### Strategic Thinking: Don't Govern Without It!

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True to the Sisters of Saint Joseph who strive ever for the "more," we want to provide always greater value in our sponsored ministries to those whom we serve. One way to achieve greater value is to make better decisions at all levels in our ministries and in particular at the Board level. Better decisions require the ability to think strategically. Strategic thinking is critical to the health and survival of our ministries, especially in these times of rapid, dramatic and frequently unpredictable change. Let's talk about strategic thinking.

### What Is Strategic Thinking?

Many of our sponsored ministries have developed or are developing strategic plans to chart a course for the ministry toward a strong and viable future. In the planning process two activities frequently are very difficult for people to complete: describing a preferred future or vision for the ministry three to five years down the road and articulating a key strategy or positioning statement for the ministry. This is true because these two tasks require a different kind of thinking, namely strategic thinking, which is different from operational thinking.

Strategic thinking is not easy to define, as you will see. Strategic thinking is a particular way of perceiving or considering that utilizes intuition, creative imagination, judgment and a temporary suspension of analysis. It often leads to breakthroughs and therefore is referred to as "thinking out of the box." Strategic thinking is future oriented and deals with issues that are critical to the success of the ministry: what the ministry will look like, where it is going, and who it will serve. Decisions on these issues have long-term implications for the ministry, wide impact on the ministry and great significance for how the ministry operates.

Strategic thinking is not a one-time occurrence but a continual habit of mind. Strategic thinking is exploratory and experimental. On one hand, it involves lots of communication and interaction around ideas and possibilities that can come from anywhere in the organization and, on the other hand, it requires deep reflection and mission-based sifting and sorting.

Strategic thinking takes place within a mental framework that:

 Sees the whole and the connections, i.e., it sees the ministry as part of a bigger picture and appreciates inter-relationships among its external and internal parts

- Is focused, disciplined and intentional
- Promotes and maintains forward momentum
- Is open to emerging possibilities
- Entertains "what if" scenarios
- Recognizes instinctively what will work

Strategic thinking requires a conducive environment where sufficient time is given, diverging opinions are valued, fear of change is held in check long enough to entertain different ways of seeing and doing things, and a decisive response can be expected when it is time to act. It takes time to have in-depth conversations about strategy. In the process minds are being prepared to make optimal real-time decisions.

# What Is the Relationship Between Strategic Thinking and Strategic Planning?

There is much debate about the relationship between strategic thinking and strategic planning. Can they work together? Strategic planning is a disciplined effort to produce fundamental decisions and action plans that shape and guide what a ministry is, what it does, why it does it and how it does it for the next three to five years. Strategic planning is a tool to operationalize and actualize the outcomes of strategic thinking. If strategic planning is not permeated with strategic thinking, it will be outdated and useless before the ink dries on the paper.

While strategic planning proceeds logically and sequentially, guided by a set of shared assumptions, strategic thinking leaps and circles its way toward a synthesis that opens new vistas, while challenging existing assumptions along the way. Strategic thinking is an essential ingredient in the strategic planning process. It gives a strategic plan its sizzle and spice - which causes the risk-averse among us some heartburn.

#### What Are the Benefits of Strategic Thinking?

Because strategic thinking explores the big picture and deals with issues that have long-term, broad and significant implications, it enables the ministry to be responsive to change, capitalize on opportunity, ward off threats in the environment, sustain an advantageous position and help position the ministry for growth. Engaging in strategic thinking yields the best thinking about what is happening in the ministry's service sector, what is happening outside in

the environment, and what is an optimal position for the ministry. It generates a vision of what the ministry wants to become which is a stretch for the ministry. It will add significant value to the ministry's performance.

#### What is a Strategic Thinking Board?

A strategic thinking Board has strategic thinkers on it. (You can recognize them because they tend to see things differently.) A strategic thinking board asks questions and looks at ramifications. It realizes that the questions it asks (and the ensuing discussion) will often be more valuable than any answers it receives. It wants to understand why each issue matters and how each decision will reflect on the organization. Such a board frames every decision against the organization's mission, vision and values. It sees strategy as part and parcel of every decision the Board makes rather than as a discrete activity.

How can we get strategic thinking on the Board? Recruit strategic thinkers. Give them room. Learn from them.

#### Resources

"Strategic Thinking: A Discussion Paper" by Eton Lawrence, Public Service Commission of Canada, 1999

"The Value of Strategic Thinking" by Victor S. L. Tan, New Straits Times, 8 April 2000

"The Strategic Thinking Mindset" by Charles Albano, in <u>The CEO Refresher Archives</u>, 1999

"Strategic Plans Aren't the Answer" by Terrie Temkin, NonProfit Management Solutions website, 11 September 2003

## When facing decisions, a strategic thinking board asks itself questions about:

- Potential Can this option help us meet our ministry's goals? Will it help us deal with the unpredictable?
- Philosophy Is this option consistent with our values and policies?
- Image What does this option say to others about us?
- Stakeholders Will this option be acceptable to those we serve and the community?
- **Fit** Is our ministry more traditional or entrepreneurial in its approach?
- Sophistication Level How experienced is this organization with the range of options available? Are we ready for this particular option?
- Life Cycle Is this option appropriate for our ministry at this point in its development?
- Staffing Do we have the people to implement this option successfully?
- Risk Are we opening our ministry to excessive liability?
- Cost Do the benefits of pursuing this option outweigh the costs?
- Competition Is everybody (anybody) else doing this?
- Impact Will implementing this option make a difference?