

Strategy is More Than the Boss's Business - It's Everyone's Business!

Though few would admit it - even privately - many CEOs often feel ill-equipped to lead strategy within their organizations.

Our corporate culture breeds an expectation of the all-powerful and capable CEO. After all, getting to the top isn't easy. It's natural for employees to assume that "the boss knows where we are going". It's his or her job isn't it?

But we should not be surprised that CEOs feel insecure about strategy. Most CEOs, especially those new to the job, have arrived at the top of their organizations after years in operational roles. When your mental horizon has been days or months, it's hard to reorient thinking to work in terms of years or even decades.

Business strategy is also too-frequently regarded as something that is done by exclusively by the CEO or the Board, often behind closed doors. Well, some strategic moves - such as planning a takeover - are clearly sensitive and should be treated as such. Of necessity, they need to be considered by the Board because only the Board is paid to take the kinds of risk associated with takeovers.

But developing a long-term vision for the organization and planning the markets, products, geographies and internal capabilities that can achieve that vision needs a different kind of process.

Long-term thinking is beyond the capability of any one person. And CEOs and Boards are often disengaged with real customer-facing issues.

The solution for the CEO is to stop seeing strategy as something only he or she can devise. Yes, they have to make it happen. But they don't have to have all the ideas.

Real understanding of what works, and what doesn't is gleaned at the coal-face: dealing with customers, making manufacturing processes work or streamlining internal processes. And "what works" - or doesn't - keeps changing with the fast pace of business. Good ideas about future products or services are not always generated in the Boardroom.

Strategy is about making money - not today but in the longer term. Understanding how the current business model works is the starting point for strategic thinking. And finding new sources of high-margin revenue is a continuous process needing creative input from all levels.

Strategy is therefore everyone's business. Keeping the company growing and profitable is everyone's business. Leaders need to sketch - to "paint pictures" of possible futures - but also to engage key players to contribute.

To make it all happen, CEOs need to develop the skill of leading and facilitating strategy setting rather than believing that they must devise every aspect themselves.

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