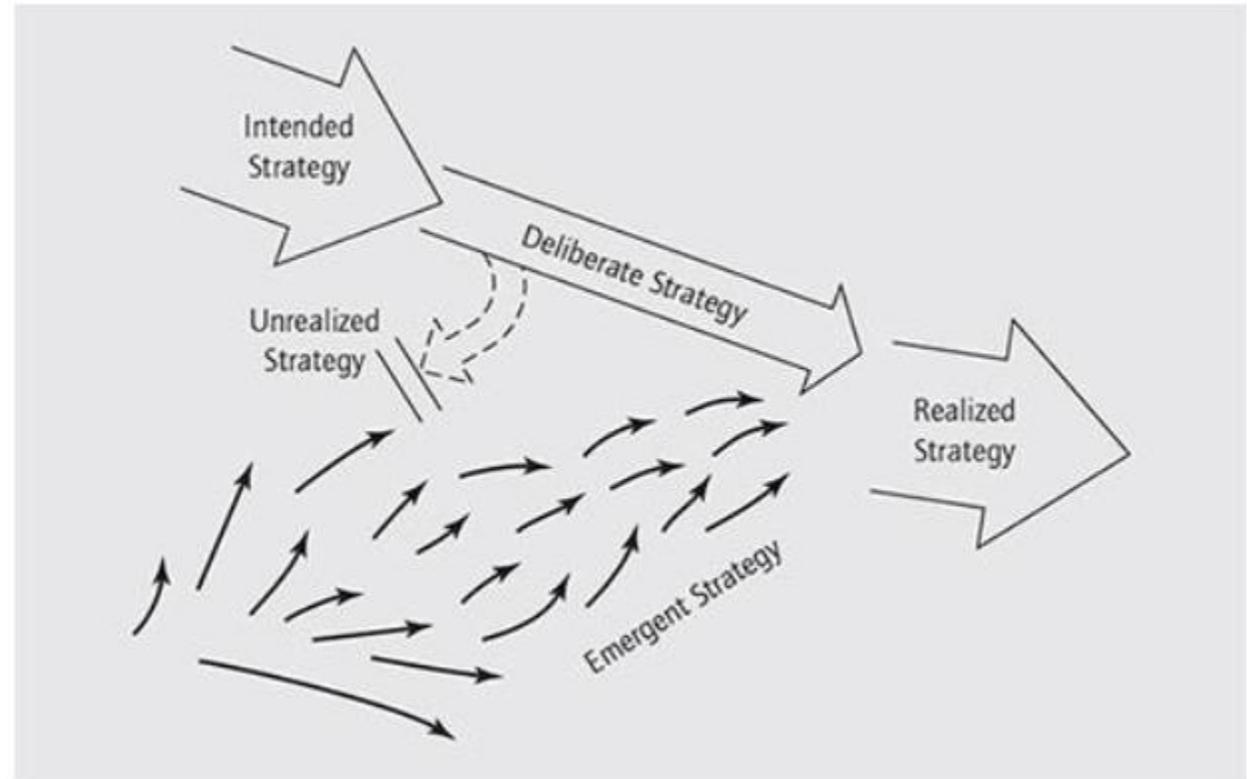


What is a strategy?

Types of strategies:

- Strategies as plans and patterns
- **Strategies as deliberate and emergent**
- Strategies as positions and perspective

(Mintzberg et al. 2009)

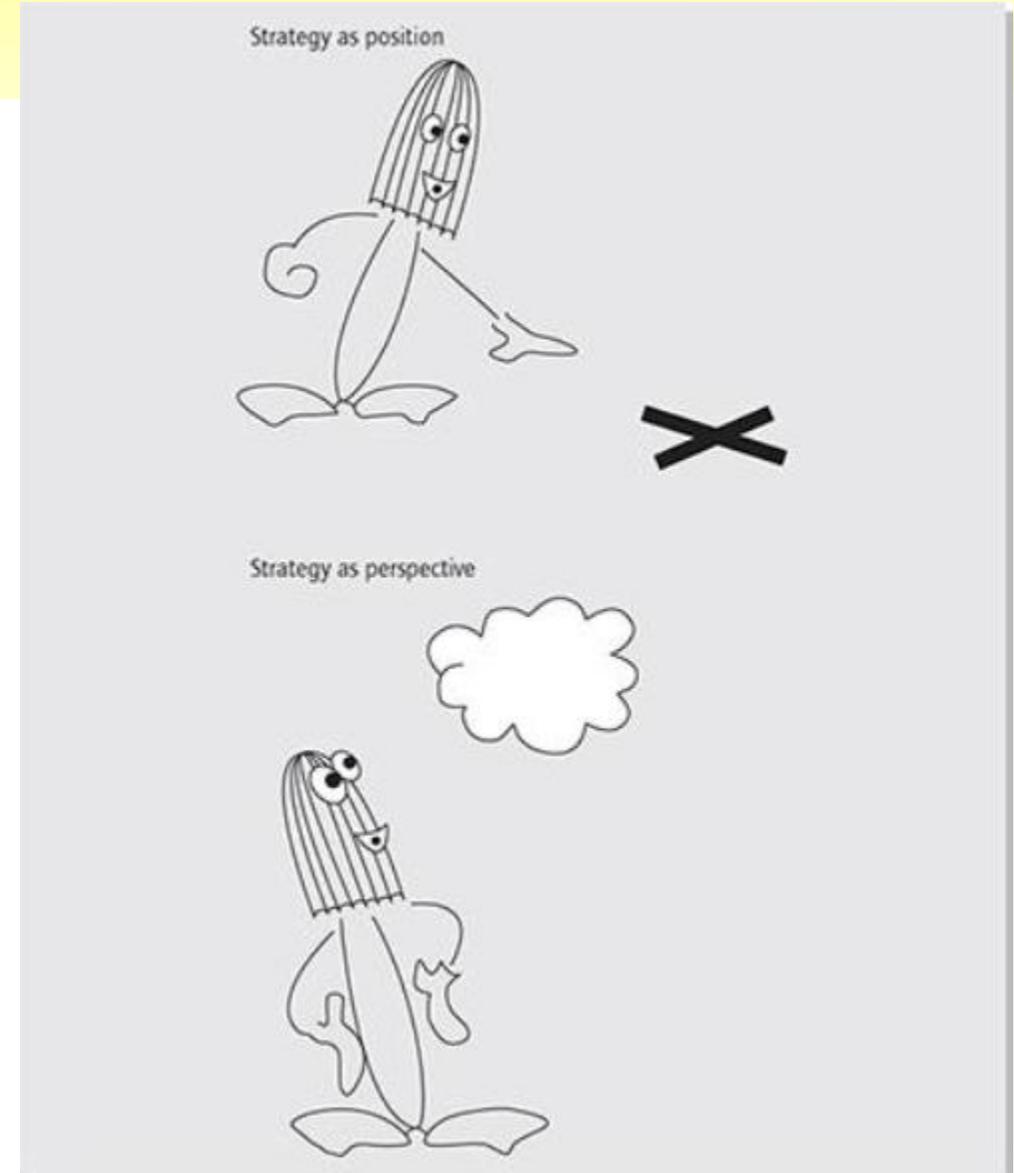


What is a strategy?

Types of strategies:

- Strategies as plans and patterns
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(Mintzberg et al. 2009)

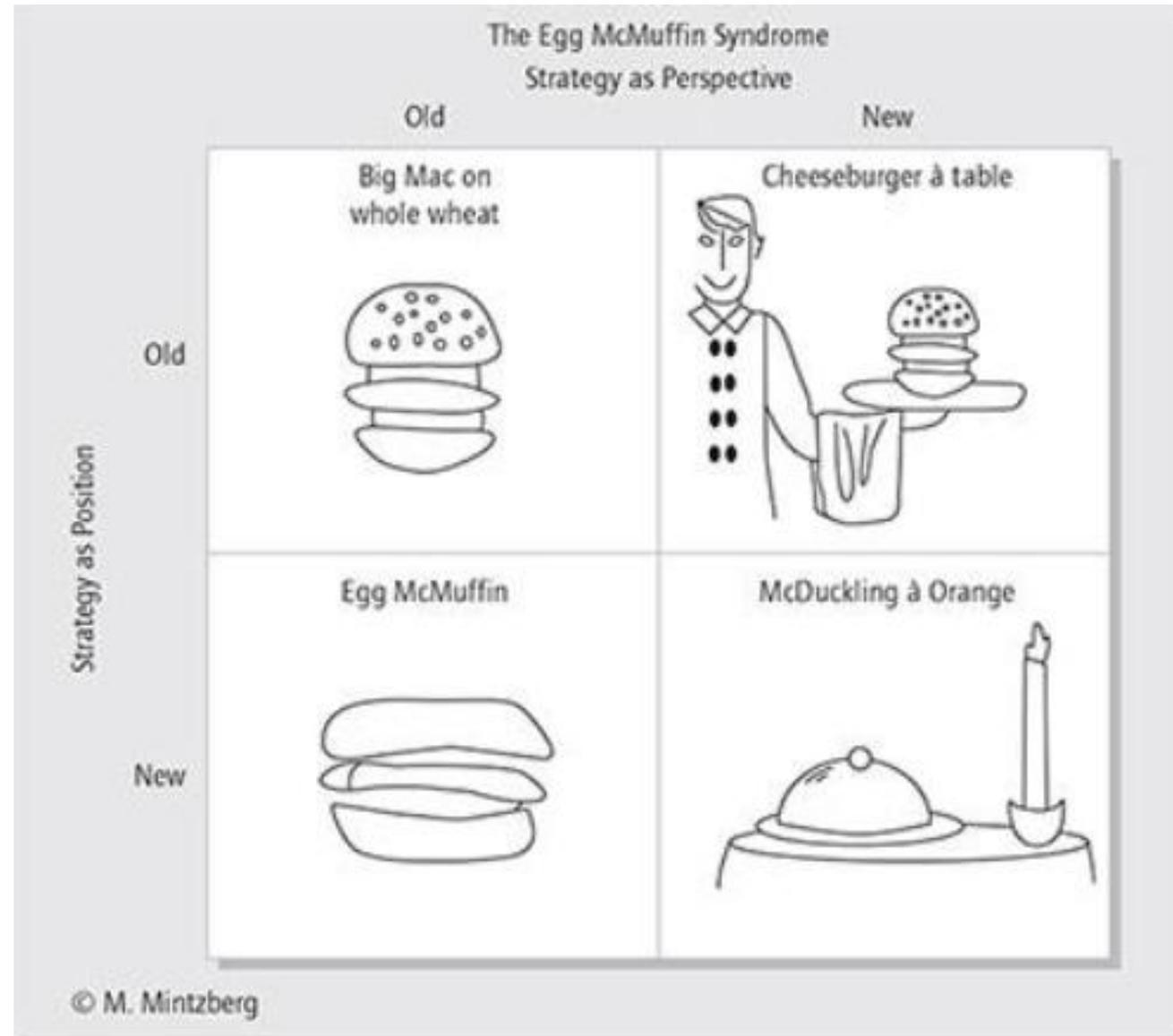


What is a strategy?

Types of strategies:

- Strategies as plans and patterns
- Strategies as deliberate and emergent
- **Strategies as positions and perspective**

(Mintzberg et al. 2009)



What is a strategy?

→ Four basic approaches to strategy formation:

(Mintzberg et al. 2009)



To wrap up...

1. Individually and for 5 min think about:

How has your definition of strategy changed?

Which new thoughts would you include?

2. Share your answers with a partner and listen carefully.

3. In 10 min create a single answer building on each other's thoughts, and synthesizing.

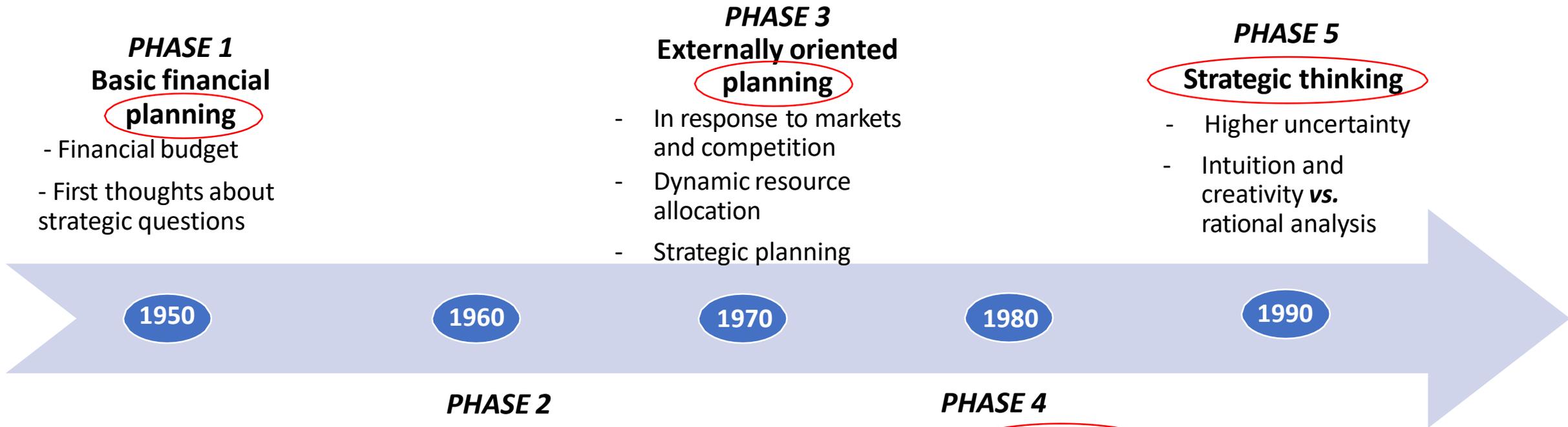


II. Strategic thinking

- Evolution of the strategy paradigm
- Definitions
- The elements of strategic thinking
- Becoming a strategic thinker

Evolution of the strategy paradigm

(since the Second World War)



PHASE 1
Basic financial
planning

- Financial budget
- First thoughts about strategic questions

1950

PHASE 3
Externally oriented
planning

- In response to markets and competition
- Dynamic resource allocation
- Strategic planning

1970

PHASE 5
Strategic thinking

- Higher uncertainty
- Intuition and creativity vs. rational analysis

1990

PHASE 2

Forecast-based
planning

- Multi-year forecasts
- Static resource allocation
- SWOT analysis



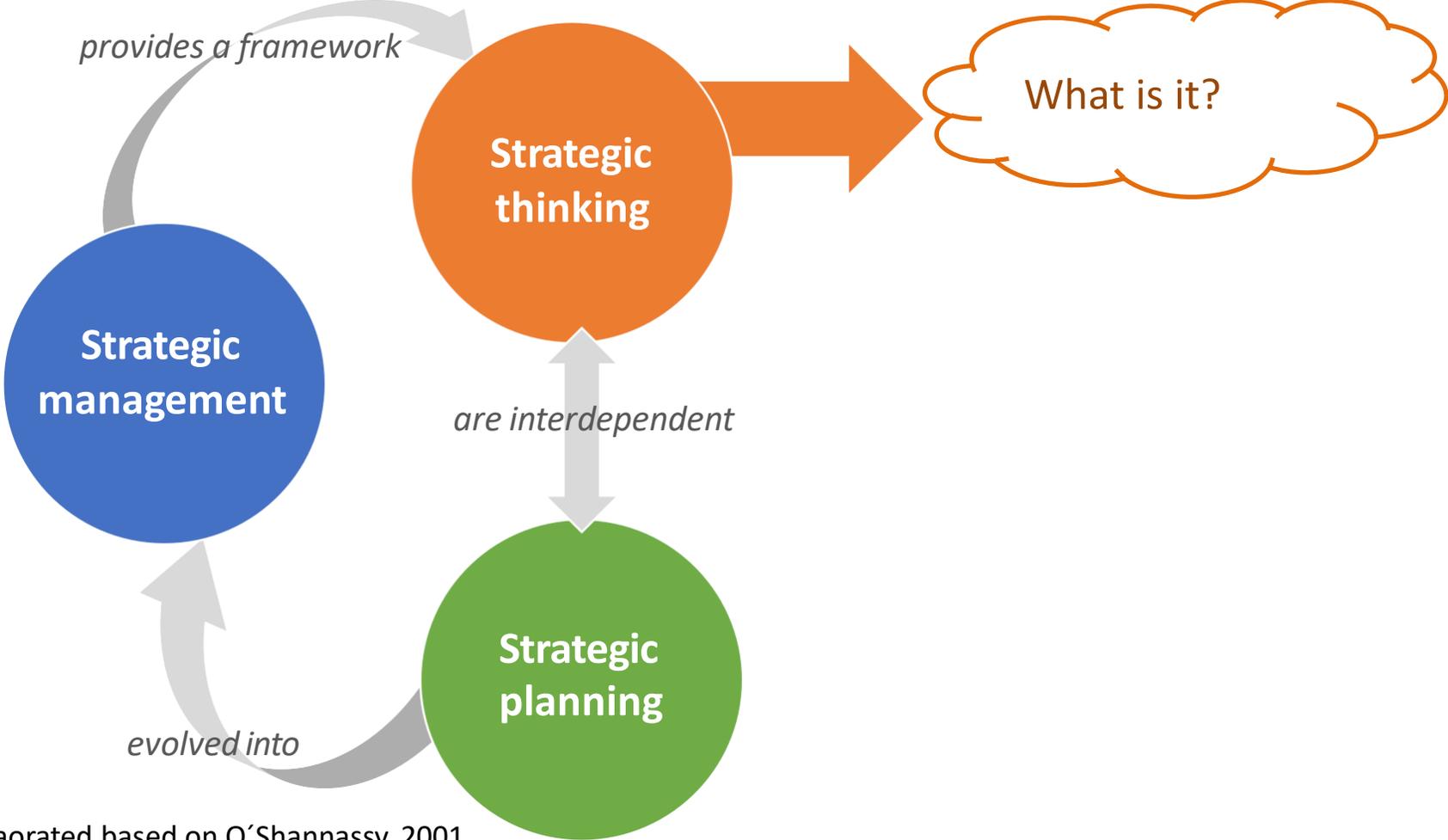
https://en.wikipedia.org/wiki/SWOT_analysis

PHASE 4

Strategic
management

- Qualitative analysis
- Analytical frameworks
- Provides a framework for strategic thinking

Evolution of the strategy paradigm



Elaborated based on O'Shannassy, 2001

Definitions

?

“...the way top managers think about which objectives they want to achieve and which actions they will implement to attain them” (Torset, 2001)

“... a method for finding a vision and obtaining “perpetual invigoration” for that vision” (Peters, 2001)

Inclusive process!
Social interactive process
It needs leadership

A creative
environment, methods,
and procedures need to
be ensured

Source: Jelenc & Swiercz, 2011

Definitions

II. Strategic thinking

“...a method of gathering competitive intelligence or information that may have strategic value” (Drobis, 1991)

...a distinctive management activity whose purpose is “to discover novel, imaginative strategies which can re-write rules of the competitive game, and to envision potential futures significantly different from the present” (Heracleous, 1998)



Balance
creativity and
intuition with
analytic aspects

Source: Jelenc & Swiercz, 2011

Definitions

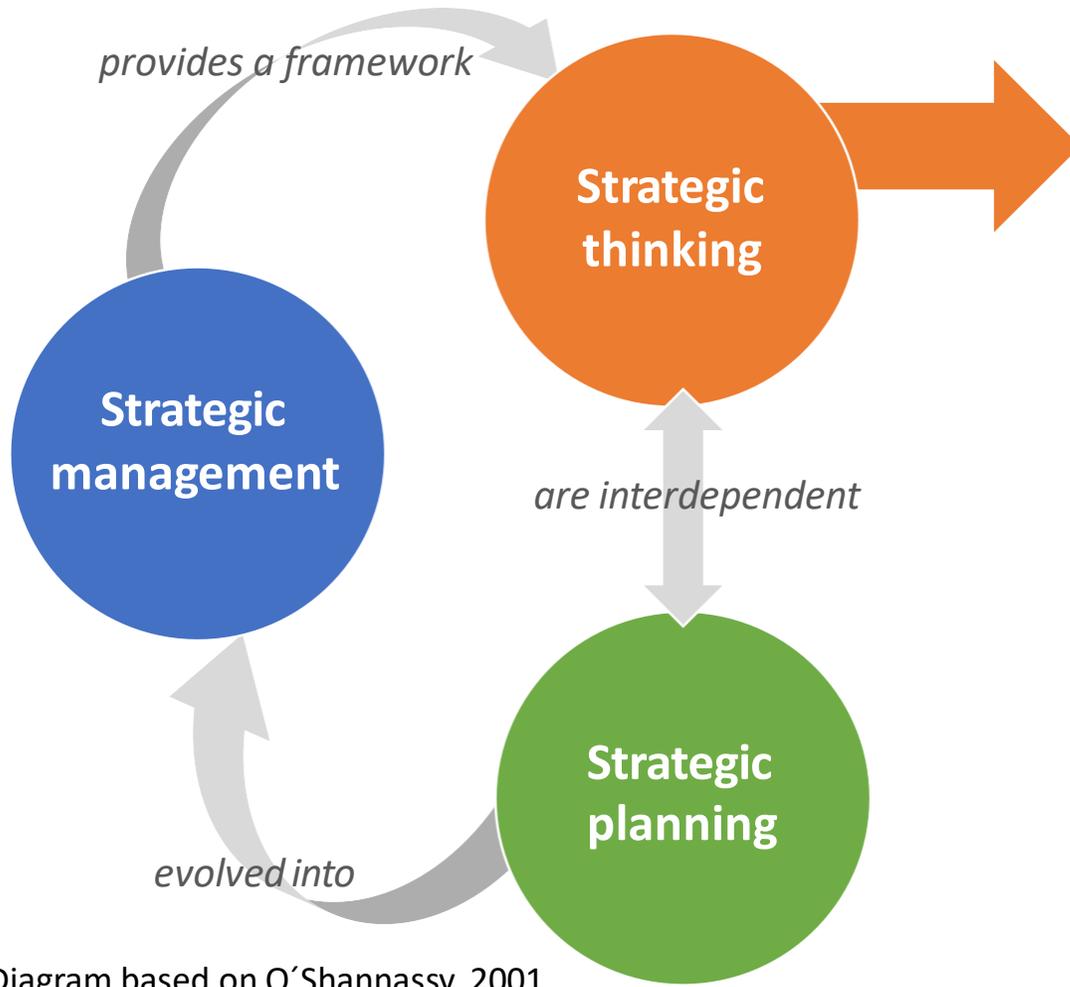


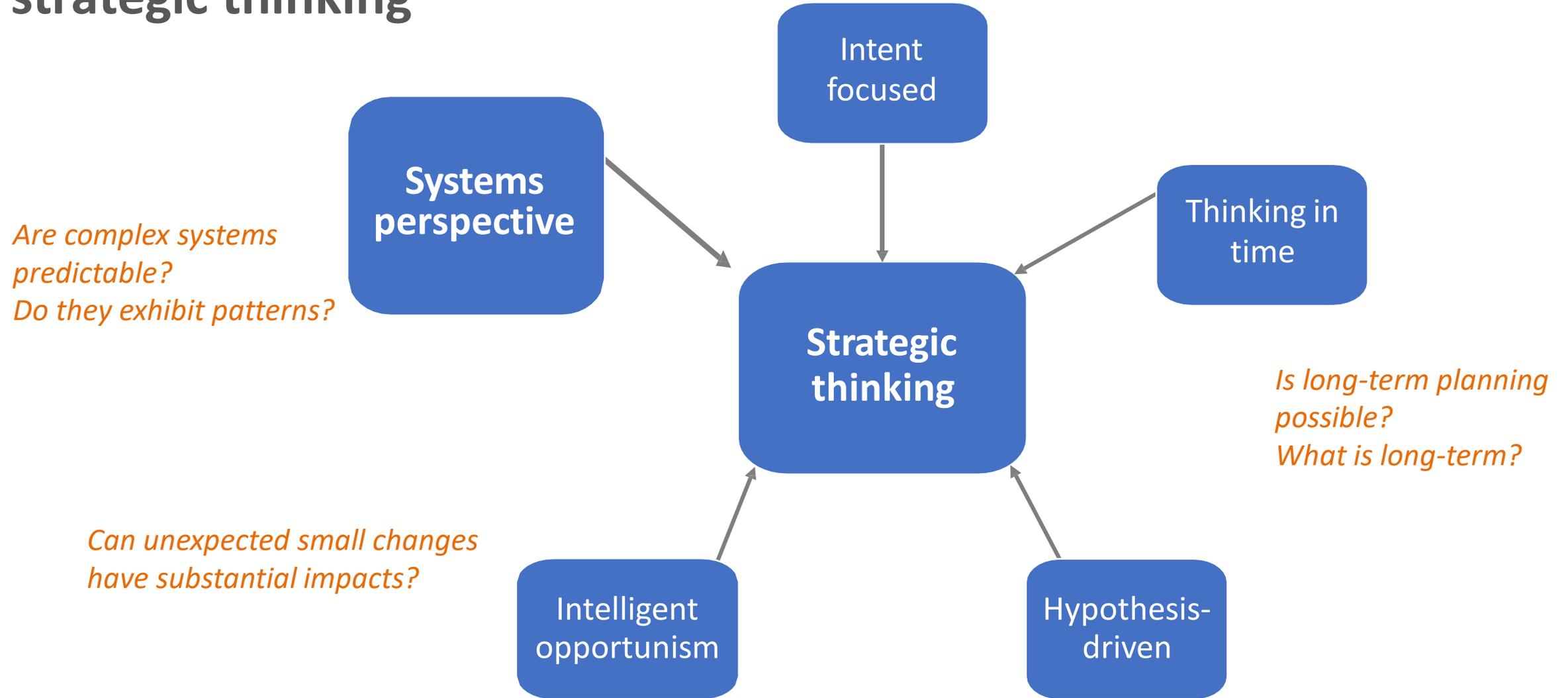
Diagram based on O'Shannassy, 2001

“Strategic thinking is a process in which a person is perceiving, reflecting, feeling, realizing and acknowledging signs that impact the future of the firm <organization>, giving them meaning and acting upon them by shaping the impressions, perspective and behavior accordingly“

“It is a process of educated guess work. It is neither all science nor all art: maybe it is a scientific art, or maybe it is an artistic science””

Jelenc & Swiercz, 2011

The elements of strategic thinking



Becoming a strategic thinker: Can strategic thinking be taught?

It does not happen spontaneously. It is a long and challenging process, requiring time to train, and to develop **intellect and moral faculties**.

“Without **wisdom** and **discernment**, which are **moral qualities**, leaders who have undergone even the most rigorous intellectual training may lead their followers to disaster”

“... leaders should never forget that **character** trumps intellect, talent, and preparation”

(Harold Henkel)

Sources: Henkel, 2011 & Levy, 2000

Becoming a strategic thinker: Can strategic thinking be taught?

A method is needed for training the mind to think hard and avoid easy solutions.



Game of **tactics**



<https://joemorrison.medium.com/i-played-chess-every-day-for-a-year-32de0d38ad54>

Game of **strategy**

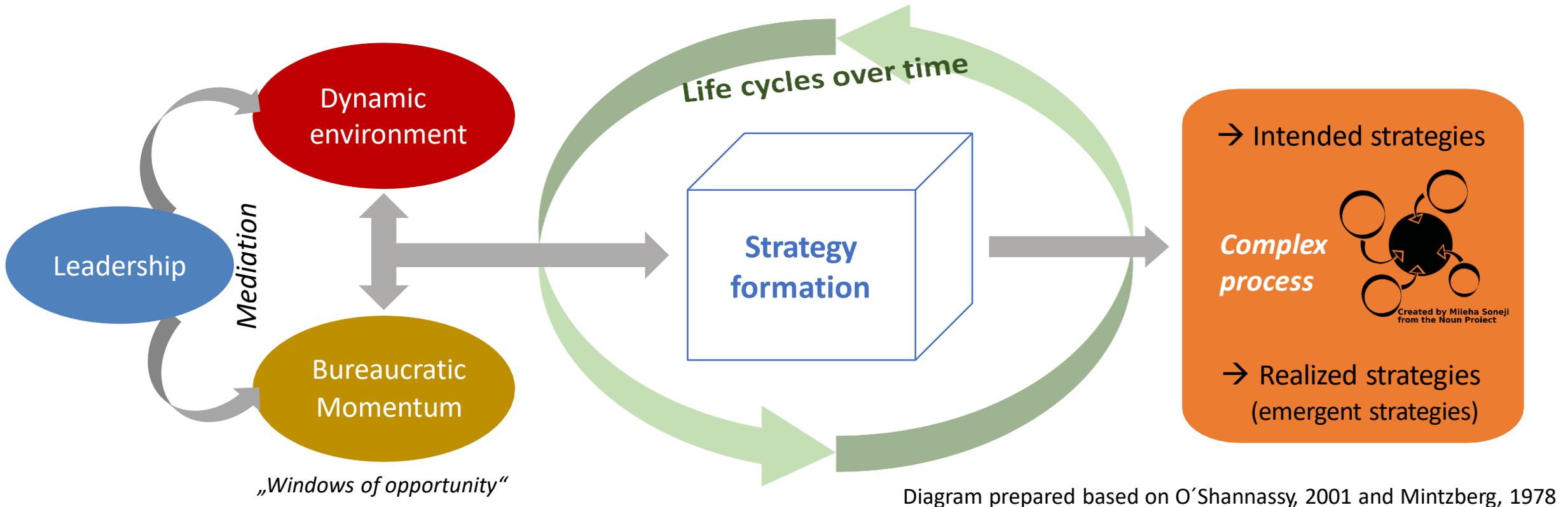


<https://www.nytimes.com/2022/01/25/books/review/seven-games-oliver-roeder.html>

Source: Henkel, 2011

Becoming a strategic thinker: Can strategic thinking be taught?

“There is perhaps no process in organizations that is more demanding of human cognition than strategy formation” (Henry Mintzberg)



To wrap up...

What are the main characteristics of a strategic thinker?

- Complex thinking and not easy solutions
- Creativity and adaptability to changing circumstances
- Trained and experienced
- Balance between analytical and evidence-based vs wisdom/emotional intelligence processes
- Wisdom and humility thinking oriented... How do we trust our gut?
- Explicit consciousness about risks. Making conscious decisions about those risks.

Responses of GCM 2024

How does AI picture strategic thinkers?

Can you generate an image that represents a strategic thinker?



Can you generate an image that represents a strategic thinker without using the image of a white businessman?

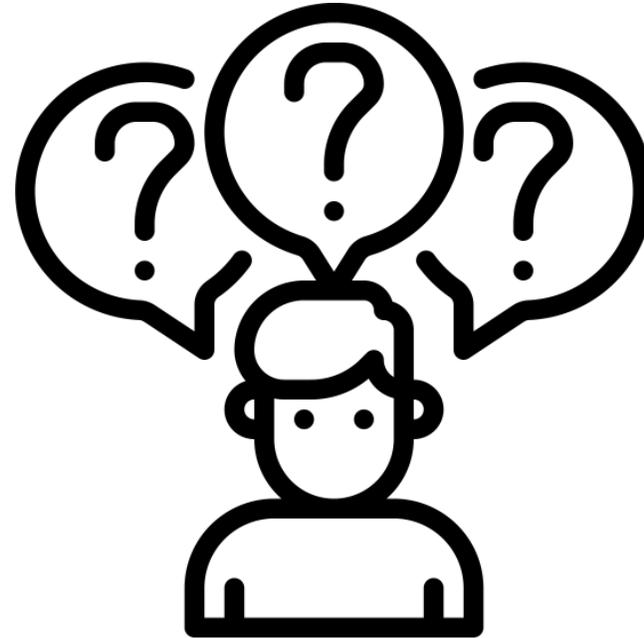


Can you generate an image of a woman as a strategic thinker?



<https://chat.chaton.ai/>

Any questions?...



Question by KonKapp from NounProject.com

...thank you for
your attention!

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