

Proposition 15

From Strategy to Practice

In a Word Strategic reversals are quite commonly failures of execution. In many cases, a strategy is abandoned out of impatience or because of pressure for an instant payoff before it has had a chance to take root and yield results. Or its focal point is allowed to drift over time. To navigate a strategy, one must maintain a balance between strategizing and learning modes of thinking.



Preamble

Despite worldwide attention to strategic planning, the notion of strategic practice is surprisingly new. This owes to widespread perception that strategic reversals owe to strategic miscalculations—the strategy was not sufficiently perceptive, imaginative, or visionary. Alternatively, it was too much of a good thing. But the truth is that strategic reversals are quite commonly failures of execution. In many cases, a strategy is abandoned out of impatience or because of pressure for an instant payoff before it has had a chance to take root and yield results. Or, its focal point is allowed to drift over time.

To draw a strategy is relatively easy but to execute it is difficult. Strategy is both a macro and a micro phenomenon that depends on synchronization. For that reason,

it is worthwhile to examine a few elements of a disciplined process for systematically reviewing, evaluating, prioritizing, sequencing, managing, redirecting, and, if necessary, even canceling strategic initiatives.

Scenario Thinking

Strategic planning stands for the unrelenting process of making decisions systematically with the greatest intelligence of their futurity, organizing the efforts necessary to carry them out, and measuring outcomes against expectations with feedback and self-control. The short-term calls for strategic decisions as much as the long term. However, planning must take account of unpredictability and should not stake everything on one possible scenario. It must develop a small set of distinct scenarios covering the main areas of uncertainty and all plausible futures.

A scenario is an internally consistent view of the future. Scenario thinking is the process of generating and analyzing a small set of different futures. In discrete steps, it (i) reveals the focal issue, (ii) characterizes factors and players, (iii) lists driving forces, (iv) ranks driving forces, (v) fleshes out scenarios, (vi) draws implications, and (vii) selects indicators. The end-result of building scenarios is not an accurate prediction of tomorrow but better thinking about the future. Moreover, since scenarios provide a context for decisions, better thinking should lead to decisions that are more robust. As events unfold, it is necessary to continue to review whether plans fit the realities of environment, economy, society, polity, and technology. If they do not, how can one discard them, or at least stop devoting more resources to their perpetuation?

Unless a variety of opinions are laid before us, we have no opportunity of selection, but are bound of necessity to adopt the particular view which may have been brought forward.

—Herodotus

Navigating a Strategy

To navigate a strategy, one must maintain a balance between strategizing and learning modes of thinking. This is achieved by more skilful action within the environment, in which the aim to make sense of an environment one finds puzzling is balanced by adaptive learning.

All this will not be finished in the first one hundred days. Nor will it be finished in the first one thousand days; nor in the life of this administration; nor even perhaps in our lifetime on this planet. But let us begin.

—John F. Kennedy

Strategizing involves a vision, a goal, a blueprint for the future, and a plan on how to get there. In almost any field of human activity, the factors and players that interact to create both the present and the future are complex and numerous. They include market forces, globalization, regionalization, natural resources, information flows, media, culture, and governance. Theories call for abstractions; for that reason, they apply only in a few domains.

Learning adheres to the same principles as the process of evolution. The events that unfold suggest new hypotheses, based on which one decides on the next steps. In a state of uncertainty, there is little alternative to adaptation. Only through action can organizations and people participate and gather the experience that both sparks and is informed by the process of learning.

Strategy as Practice

Execution is a process. It is not an action or a step and it rests on more people than strategy formulation. Strategy as practice means treating earnestly the habits of practitioners. It reconciles the dichotomy between strategy and learning. Therefore, the practice perspective is concerned with managerial activity, that is to say, with how managers do strategy. There are exciting moments in this, such as the grasping of situations, the begetting of ideas, and the identification of opportunities. But there is also the daily fare, including the routine of planning and budgeting each year, the sitting in committees, the writing of official documents, and the making of presentations. Here, attention to detail and persistence counts as much as foresight: at all times, questions of suitability, feasibility, and acceptability must be asked and answered. It is best to factor in smaller steps, celebrate their achievement, and move sequentially. The practice perspective embodies concern for the effectiveness and efficiency of strategists and not just of organizations. It connects to structured thinking; building, organizing, and working teams; appraising options; creating support mechanisms; assigning and holding responsibilities and accountability; choosing the right metrics; planning delivery; monitoring results; evaluating performance; and managing stakeholders and communications. Strategies that are not deliverable are of no use.

Further Reading

ADB (2006) From strategy to practice: the tonle sap initiative. Manila

The opinions expressed in this chapter are those of the author(s) and do not necessarily reflect the views of the Asian Development Bank, its Board of Directors, or the countries they represent.

Open Access This chapter is licensed under the terms of the Creative Commons Attribution-NonCommercial 3.0 IGO license (<http://creativecommons.org/licenses/by-nc/3.0/igo/>) which permits any noncommercial use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the Asian Development Bank, provide a link to the Creative Commons license and indicate if changes were made.

Any dispute related to the use of the works of the Asian Development Bank that cannot be settled amicably shall be submitted to arbitration pursuant to the UNCITRAL rules. The use of the Asian Development Bank's name for any purpose other than for attribution, and the use of the Asian Development Bank's logo, shall be subject to a separate written license agreement between the Asian Development Bank and the user and is not authorized as part of this CC-IGO license. Note that the link provided above includes additional terms and conditions of the license.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.

