

Strategy Development
vs.
Strategic Planning
in Mission Driven Organizations

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Strategy Development vs. Strategic Planning

Where We Are Now, and Why

The first efforts at addressing strategy were created in a different era – slower moving, with limited information, and more predictability.

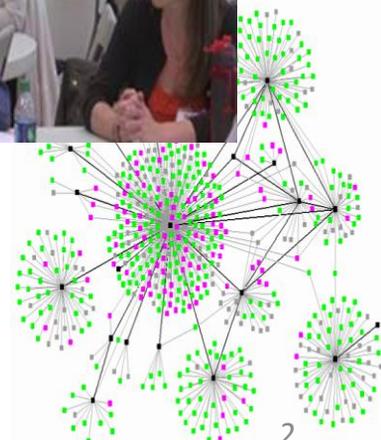
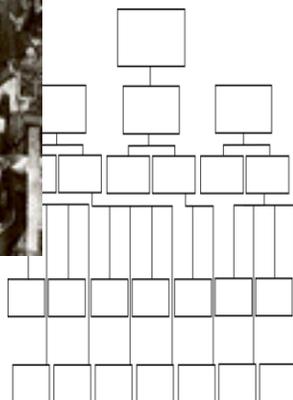
Organizations that reflect that era are highly hierarchical and mechanistic, often have a “power over” mindset, and believe that a small group of smart people can know all that is necessary.

The result is that their strategic process is top down, time fixed, and linear.

It is based on assumptions that little will change during the life of the plan, and that real-time adjusting or learning is unimportant.

On the other hand, organizations that embrace and reflect today’s dynamic, information rich world operate from a “power with” mindset, assuming that “people support what they help create.”

The believe that organizations behave less like machines and org charts.....and more like complex social systems.



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As a result,

“strategic planning” has shifted towards “strategy development.”

It is less about creating a rigid, detailed plan to execute over a fixed time period, and more about building/updating a system that maintains a relevant, powerful strategy, that the entire organization and its stakeholders can participate in updating and executing.



Thus we've replaced a process like this, dominated by Board and senior management input:



with a process like this, with ongoing participation from the entire community:



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The Design of Strategy Development now involves:

- ❖ Refreshing what we know and believe about our environment, to allow us to engage in...
- ❖ Rethinking how we want to affect the world, the best ways to do that, and our role, while...
- ❖ Identifying the strategic principles that the organization will use to pursue its goals, and...
- ❖ Enlisting everyone in the strategy development effort who has a contribution to make, while...
- ❖ Ensuring that feedback and learning take place so everything is updated in real time, and...
- ❖ Empowering and trusting the organization to evaluate risk/reward, and then act when new opportunity arises, while insisting that leadership at all levels uses the identified strategic principles, so that...
- ❖ In the coming years, the organization adapts and pursues its chosen direction while also responding to changes in the environment and fresh discoveries, and can take full advantage of new capabilities it develops.